Indonesia consist of more than 15,000 islands stretching over an area of about 3,000 miles from west to east and about 2000 miles from north to south. Its population of 220 million comprises many ethnic groups and different races, with a variety of traditions, customs, and religions. About two third of the population live on Java, which constitutes only 6 percent of the total land area. This make Java one of the most densely populated areas in the world. In addition most of the people are living in villages, and in the last three years, economically, they are living below the poverty level.

Generalizing what is happening in the capital city, Jakarta, is the same as what is happening in Indonesia. In way other word, Jakarta has been a barometer in the Indonesian politics. It may be true, but it is limited from political points of view. It does not encompass other significant aspects, i.e social, economical, cultural and military. So, please bear in mind when discussing Indonesia it means to seek an understanding of the existence of the 220 million people not only some political elites behaviours in Jakarta. In this respect, therefore, it is useful for us to focus on several of Indonesia’s drivers of change and key uncertainties at the present.
THE DRIVERS OF CHANGE 
AND KEY UNCERTAINTIES

Politically, Indonesia is at the crossroad. Thirty two years of guided democracy under President Soeharto were brought to an end in 1998 by popular unrest and demonstrations, to some as a result of the Asian financial crisis. President Habibie was under obligation to liberalize the political process by the end of 1999. Then Abdurrahman Wahid tried to implant a democratic atmosphere in the Indonesian politics despite facing the national economic recession. After that, Megawati had to deal with the continuing ill effects of recession, which appear to have yet to run its full course.

Will Indonesia continue a move towards a more pluralist democratic political structure into the 21st century or will some less stable political arrangement emerge? Will this have consequences such as some break-up of the Indonesian state, producing a wave of refugee migration and further social unrest? The answer may be in drivers of change and key uncertainties as follows.

POLITICAL LEGITIMACY

Megawati’s government is under domestic pressure to address the democratic aspirations of major sectors of Indonesian society and be seen by the world community to be moving Indonesian into a higher standard of human rights compliance. It will be necessary for post-Soeharto governments to re-establish a social contract offsetting civil liberties with economic growth and acceptable distribution of wealth. Separatist aspirations in Maluku, Irian Jaya and Aceh (collectively referred to below as the ‘disputed provinces’) are of particular relevance. A balanced political compact will be required to meet the expectation of these provinces, while keeping them within the state, and avoiding further international approbation for heavy handedness.

ECONOMY

Indonesia is now in recession, which has probably reached its nadir. The country desperately needs an injection of aid/ loan or further investment, but the availability of these will be depend significantly upon favorable political developments. Positive change will also depend on a successful restructuring of Indonesia’s financial and banking sectors and the substantial elimination of crony capitalism. Indonesia’s economic
recovery also depends substantially upon the security of its ethnic Chinese minority who controlled about 70% of the corporate sector before the crisis. Many of these people have fled the country and transferred their capital because of the riots. Indonesia needs to encourage their return and provide for their security. But further political riots could lead to the flight of the remaining Chinese and further alienated those who have fled temporarily.

EXTERNAL RELATIONS

Indonesia is a founding member of ASEAN, and of the Non-Aligned movement, the Islamic Conference Organization, the United Nations and APEC. In 1995, Indonesia concluded a bilateral security agreement with Australia but it had broken in 1999. Its impressive economic growth until 1997 was in part of reflection of substantial foreign direct investment. Presently, foreign investors lack the necessary confidence in Indonesia political stability and economic prospects. Indonesia’s external relations have long been directed at the avoidance of external influences and interference. It is now paying a heavy price for such policies, and feels the cost acutely.

EXTERNAL PRESSURE

Indonesia has been subject to considerable criticism for its human right record, especially with respect to post-East Timor referendum cases in 1999. further more in providing assistance to Indonesia, the IMF has set a range of very demanding conditions which had significant and adverse social and political implications. Indonesia’s ASEAN colleagues are becoming less shy of comment, but they are unlikely to be able or willing to bring substantial pressure to bear.

These determinant factors above, of course, should be considered carefully by the present regime in Indonesia- Megawati government.

THE MEGAWATI GOVERNMENT: A TRANSITIONAL DEMOCRATIZING INDONESIA

This new Indonesia government is attempting to do three things: firstly, to make the transition from a military authoritarian state to democratic and representative institution; secondly, to pioneer a recovery from possibly the worst economic collapse this century; and thirdly, to redefine
the relationship between Muslims, Chinese and Christian. Each one of these three challenges is daunting in its own right. History suggests it is very difficult for any country, in a short period of time, to accomplish these three tasks.

