

**STRATEGY
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**CAN THE MILITARY REFORM AND SURVIVE
IN A POST-SUHARTO INDONESIA?**

BY

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ABSTRACT

AUTHOR: Barbara J. Lutz
TITLE: Can the Military Reform and Survive in a Post-Suharto Indonesia?
FORMAT: Strategy Research Project
DATE: 08 April 2002 PAGES: 30 CLASSIFICATION: Unclassified

This paper explores the past and current Indonesian military and assesses its ability to survive in a post-Suharto Indonesia. Until 1999, the official role of the Indonesian military was a dual role: providing both internal and external security to the country and fulfilling a political role in shaping and administering the government. The military is currently in a process of gradual reform. Indonesia has experienced a period of tremendous economic and political turmoil. Will military reform continue?

Methodology: Research the historical background of the military and political systems in Indonesia, outline the reforms that have been made and the challenges which still exist. Analyze and present the major obstacles to reformation and provide recommendations as to how these obstacles can be overcome.

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CAN THE MILITARY REFORM AND SURVIVE IN A POST-SUHARTO INDONESIA?

Indonesia is a nation in aftershock. The financial crisis that swept the newly emerging markets in 1997 produced its most devastating effects in Indonesia. The currency lost two thirds of its value. The banking system collapsed. Unemployment spread rapidly through the cities of Java. Inflation went through the ceiling. Old grievances, long submerged by prosperity, rose to the surface, and social relations across ethnic and religious lines broke down in violent events in widely separated locations. Rioting and looting occurred in the capital and other major cities in May 1998, and Suharto, the country's president for 32 years, was forced to resign. That was the shock, the undoing of a highly centralized, highly personalized system of power that had turned the governance of this huge nation, the fourth-largest in the world, spread across a vast archipelago, into an increasingly corrupt and repressive regime.

—John Bresnan, *Great Decisions 2000 Briefing Book*

Indonesia has experienced a tremendous amount of turmoil during the last five years. Military reform started at the end of President Suharto's regime and has continued as the fourth President in four years governs the country. Will Indonesia continue its military transformation and achieve the end result of a truly effective, professional, and de-politicized military? It has the capacity to do so, though it will be difficult and will take years to accomplish.

Indonesia is the world's fourth most populous country and its largest archipelago. It contains the largest Muslim community of any nation and approximately 20 percent of the world's Muslim population. In fact, more Muslims live in Indonesia than in all Arab countries combined. Indonesia is a major oil and gas exporter, and the only member of the Organization of Petroleum Exporting Countries (OPEC) in Asia. It is the backbone of the Association of Southeast Asian Nations (ASEAN).¹ The military has played an important political role in Indonesia, which will be discussed in detail. For most of its post-World War II history, the military has been known as the Indonesian Armed Forces or ABRI (*Angkatan Bersenjata Republik Indonesia*). In 1999, it was renamed the Indonesian National Military (*Tentara Nasional Indonesia*) or TNI. This is somewhat confusing, as the Indonesian National Army was also called the TNI before 1999.² This paper will use TNI to define the Indonesian military, regardless of the time period.

GEOPOLITICAL IMPORTANCE OF INDONESIA

STRATEGIC IMPORTANCE TO THE UNITED STATES

Maritime passages between the Pacific and Indian Oceans, which are heavily used by the U.S. Seventh Fleet, are solely or partly Indonesian waters. Since Indonesia has asserted its

legal right to control passage through these waters, the U.S. has negotiated a number of agreements during the past 30 years to guarantee its passage through these waters. The importance of passage has been demonstrated during a number of crises in the Persian Gulf region: the Soviet invasion of Afghanistan, the Islamic revolution in Iran, the Persian Gulf War, tensions in the Straits of Taiwan, and the more recent events in Afghanistan. In addition, the United States' National Military Strategy of fighting two nearly simultaneous wars in the Persian Gulf and Western Pacific make free passage of these waters extremely vital.³

GEOPOLITICAL IMPORTANCE

Indonesia is the focal point of Southeast Asia, which is located in the crossroads between Northeast Asia (Asia's industrial and technological center of power); the oil resources of the Middle East; the continent of Australia; and the subcontinent of India. Japan, China, the Republic of Korea, Taiwan, and Australia regularly transit the straits and sea-lanes of Southeast Asia, which Indonesia dominates. In 1993 "over half of the world's merchant fleet capacity sailed through the Straits of Malacca, Sunda, and Lombok or sailed past the Spratly Islands. Over one third of the world's fleet weighing more than 1000 dead weight tons visited the region."⁴

This area is also a cultural crossroads, where many different civilizations and religions intersect and have interacted for nearly a thousand years. A mixture of Muslims from different sects live from Thailand through the Malaya peninsula, through the islands of Indonesia to the Philippines. Within Indonesia, there are high concentrations of Christians in Central and West Kalimantan, North and Central Sulawesi, East Nusa Tenggara, Maluku, and Irian Jaya. Nearby, the Philippines are predominantly Catholic and Bali is mostly Hindu. Large Buddhist and Chinese communities exist throughout Indonesia and Southeast Asia.⁵

SECURITY ENVIRONMENT

Southeast Asia is a loosely formed security community with Indonesia at the helm. The failed communist coup in Indonesia in 1965, and the general anticommunist sentiment of the more conservative regional governments, launched the formation of the Association of Southeast Asian Nations (ASEAN). The original ASEAN members were Indonesia, Malaysia, Singapore, Brunei, the Philippines, and Thailand. This highly successful model of regional cooperation emphasized multilateral cooperation in settling regional conflicts and disputes. However, the economic crisis of 1997-98 and the decision to expand ASEAN to less developed countries (Vietnam, Laos, Cambodia, and Burma) have resulted in an ineffective ASEAN.⁶