In addition crossing the road of the transition process is not a tractable endeavour while facing economic, social and political crisis. Indeed Soeharto left Indonesia with a weak government and the army with an eroded public image,\(^1\) which has to cope with persistent communal and racial violence, separatist movement and social cleavages,\(^2\) exacerbated by the worst economic recession in 32 years. One important task is how to organize its society while addressing regional, economic and political imbalances, and discourse on decentralization and autonomy which will likewise take center stage in the years to come.\(^3\)

In this context, the first thing that we need to know is what do the people of the Republic of Indonesian want? Or at present, does Indonesia really need democracy like Western countries? The answer of this question may be in between “yes” and “no”: it is because we need to clarify carefully the term “democracy” for Indonesia.

At least there are three kinds of democracy. The first is what I would call a *pseudo-democracy*. This domestic exist when the state is very strong to be criticized by its people. The state provide a sort of democratic space for the people to express their opinion, but when it is thought to go too far, the state will easily close the openness and take back the democracy. On the other side the people have no power to resist. This is only a reluctant democracy.

The second form of democracy is *exclusive democracy*. This democracy exists among the state elites in conflict. The democratic space happens in which the political elites can criticize other faction protected by the opposite powers? When the conflict within the elites is over, this democratic space will disappear as well. This type of democracy is stronger than the first one, and the state cannot easily take the democracy back.

The third is *civic democracy*. This kind of democracy exist until the grass-root level where the civil society could organize themselves as a balancing counter forces against the state. Thus, it is not the same as the previous two types of democracy, the state will never be at the right position to stop this kind of democracy.

Based on the above clarification, at the beginning of the reformation era\(^4\) Indonesia should have only the second type of democracy. So the third type-as what some Western countries want – is still far away.
Hypothetically, developing democracy which covers all aspect of human life in Indonesia is a big challenge for every one in this country. Building a new national solidarity to replace the older one in order to cope with the new realities needs a gradual process because it will link with the changes in cultural values as well.

As we have known, for more than three decades Javanese cultural has been dominant in Indonesian society as a whole, partly because the majority of the population are Javanese and partly because of the dominance of Javanese in the government. It remains to be seen whether the Javanese culture has the ability to adapt itself fast enough to the need for cultural transformation towards a “new Indonesia”.

THE JAVANESE CONCEPTION OF INDONESIAN STATE

There are at least two important Javanese concept which have often been referred to as obstructing the process of Indonesian state. The first is the concept of harmony which adhered to by traditional entities such as clans, big families, and villages. Manifestation of this concept in the village context are for example the practice of consensus through deliberations or musyawarah untuk mufakat and mutual help or gotong royong and tolong menolong. The question is whether this concept could find its manifestation in modern, urban societies, in the context of modern political parties and other new and modern institutions, which are likely to be affected by the dynamics of reformation era’s demands and influenced by a more international code of conduct based on Western values such as competition and individual accomplishments. Can this concept, in the wake of those changes and influences, lead to the development of a new national solidarity?

The second concept is the concept of power, which basically recognises only one, central source of power. This tend to be manifested in the centralisation of power in Jakarta and in the hands of the government, namely the executive branch. The question is whether this concept could be applied when the society becomes more complex as a result of development. It is often thought that in order to be able to adapt to the more complex problems, the society needs a diversity of institutions, greater decentralisation, and a greater role of the legislative branch, the political parties, and the private sector.

The influence of the Javanese concepts above will not be simply disappear from the present day Indonesian politics, and even there will be some conflict in this post-Soeharto era. For instance, in the last two
years the government’s decision to move forward with the program of decentralization for regional autonomy, reflected by the introduction of Law No. 22/1999 and No. 25/1999, has created a lot of question concerning the separation and distribution authority between the central, provincial, and local governments. Even the worst could happen that is although the regional autonomy program had been implemented since 1st January 2001, it was not adequately supported by the relevant President Decrees. Consequently every local government races make their own local regulations, such as tax on revenues, the management of natural resources, etc. moreover most of these regulation contradict initiated by the central government higher regulations.

Hence I could see that at the advent of this 21st century, power and political competitions will be steadily increasing in Indonesia. Social and political conditions might be deteriorating, and there will be no guarantee for security and public order.

Regional tensions, riots and unrests have the potential of exploding in many parts of the country. Besides the deprived society’s socio-economic conditions, there has been lack of authority’s credibility of the present government as well as its capacity to cope with such upheavals.

At this point, once again I would like to argue that the condition of civic democracy is still difficult to be implemented by Indonesians. It may need one or two more decades to in order for it to take shape. In the respect what does Indonesia really need to do?. I think in this reformation era the main area which should be reformed is not the political or economical field, but instead Indonesia needs a strong and authoritative law enforcement.