The ASEAN has been challenged by the increase in ethnic and religious conflicts, as well as the increase in separatist movements in different parts of Southeast Asia and in Indonesia in particular, and will be addressed later in this paper. Many of the separatist movements are fueled by terrorism and violence and threaten the stability of the region.⁷ In addition, piracy on the high seas has become a major problem. Over one third of all piracy attacks recorded in the entire world during 1997-99 were within the Indonesian archipelago.⁸

DUAL FUNCTION MILITARY

HISTORICAL BACKGROUND

The TNI is relatively unique in that the military is not totally under civilian control nor is it a military dictatorship. Its historical role has been that of *dwifungsi*: defense against both internal and external dangers (the traditional military role) along with a socio-political role.⁹ The historical justification for the military's right to participate in politics stems from 1945, when the military was formed in Indonesia after the Japanese surrender.¹⁰ The Japanese had taken over Indonesia from the Dutch during WW II and had promised Indonesia its independence in 1944. After the Japanese surrender in 1945, Indonesia fought a war of independence with the Dutch when the Dutch tried to regain their former colony. The military was, at times, the only functional government structure within Indonesia. The different armed guerilla factions had the support of the people. The Dutch military was drawn into an unpopular war of attrition as the guerilla groups kept constant pressure on them in the fight for Indonesian independence. These guerilla groups operated independently within local villages and were the impetus for the later TNI Army structure, where platoons actually lived in local villages.¹¹

The military's socio-political role in the government was fixed in the 1945 Constitution, which gave the military 100 seats in the parliament. In addition, military officers were allowed to stay on active duty in their military rank as they served in various political positions.¹²

MILITARY INVOLVEMENT IN POLITICS

While the Constitution of 1945 gave the military a role in government, specifically 100 seats in parliament, this document was relatively meaningless until Indonesia actually gained its independence in 1949. Two events occurred in 1948, during the war of independence, which cemented the military's distrust of the civilian political system. The first was the Indonesian Communist Party's (*Partai Komunis Indonesia* or PKI) attempt to seize power from the main Indonesian fighting force, led by Mohammad Hatta. Hatta and his army crushed the communist effort. The TNI leaders were incensed that the communist faction would put its own cause

above the struggle for independence. Although the PKI remained a prominent political movement in Indonesia until the mid-1960s, the TNI had a deep distrust of the communists and continued to oppose them politically at every opportunity. The second event that propelled the TNI into the political scene was the reaction of the civilian politicians in the face of a Dutch attack in December 1948. While the politicians had sworn they would lead the military into battle against the Dutch, they meekly went into Dutch captivity without putting up any resistance. Their “sheepish” surrender forever made the military suspicious of the ability of the political system to govern the country by itself.¹³

THE CONSTITUTION OF 1945

The preamble to the Indonesian constitution is the *Pancasila*, the ideology of the Indonesian State. The five pillars of the *Pancasila* are:

- Belief in one supreme God
- Justice and Civility among people
- National unity of Indonesia
- Democracy through deliberation and consensus of representatives of the people
- Social Justice for all¹⁴

When General Sukarno declared Indonesia’s independence in 1945, the Investigating Committee for the Preparation for Independence had a constitution ready. This document gives a great deal of power to the president with few checks and balances from the parliament. The main precepts of the constitution are:

- The ultimate authority is the People’s Consultative Assembly (*Majelis Permusyawaratan Rakyat* or MPR). This body elects the President and Vice-President every five years, following the general election.
- The People’s Representative Council (*Dewan Perwakilan Rakyat* or DPR) makes up half of the members of the MPR. The DPR are, for the most part, elected during the general election every five years. However, of its approximate 500 members, 100 are selected (not elected) members from the TNI.
- The other half of the MPR are appointed from a variety of groups within the Indonesian society. If the President gets involved in the selection process of the MPR and/or the DPR, then these bodies may just be a reflection of presidential will.¹⁵

FUNDING FOR MILITARY

The Indonesian government only provides about 25 percent of the military's operating costs.¹⁶ It is the responsibility of the military and its officers to come up with the rest of the funding. Since the military's inception, it has raised money through various commercial enterprises, mostly legal, some not. The military established a number of non-profit (tax-free) foundations in order to raise money for itself. The largest of these, *Yayasan Kartika Eka Paksi*, was established in 1972 with President Suharto's permission, and controls 26 different companies.¹⁷ It is a centralized enterprise, providing funding for the military as a whole, and has interests in banking, construction, forestry, real estate, manufacturing, and other areas. Each of the services also run centralized commercial ventures, as do individual units and regional commands.¹⁸

Because the military is mostly self-financed, military leaders have direct involvement in business and the economy. This structure "has given the army considerable capacity to intervene in local politics and provides plenty of opportunities for fund-raising, sometimes legal and sometimes illegal... This situation has severely distorted the capacity of the Indonesian armed forces to operate in anything approaching a satisfactory relationship with the government and society they are supposed to serve. It has pushed the Indonesian military in the direction of corrupt integration with the local power and economic structures and seriously inhibited its professionalism."¹⁹ A noted writer on Indonesia, Ruth McVey, argues "The military's local financial dealings not only served to keep troops well-fed and loyal, but padded the pockets of the commander and those who assisted him in his dealings. The fact that many of the most lucrative arrangements involved smuggling from the export-producing border areas only increased the tendency of military men to draw the conclusion that soldiers need not take the law too seriously and did not provide a particular example of honesty. Thus began, at quite an early stage, the process of personal corruption and entanglement with civilian concerns that has plagued the military every since."²⁰

Given the fact that only 25 percent of military expenditures are currently funded by the central government, it would take an increase of approximately 300 percent (\$3 billion) to fully fund the military and police. With the depressed economy Indonesia is now experiencing, it is unlikely that the military funding system will change soon. However, widespread reports that the military and police "have often charged fees for protection and engaged in various extortion rackets which prejudice the effective performance of their duties"²¹ undermine the credibility and authority of military and police personnel.

TRADITIONAL STRUCTURE OF THE MILITARY

The TNI has approximately 300,000 active duty forces, of which 235,000 are Army, 47,000 are Navy, and 21,000 are Air Force. An additional 180,000 are members of the National Police, which was part of the TNI until 1999, but is now a separate organization.

The Army

The Army is composed of 13 operational commands. The two most important are the Army Strategic Reserve (*Kostad*) and the Army Special Forces (*Kopassus*). The *Kostad*, a "strategic fighting force," numbers 35,000 and is located in Jakarta. Comprised of two infantry divisions, including three airborne brigades and three conventional infantry brigades, the *Kostad* was Suharto's power base during his rise to power. The *Kopassus*, also headquartered in Jakarta, numbers 6,000 to 7,000. Its personnel are trained in intelligence gathering, special operations, and airborne/sea operations. They have been used extensively in counterinsurgency operations in the provinces. The rest of the operational commands are territorial commands, commanded by a general officer, and are at a division level.²²

Each territorial command is subdivided into a brigade level command, commanded by a colonel. These brigade level commands are further subdivided into military districts, commanded by lieutenant colonels, a battalion level command. The lowest organizational level is the platoon level, headed by a noncommissioned officer, which is physically located in a local village. All battalion level and above have intelligence staffs who report directly to the national level military intelligence agency.²³

The significance of the Army structure is two-fold. First, the *Kostad* and the *Kopassus*, two elite organizations, are under the control of the President and are physically located in Jakarta, the capital. Until very recently, the military had responsibility for internal security. The President had both an elite fighting division-sized unit and a brigade-sized intelligence gathering unit at his disposal. These units had the authority to enforce the law and gather intelligence on domestic matters. Although there is no historical evidence that this power was abused, certainly an intimidation factor existed.

Second, the assimilation of Army platoons and squads into local villages ensured that the military would be close to the people. It would be difficult for dissident and rebel groups to operate at a grass roots level with members of the military participating in every aspect of local community life. The military presence was one that enforced Jakarta's authority. As a former commander in Aceh put it, "there was not a day that he did not visit Muslim schools and meet with the *ulama* and local leaders to remind them of the national outlook, of the national ideology,

Pancasila, and of the authority of the central government."²⁴ The Army, which makes up nearly 80 percent of the total military forces, is certainly the dominant force and the one most immersed in society.

The Other Services: Navy and Air Force

The Navy is small for an archipelago which has over 17,000 islands (of which over 6,000 are inhabited) and 55,000 kilometers of coastline. It consists of 17 frigate-sized ships, 57 patrol boats (many of which are not seaworthy), 26 combat landing craft, 13 mine sweepers, and two submarines. Most of the Navy is deployed in sensitive areas or major sea lanes, such as the Straits of Malacca.²⁵

The Air Force has a main mission of territorial defense, but also conducts strategic surveillance of the waters around Indonesia. Combat aircraft include one squadron of F16A/Bs; two squadrons of BAE Hawk Mk 109/209; one squadron of Hawk Mk 53 light attack aircraft; one squadron of upgraded F5E/Fs; one squadron of refurbished A4Es; and one reconnaissance squadron of 12 OV-10F aircraft. For transporting ground forces and equipment, the air force has two squadrons of C130s, as well as a few smaller transport and rotary wing aircraft.²⁶

The Air Force suffered a devastating loss in an attempt to upgrade their equipment and spare parts when a deal with the United States fell through due to U.S. congressional criticism of the East Timor crisis. Indonesia subsequently planned to buy aircraft from Russia instead, but the Indonesian financial crisis nixed that also.²⁷

Both the Navy and Air Force lack up-to-date equipment and spare parts. Indonesia encompasses an area of about 2 million square kilometers, about three times the size of Texas. The Navy is a relatively ineffective force, considering the small number of ships it has and the large amount of territory to cover (55,000 km of coastline with a 12 mile territorial zone). Together, the Navy and Air Force make up about 22 percent of the total military force.

The National Police

During Dutch colonial rule, the police force was mostly Dutch. There were no Indonesians who held the rank of the district police chief and few were even in the middle ranks of the force. Indonesians were allowed to serve as field agents, the lowest position on the force. Although the Japanese opened up the middle ranks to Indonesians during their occupation, there were few trained or experienced officers available to man the police force for the new Republic of Indonesia. During the late 1950's, the police were organized on a national rather than a

regional level. Today, the Indonesian National Police (INP) is the world's largest police force, about 250,000 total.²⁸

The new government quickly established a comprehensive training and education system, using internal resources as well as direct and indirect foreign assistance. For the first decade or so after independence, the INP "held a respected place in Indonesian society and maintained a reasonable degree of independence from the political parties and from government interference in operational matters...but from 1963 until 1966 the force was also wracked by internal dissension and political power plays as Sukarno used all means, including the police, to balance the power of the army."²⁹

In 1967, the police were made a branch of the armed forces. It was a catastrophe for the police force. The budget was reduced, the training became militarized, and police powers were usurped by the army. The ratio between police and the civilian population fell from 1:500 to 1:1200 and the technical competence declined. By 1998, the National Police had the least competence and public respect in their history.³⁰

In 1999, the INP were taken away from the military and put under the Minister of Defense. In July 2000, President Wahid made the INP directly responsible to the president. The National Police have issued their own paper on a reform process, but it is too early to tell how successful it will be.