**LAW ENFORCEMENT**

The independence of law enforcement agencies, such as the existence of the National Police and the Public Prosecution Services under President should be reviewed. The country must be under the supremacy of law not under the supremacy of politics. In addition, the dual system “in the practice” of Indonesian law should be put on the right track. This especially concerns with the arrangement that any actions of the military personnel, although he or she was against the law which badly affected to the civilians, he or she can’t be tried in the civilian court and even the Public Prosecution Office must ask permission to his or her superior. In the other words, there is a strong influence from the military in the legal system in Indonesia. At this time this
situation results in a very weak law enforcement in Indonesia, especially in handling corruption, collusion, and nepotism which is inherited by the New Order because there is no legal certainty which can be upheld by the Indonesian society including the law apparatus.

THE ARMED FORCES

Regarding the efforts of the law enforcement today, some people performs their curiosity by asking where is the Indonesian armed forces?, how is its role now?. These questions come up as it had been well known that ABRI (the Indonesian Armed Forces) dominated all aspect of Indonesia’s behavior as a nation-state.

As a matter of fact, historically, since 1988 most of leaders of the Armed Forces had been taken over by a new generation. The generation of 1960, or the “Akabri generation,” was expected to take over the leadership of the Indonesian armed forces. As distinct from the revolutionary generation of the 1945, the generation of 1960 consist of graduates from the military academies. At that time this generational change had prompted some questions to be raised with regard to the future unity of the armed forces and their ability to perform a socio-political role as part of the “dwi fungsi (dual function)”.

The dual function, meaning that the armed forces have both a defence role and a socio-political role, originates from the revolution during 1945-1950 that led to the creation of the armed forces, composed of freedom fighters, which are acknowledged as the co-founders of the Republic of Indonesia.

Observation suggests that in general it can be said that the generation of 1960 is more professional than its predecessor. It retains an interests in the socio-political development of the country in New Order era as a result of the educational system of the military academics and experience gained through territorial activities assigned to young officers. The greater professionalism of the armed forces has made its members more compliant and in that sense, has created more united armed forces.

Naturally, in post-Soeharto Indonesia, the 1960s generation of the armed forces had got a strong demand from civilian to withdraw from social and political affairs. The atmosphere of democracy pushed the armed forces to do so. Finally, TNI had decided that they would give up their socio-political function and will primarily focusing on defence against external threats.
Although resulting in protest from several high-rank military officers for some time – friction between pro-reform and pro-status quo groups, TNI has been making its internal reformation. Reforms on military doctrines,\textsuperscript{10} organizational structure, and education is still lasting. Despite these development, the new regime has shifted the position of the top military leaders from 1960s generation to 1970s.

In fact, 1970s generation which is not directly related with the efforts of the struggle for Indonesia’s independence. In other words this military generation has a missing link with the Indonesian revolution history. They are better educated and professional than the 1960s generation.\textsuperscript{11} They should better understand the problems and the need of a more open society, including the challenges of interdependence in the fields of the economy, technology, science and telecommunication. It is hoped that with the greater professionalism it can be expected that in the future more emphasis will be given to the armed forces’ defence role. This shift in emphasis will be accelerated if indeed it is felt that the threat to Indonesia’s national security in ten to fifteen years from now will no longer be solely internal in nature. If this is in the case, Indonesia’s defence requirements will change and the doctrine of total people’s defence would no be longer be sufficient. This would not necessarily mean that the armed forces would go back to the barracks.

Thus, in this regard, related to the efforts of the law enforcement, although there have been a lot of uncertainties in Indonesia’s development, significant progress in the military affairs has been made. Among others, which is meaningful for the development of democracy and the appreciation of human rights Indonesia, was the government decision to abolish Bakorstanas (the military-controlled Agency for the Coordination of Support for National Stability and Development), including Bakorstanasda (regional level), and Litsus (special screening for government personnel and state officials) on 8 March 2000. This policy has clearly presented much more real and wider public space for active political participation of the society. In addition with the gradual withdrawal of the military from social and political affairs, the security affairs now become the main concern of the police. It will be a real test for the police whether or not they could enact public order and maintain security for society.