The INP is mentioned here because for many years it was part of the TNI and the lines between the TNI and the INP were blurred. During this time, the INP was subordinate to the military and many military officers do not accept the authority of the local police or the fact that the local police now have primary responsibility for law and order. "Having exercised over-arching power for so long and having enjoyed the economic benefits that flow from it, the military is reluctant to accept the primacy of the police in rule of law. Military facilities are effectively sanctuaries from the law despite an August 2000 MPR decree that the TNI is to be subject to civil law."³¹ It remains to be seen whether the military will subject itself to the rule of law under the INP.

THE MILITARY DURING THE "OLD ORDER" AND THE "NEW ORDER"

President Sukarno, who governed Indonesia from 1949 through 1966, was a General in the TNI during the war of independence with the Netherlands. His military ties helped place him in his position as the country's first President. His flirtation with the PKI and communism in 1966 drove him from power, as the military sided against him. His rule is generally referred to as the "Old Order," while the "New Order" defines the rule of President Suharto, from 1966

through 1998. It was President Suharto who, as a Army Major General in 1996-68, suppressed the Communist coup attempt and ascended to the presidency in 1968. The overthrow of Sukarno was accomplished by a diverse coalition of organizations, called the "New Order Coalition", and included intellectuals, Islamic militants, students, the army, and various anti-Communist groups.³² The term "New Order" stuck, and defined Suharto's reign. It was then that Sukarno's regime was coined "Old Order."

POST-SUHARTO MILITARY REFORM

After the 1997 general election, the presidential election was conducted by the MPR in March of 1998. Suharto was elected as president for the seventh time, with B.J. Habibie elected as a new vice president. During this time, the economic crisis continued to grow. Finally, heavy rioting grew out of control, and Suharto was forced to resign on May 21, 1998. The vice president, Habibie, was sworn in as president of a transitional government, which would pave the way for elections in 1999. However, Habibie lacked legitimacy due to the fact that he was hand-picked by Suharto. He did not have great backing by the military, either.³³ New elections in 1999, the first truly democratic elections since 1955, saw Abdurrahman Wahid elected president and Megawati Soekarnoputri (daughter of Sukarno) elected vice-president.³⁴

The military remained relatively quiet during the events that led to the fall of Suharto, the succession of Habibie as president, and the subsequent early election of Wahid as president. However, "even senior Indonesian officers acknowledged that the military suffered a severe loss of reputation and credibility as the result of its association with the Suharto regime...and from its involvement in the rampage by the pro-Indonesia militias in East Timor."³⁵ The TNI was forced to back away from its political role and undergo reform. The most important changes were:

- Abandonment of the principle of *dwifungsi*; military representation in the Parliament was reduced from 100 to 38 and will be eliminated by 2004
- Placement of the Indonesian National Police (INP) under the direct control of the president; INP had previously been part of the TNI
- Ending the practice of appointing active duty military officers to non-military positions
- Severance of all ties between the TNI and the political party *Golkar* (the party which kept Suharto in office)
- Appointment of a civilian Minister of Defense
- Renaming the ABRI the TNI³⁶

In the open and liberal atmosphere of the post-Suharto era, Habibie felt pressure from both domestic and international sources to liberalize his regime. New political parties were allowed to form, controls were lifted from the press, political prisoners were released, and the first truly free elections were held in 1999.

Civilians began criticizing the military in a manner that would not have been tolerated under Suharto. This was certainly a positive trend, confirming a more democratized society as opposed to Suharto's authoritarian regime. Past abuses of the military were brought to light. The military was accused of systematic human rights abuses, particularly in the provinces where separatist movements were being suppressed by the military. "In a particularly notorious case, eleven soldiers from the elite Special Forces (*Kopassus*) were court-martialed while their former commander and son-in-law of the deposed president, Lt. Gen. Subianto, was dismissed from the military. The sudden collapse of their public image had a devastating effect on military morale and put the armed forces on the defensive in a way they had never experienced before."³⁷

During Habibie's short presidency, many reforms came from within the military itself. Many reform-minded officers "saw the handwriting on the wall" and realized that the military had little choice but to withdraw from direct involvement in the government. Although Habibie was wary of the military, he introduced major democratic reforms and acted independently from the military on a number of occasions. He refused the military request to declare a state of emergency in Aceh and Maluku during separatist uprisings. His greatest legacy, however, will be his decision, without government or military consultation, to allow the people of East Timor to vote on a referendum for independence, which was overwhelmingly approved.³⁸

The first truly free elections were held in Indonesia in October 1999. Abdurrahman Wahid, a religious leader and democratic activist, was elected president. One of his first actions was to fire General Wiranto, Commander-in-Chief of the TNI, and replace him with a Navy admiral. He continued to appoint a number of retired military officers to his cabinet, but they did not act as a solid block as previous officers had. Eventually it appeared as though Wahid and the military came to an "understanding" that the military would not challenge him and he would not "interfere" in their areas of professional competence.³⁹

It was during the Wahid presidency that the TNI formally endorsed the concept of civilian supremacy over the military and abandoned the principle of *dwifungsi*. The new Commander-in-Chief, Admiral Widodo, announced that the military would concentrate on defense against external aggression, while the National Police would take over responsibility for internal security.

It would appear that quite a bit of progress has been made in military reform. The principle of *dwifungsi* defined the military from 1945 through 1998 and has now been abandoned. The TNI has agreed to leave internal security to the INP, has formally (at least) withdrawn from the political scene, and has submitted to civilian control. Will this trend towards reformation continue?

EFFECTS OF THE INDONESIAN ECONOMIC CRISIS (1997-1998)

During the "New Order," a conscious decision was made to open the private business sector to non-indigenous business interests. During the period from the late 1960's until the crisis in 1997, per capita income tripled and the number of people living in poverty declined sharply.⁴⁰ When the economic crisis hit Asia, the phenomenal growth of the past three decades was brought to an abrupt halt. The value of the *rupiah* had dropped 80 percent. Unemployment rose, and the real earnings of workers declined by 27 percent. Traditional programs to help the poor faltered as the crisis deepened. Rioting against the economically better-off Chinese increased, and Suharto's ties to the Chinese business community fueled the resentment.⁴¹

The past two years show that Indonesia may be on the road the road to recovery. In the year 2000, its gross domestic product (GDP) was 4.8 percent. However, this was due in large part to merchandise exports and oil and gas exports. A decline in exports or a lowering of oil and gas prices could send the country back into a recession.⁴²

The economic crisis has had a severe impact on the military. A number of major military modernization efforts for the Air Force and Navy were cancelled due to lack of funding. Some military-backed enterprises have gone into or are on the verge of bankruptcy, while some continue to be profitable. Commanders are experienced at raising funds in other ways. Managers of mines, forestry industries, and other industrial enterprises are often pressured into giving "donations" to the military for protecting the premises. It is routine for officers to receive kickbacks on purchases of supplies and equipment. So, while the military has suffered from the economic crisis, its daily operations have not been curtailed, at least not for the Army.⁴³

MILITARY ABUSES IN THE PROVINCES

EAST TIMOR

The East Timor crisis was a defining moment in Indonesian history. President Habibie allowed a referendum which offered two choices to the people of East Timor: remain within Indonesia with considerable autonomy or declare independence from Indonesia and become a separate and independent country. The turnout was extremely high (95 percent of registered

voters actually voted) and the vote was overwhelmingly for independence from Indonesia (79 percent).

The violence that erupted after the vote was a relatively one-sided affair by pro-integrationist militias who had the support of the *Kopassus*, the Army Special Forces Command. The *Kopassus* had organized and trained many of the militias back in the 1970s. The violent rampage by the militias after the vote destroyed East Timor's infrastructure and forced a large part of the population to flee to West Timor or into the mountains. There are two theories as to why the TNI allowed such violence to go unchecked. The first is that there were many pro-integrationist East Timorese troops in the TNI on East Timor that they acted beyond the control of the military leaders. The other theory is that the military sponsored violence was simply retribution for the vote and a warning to other provinces seeking independence. Most likely, it was a combination of both theories.⁴⁴

Indonesia lost a tremendous amount of credibility in the both the international community and domestically over the handling of the elections in East Timor and the resulting violence which ensued. The TNI had a direct hand in the violence and few military members have been prosecuted for the human rights abuses that took place there. Until past human rights abuses by the TNI are brought to trial, the United States will not extend military funding to Indonesia.⁴⁵

ACEH

Aceh was a sovereign state for four centuries until a 30 conquest by the Dutch ended in colonization in 1903. Aceh remained a Dutch colony until World War II and the occupation by Japan, after which the Dutch never returned due to local resistance. Aceh assisted Indonesia in its quest for independence and enjoyed its autonomy in the early years of Indonesian independence. However, in 1950, the Indonesian government in Jakarta merged Aceh with the province of North Sumatra. The loss of autonomy caused an armed rebellion to start, which ended after President Sukarno restored Aceh's provincial status in the early 1960s. In the 1970s, however, President Suharto reversed the autonomy given to Aceh by the former President Sukarno. At the same time, oil and natural gas were discovered along Aceh's northeastern coast. The Suharto regime established oil and gas-based industries in Aceh, siphoning nearly all the profits out of the province.⁴⁶

The people of Aceh are predominantly devout, but not necessarily radical, Muslims. The *ulama*, comprised of Aceh's influential Islamic scholars, has traditionally enjoyed a prominent role in society and in laws governing legal matters. Aceh considers itself "more Islamic" than Indonesia, and resents the somewhat secular government in Jakarta.⁴⁷

In 1976, the Aceh Liberation Movement (*Gerakan Aceh Merdeka* or GAM) was formed under the leadership of Hasan di Tiro. The movement had little military strength at that time and was quickly suppressed by the TNI. Di Tiro fled to Sweden in 1979, where he has continued to lead the GAM in exile.⁴⁸ Armed insurgency erupted again in 1989 following the return of some 250 GAM fighters who had received training in Libya. President Suharto ordered the TNI to crush the rebellion, and crush it they did by overwhelming military force. The brutality and human rights abuses that ensued fostered hatred and suspicion of the TNI and the government of Jakarta in general.⁴⁹

It is estimated that the GAM controls or influences 80 percent of Aceh's villages. The number of killed and missing Acehnese in the 1990s appears to be between 2,000 and 4,400, with an additional 500 maimed and 700 dwellings burned. In 1998, President Habibie and his Commander-in-Chief of the Armed Forces General Wiranto admitted the mistakes of the past, apologized, and ordered a removal of army troops from Aceh.⁵⁰ A cease-fire is currently in effect while the issue of autonomy is being decided.

President Megawati, who was sworn in as President in July 2001 after Wahid was dismissed by the MPR for a banking scandal, is under pressure to use the military to prevent Aceh from declaring independence. She has publicly apologized for past abuses in Aceh, but puts the "maintenance of national unity" at the top of her list of national goals.⁵¹ A declaration of independence by Aceh and the resulting military response would provoke a civil war that Indonesia would not win without terrible costs to its Army and to the people of Aceh. This is a tenuous situation which, if not resolved peacefully, will have an extremely negative effect on Indonesia in world opinion.

PAPUA

As in Aceh, a strong separatist movement exists in Irian Jaya. While this movement does not have the violent aspects of the movement in Aceh, it remains a threat to the stability of the Indonesian government.

Irian Jaya was originally called Papua, part of the Dutch East Indies. When Indonesia declared its independence from the Netherlands in 1949, the territory of the Dutch East Indies was claimed by Indonesia as part of its struggle for independence. The people of Irian Jaya, called Papuans, were not involved in Indonesia's struggle for independence. Most Papuans identify more with the Dutch than the Indonesians do, and the Netherlands did not consider Papua to be part of Indonesia. Under the auspices of the United Nations the dispute between the Netherlands and Indonesia was resolved in August 1962, when Papua was incorporated

into Indonesia. However, the New York Agreement, as the resolution was called, contained language for an act of self-determination for Papua within six years of Indonesian administration. This never happened.⁵²

In 1960, the non-Papuan population constituted only about 2.5 percent of the total population in Irian Jaya. By 1998, it had grown to close to 30 percent of the population, with most of the increase coming from Indonesian immigration into Irian Jaya. Immigrants have successfully integrated into Papuan society and dominate the economic and political life. During 2000, a number of disputes between Papuans and immigrant settlers erupted in violence. In October, about 30 people were killed in Wamena during a clash between police and Papuans who were attempting to raise the Papuan flag. The violence eventually closed schools, shut down the local government, and caused an exodus of thousands of Papuans and settlers from the region. In December, some 300 people attacked the police station in Abepura, killing three policemen and burning a number of shops. The police, suspecting students, attacked the local students in dormitories and detained 90. Some were subsequently tortured and killed while in custody.⁵³

Once more, this is a situation where a province, whose people do not identify with Indonesia, want independence. As in Aceh, natural resources are being exploited with little benefit to the province. Military actions have resulted in human rights abuses with no one being held accountable. The Papuan political elite have drafted a proposal for special autonomy within Indonesia. It encompasses Papuan values and ideals, makes distinctions between indigenous Papuans and other "residents," and defines the power structure and distribution of revenues from Irian Jaya. Jakarta has yet to decide whether it will allow this special autonomy in Irian Jaya.⁵⁴

U.S.-INDONESIA MILITARY RELATIONSHIP

In November 1991, the TNI was responsible for a massacre of civilian demonstrators in Dili, East Timor. This incident, combined with a number of alleged human rights violations on the part of the TNI, caused Congress to reassess its relationship with Indonesia. In 1992 (in a foreign appropriations bill for fiscal year 1993), Congress cut all funding for the IMET program for Indonesia. The Bush administration opposed this action, arguing that the IMET program was a means of influencing the Indonesian military and exposing it to U.S. views of human rights. The theory was that the U.S. had a broad range of interests in Indonesia and its engagement with them should be sustained, not cut off.⁵⁵

In 1996, at the Clinton administration's urging, Congress voted to restore IMET funding for Indonesia in the 1997 foreign operations appropriations bill, with special provisions. These included an expanded IMET program that would address human rights, military justice, and civilian control of the government. The courses would include personnel from the Indonesian parliament and non-government groups. In addition, the U.S. and Indonesia reached an agreement in 1996 for Indonesia to buy nine F-16s. In late July 1996, the TNI arrested members of the Indonesian Democratic Party and protesters belonging to dissident organizations. The Clinton administration reacted by announcing a postponement of the F-16 sale. In 1997, the Indonesian government responded by canceling the sale and withdrawing from the IMET program. President Suharto, who was forced to resign in disgrace in 1998, gave the reasons for the withdrawal as "wholly unjustified criticisms in the United States Congress against Indonesia." During the late 1990s, human rights abuses by the TNI against student and dissident groups increased and the U.S. canceled a number of planned exercises with Indonesia. After the terrible massacres in East Timor in 1999, President Clinton suspended all military funding to Indonesia.⁵⁶

The fiscal year 2001 Foreign Operations appropriations bill contained clear language regarding military assistance to Indonesia. No funding for the IMET or the Foreign Military Financing (FMF) programs would be approved unless the Bush administration certified in a report to Congress that Indonesia and the TNI had met specific basic standards with regards to human rights and accountability of the TNI. This was not done, and neither program was financed.⁵⁷

Admiral Blair, the U.S. Pacific Commander, testified to Congress in March 2001 that military education (i.e., the IMET program) was a way to reach the goals of a more responsible (to human rights) TNI, rather than a reward once the TNI has reached that point. He urged the Senate to lift restrictions on the IMET program, but it is unlikely that this will happen without real progress in reform of the TNI, including holding personnel responsible for past abuses.

Although Indonesia and Australia never completely severed military relations, the massacres in East Timor and the resulting Australian-led U.N. sponsored peacekeeping mission have severely strained the relationship between the two countries. With its fourth president in four years, Indonesia is in a continual political and economic crisis. All the while, the Indonesian government, led by President Megawati (daughter of President Sukarno, who ruled for nearly two decades after Indonesia's post WW II independence), is trying to reduce the political role of the TNI. No one knows if the democracy in Indonesia will survive.⁵⁸

CONTINUED OBSTACLES TO TRUE MILITARY REFORM

- The most glaring obstacle is the lack of daily operating funds. The government only funds 25 percent of the amount needed to run the military. Salaries for General Officers run around \$200 per month. Until military officers concentrate on their primary job, that of leading troops and providing security against external threats to the country, Indonesia will never have a truly professional army.
- Military officers must be prohibited from engaging in business enterprises, including appointment on corporate boards, until retired.
- The TNI and National Police must continue on the road of removing themselves from politics. The 38 seats in the DPR reserved for military appointments must be phased out as planned by 2004. Military members should not be eligible for consideration for government appointment unless they are already retired.
- The territorial system within the Army must be abolished.
- Military members must be held accountable for human rights violations.

RECOMMENDATIONS

- Establish a separate government agency (definitely not tied to the military) to administer all current business enterprises operated by the military or its regional commanders. Use the proceeds to fund the military budget. Long-term goal would be the liquidation of such assets and to provide funding for the military through the normal budget process.
- Establish centralized Army barracks for battalion and above-sized units. The National Police have the responsibility for internal security. It would be difficult for an army to train and maintain its professionalism with its troops scattered across dozens of local villages.
- Establish an independent commission to truly investigate past human rights violations. Prosecuting the violators will send a strong and positive message to the people, particularly those in provinces with separatist movements.
- Seek funding for training and armaments/equipment with other countries, such as Australia, Japan, and the United States. Work hard at showing the United States that Indonesia can truly reform its military and is worthy of reinstatement in the IMET program.

CONCLUSION

Indonesia has reluctantly but necessarily started to reform its military. The uncertain political environment has made the military wary of backing out of its dual role of providing security and in shaping and administering the government. Separatist movements in various provinces have the military wanting to deal heavy handedly. So far, the reform-minded Presidents (Habibie, then Wahid, and now Megawati) have kept a reign on the military. If the military can stem financial corruption and human rights abuses within its ranks, the separatist movements in the provinces might look favorable towards autonomy within Indonesian rule. The military can survive if it is willing to change.

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ENDNOTES

¹ "The United States and Southeast Asia: A Policy Agenda for the New Administration: Report of an Independent Task Force," by J. Robert Kerrey, chair (New York: Council on Foreign Relations, 2001), 3-7.

² Angel Rabasa and Peter Chalk, Indonesia's Transformation and the Stability of Southeast Asia (Santa Monica, CA: Rand, 2001), 53.

³ Congressional Research Service Report for Congress, Indonesia: U.S. Relations with the Indonesian Military, (Washington, DC: Congressional Research Service, August 1998), 2-3.

⁴ John Noer, "Southeast Asian Chokepoints," National Defense University Strategic Forum, No. 98 (December 1996), available from < <http://www.ndu.edu/inss/strforum/forum/98.html>>; Internet; accessed 2 April 2002.

⁵ Rabasa, 2-3.

⁶ Ibid., 4. The countries added were not strong economically and were far more authoritarian politically, which hampered the ASEAN decision making process.

⁷ Ibid., 6-7. Regional violence in Kalimantan, Irian Jaya, Aceh, and East Timor have sapped the resources of the military and brought global attention (because of human rights violations) to the region. Kalimantan and Irian Jaya together make up more than half the land mass of Indonesia.

⁸ Peter Chalk, "Maritime Piracy: A Global Review," Jane's Intelligence Review, Vol. 12, No. 8 (2000), 47-50.

⁹ Ian MacFarling, The Dual Function of the Indonesian Armed Forces (New South Wales: Australian Defence Studies Centre, 1996), i.

¹⁰ Ibid., 5. The Japanese invaded Borneo in December 1941 and occupied the rest of Indonesia in 1942 through 1945. Although Japan had promised Indonesia its independence in 1944, this did not take place.

¹¹ Ibid, 41. One of the challenges of military reformation will be the extrication of small units of the TNI from local villages. Since the TNI no longer has a internal security function, there is no reason for units to be separate from their headquarters.

¹² Ibid, 63-64. The military voted as a single block. The effect of this was that they only needed an additional 30 percent of the DPR to have their way on votes favorable to the military.

¹³ Ibid, 40.

¹⁴ Paul F. Gardner, Shared Hopes, Separate Fears: Fifty Years of U.S.-Indonesian Relations (Boulder, CO: Westview Press, 1997), 170.

¹⁵ MacFarling, 63-68. In 1959, President Sukarno appointed 132 members from functional groups, of which 36 were military officers. This "stacked the deck" for the military, since they already had 100 appointed members in addition to the 36.

¹⁶ "Indonesia: Keeping the Military Under Control," International Crisis Group Asia Report, no.9 (5 September 2000), 16.

¹⁷ Richard W. Baker et al., Indonesia: The Challenge of Change (Leiden, the Netherlands: KITLV Press, 1999), 104.

¹⁸ "Indonesia: Keeping the Military Under Control," International Crisis Group Asia Report, no.9 (5 September 2000), 16.

¹⁹ "Indonesia-U.S. Military Ties," International Crisis Group Briefing Paper, (7 July 2001), 10.

²⁰ Ruth McVey, "The Post-Revolutionary Transformation of the Indonesian Army," Indonesia no.11, (April 1971), 152-153.

²¹ "Indonesia-U.S. Military Ties," International Crisis Group Briefing Paper, (7 July 2001), 10.

²² Rabasa, 53.

²³ *Ibid.*, 58. The territorial commands called *Kodam*. Each *Kodam* is subdivided into *Korems*, commanded by a colonel. *Korems* are further subdivided into *Kodims*, or military districts, commanded by lieutenant colonels. *Kodims* are broken into subdistricts called *Koramil*, headed by noncommissioned officers, which reach down to the village level. All levels above the *Koramil* have intelligence staffs who report directly to the national level military intelligence agency.

²⁴ *Ibid.*, 58. This territorial system was used to keep tabs on the activities of many organizations which could become sources of dissidence in the communities, including religious, student, union, and other non-government organizations.

²⁵ *Ibid.*, 54. Not much of a Navy considering the territory to be covered.

²⁶ *Ibid.*, 54.

²⁷ Congressional Research Service Report for Congress, Indonesia: U.S. Relations with the Indonesian Military, (Washington, DC: Congressional Research Service, 1998), 7-10.

²⁸ "Indonesia: National Police Reform," International Crisis Group Asia Report, no. 13 (20 February 2001), 2-7.

²⁹ *Ibid.*

³⁰ *Ibid.*, 3. After President Suharto was forced to resign, the image of the TNI and INP were at the lowest in history. Widespread corruption in Indonesia (one international agency has Indonesia ranked as one of the world's most corrupt—85th of 90 countries) is not confined to the INP, but pervasive throughout Indonesian society.

³¹ Ibid., 18. The military has not cooperated with investigations into human rights abuses in any number of situations. Only a handful of low-ranking individuals were prosecuted in connection with East Timor and other provincial disputes.

³² James W. Morley, editor, Driven by Growth: Political Change in the Asia Pacific Region (London, England: M.E. Sharpe, 1999), 123-127.

³³ Leo Suryadinata, Interpreting Indonesian Politics (Singapore: Times Academic Press, 1998), 229-232.

³⁴ "Indonesia's Future Challenges and Implications for the Region," AUS-CSCAP Newsletter, no. 10 (November 2000), available from < <http://aus-cscap.anu.edu.au/Auscnews10.html>>; Internet; accessed 10 February 2002.

³⁵ Rabasa, 59.

³⁶ Rabasa, 60. Most of these changes have taken place. The date to phase out the 38 members of the DPR has been extended from 2004 to 2009. Although there are no longer formal ties between the TNI and *Golkar*, most retired officers still belong to *Golkar* and most current officers' sympathies remain with *Golkar*.

³⁷ "Indonesia: Keeping the Military Under Control," International Crisis Group Asia Report, no.9 (5 September 2000), 3.

³⁸ Ibid., 3-5. President Habibie's handling of the crisis in East Timor was one of the reasons he was not re-elected by Parliament. The elections of 1999 created a Parliament which was evenly divided between five parties. Habibie did not have the support of the military and the economy was in continued decline. However, Wahid was a surprise winner.

³⁹ Ibid., 8.

⁴⁰ Rabasa, 15.

⁴¹ Rabasa, 15-16.

⁴² Rabasa, 17. Figures are not yet available for 2001. The end of 2001 saw world-wide declining oil and gas prices.

⁴³ "Indonesia: Keeping the Military Under Control," International Crisis Group Asia Report, no.9 (5 September 2000), 17.

⁴⁴ Rabasa, 23-25.

⁴⁵ "Indonesia-U.S. Military Ties," International Crisis Group Briefing Paper, (7 July 2001), 4-6.

⁴⁶ "Aceh: Can Autonomy Stem the Conflict?" International Crisis Group Asia Report, no. 18 (27 June 2001), 2. This situation continues, with only 15 percent of oil revenues and 30 percent of gas revenues going back to Aceh.

⁴⁷ Ibid. There is a growing threat of an Islamic fundamentalist movement in Aceh.

⁴⁸ Ibid.

⁴⁹ "Aceh: Why Military Force Won't Bring Lasting Peace," International Crisis Group Asia Report, no. 17 (12 June 2001), 3.

⁵⁰ Ibid.

⁵¹ "The Megawati Presidency," International Crisis Group Briefing Paper, (10 September 2001), 6-7.

⁵² Indonesia: Ending Repression in Irian Jaya," International Crisis Group Asia Report, no. 23 (20 September 2001), 3-4.

⁵³ Ibid., 20-22.

⁵⁴ Ibid., 23-26. Special autonomy is the only peaceful way to settle the dispute with the Papuan people.

⁵⁵ "Indonesia-U.S. Military Ties," International Crisis Group Briefing Paper, (7 July 2001), 3.

⁵⁶ Congressional Research Service Report for Congress, Indonesia: U.S. Relations with the Indonesian Military, (Washington, DC: Congressional Research Service, 1998), 6-7.

⁵⁷ "Indonesia-U.S. Military Ties," International Crisis Group Briefing Paper, (7 July 2001), 3.

⁵⁸ Congressional Research Service Report for Congress, Indonesia: U.S. Relations with the Indonesian Military, (Washington, DC: Congressional Research Service, 1998), 6-7.

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