From the above perspective it is hoped these can help formulate a new national consensus on Indonesia’s political system and civil-military respective roles in the coming life of Indonesian state.\textsuperscript{12}
LOOKING TO THE FUTURE

By considering the form of government and stability, broad political classifications of a state emerge, which can be used as the basis for assessing trends. The following are suggested broad characteristics associated with each of the four political options.

a. **Stable Democracy.** Such a state would have found its political equilibrium and, based on the ‘democratic peace hypothesis’ would not be expected to initiate military conflict, except in clear cases of self-defense or with the legitimacy of a United Nations resolution.

b. **Unstable Democracy.** A state which is vulnerable to internal conflict or coup – Thailand was an example of this during the 1980s.

c. **Stable Authoritarian.** This could either be an absolute monarchy (e.g. Brunei) or a state with a repressive regime such as North Korea or Vietnam. Though such a state has found a political equilibrium, questions of duration and succession arise. Repressive stable authoritarian states tend to use military force to sustain their power base – e.g. China.

d. **Unstable Authoritarian.** Such a state is of gratest immediate concern from an international security viewpoint. On the one hand it has the potential to fragment possibly with a violent civil war, for example, the former Yugoslavia. Such a regime might attempt military aggeression as a means of generating nationalism and unity, for example, Argentina in 1982.

In addition the direction of future trends in politics depends upon past events, critical uncertainties and potentially a range of unknown influences – the possibility of events which cannot be predicted at all. In this regard the assessing trends should be justified by indicators which interent in each projection.

INDICATORS

Indicators can be envisaged in respect of both we know and what we do not know (critical uncertainties) about the likely future of a state, though in the latter case we must allow for the full range of credible outcomes. For example, we know that Indonesia is in a recession, but we do not know its duration or extent; in the case of Indonesia, further economic downturns could be associated with a trend towards less stable government, whereas continued pursuit of the proposed political
reforms can be associated with democratization. Therefore we must allow for the range of possibilities between an early economic recovery and severe long-term depression, noting that the various potential economic outcomes can be linked generally with the different trends which have been postulated.

We must also allow for what we cannot know. Though a set of indicators can be formulated in respect of any foreseeable political trend for a given state, they will neither be complete nor mandatory. For example, in the case study for Indonesia that follows, a suggested indicator of a trend towards stable democracy is the return of the Chinese entrepreneurs who were forced to flee during the riots in early 1998. But in the event, Indonesia might trend towards stable democracy without the return of the Chinese, because factors which we cannot presently envision may come into play.

Thus, the indicators are very much indicative rather than definitive. Some of the indicators which will alert us to what outcomes might be developing can be identified. These indicators might usefully provide a policy basis for Indonesia’s activities in attempting to respond to regional developments of security relevance and to shape the strategic environment towards its most favoured outcome.

**THE ALTERNATIVE FUTURES FOR INDONESIA**

The apparent alternatives for Indonesia would appear to be as follows:

**Alternative 1 – Stable Democracy**

- **Features:**
  Political, social, legal and economic reform measures and peace initiatives in disputed provinces take effect, promoting a return of economic confidence.

- **Indicative Outcome:**
  Stable democratic political structures achieved and restoration of (initially modest?) economic growth.

- **Indicators:**
  Good progress by Megawati government in implementing promised democratic reforms are a good basis on which this can be built; Absence of substantial riots; ABRI continues to show a high level of restraint;
  Completion of ABRI combat troops withdrawal from disputed provinces; Growth of international economic support - especially from USA, IMF, World Bank etc; Return of ethnic Chinese entrepreneurs and financiers; Positive response to ‘peace initiatives’ in disputed provinces.
Alternative 2 – Unstable Democracy

· Features:
Good progress made on democratic reform measures and peace initiatives in disputed provinces, but effects of recession prove dominant.

· Indicative Outcome:
A more democratic form of government achieved, but domestic social stability undermined by continuing economic recession. Reduced government ability to exercise rule of law, increase in ‘economic refugees.’ Potential for political breakdown and thus regression to authoritarian, military backed government in the medium to longer term.

· Indicators:
Good progress by Megawati government implementing promised democratic reforms; Positive response to ‘peace initiatives’ in disputed provinces; Continued recession which generates ‘food riots’ and large refugee flows; Ethnic Chinese entrepreneurs reluctant to return; Lack of external economic investment; Loss of international banking and monetary support.

Alternative 3 – Stable Authoritarian

· Features:
Government uses further insurrection (food riots, refugee flows, etc.) as an excuse to divert from political reform, but continues to seek peaceful solutions in the disputed provinces.

· Indicative Outcomes:
Indonesia remains a guided democracy, becoming more authoritarian than before. A hard government line in practice would be softened superficially to appease external interests. The economy would stabilize in line with a general Asian economic recovery.

· Indicators:
Use of political resistance to justify more authoritarian measures by government; ABRI suppression of riots etc. is conducted by a firm but measured application of force; Removal ABRI combat troops from disputed provinces leads to a relaxation of tension, accompanied by peaceful negotiations on a compromise solution; Return of some ethnic Chinese entrepreneurs in response to restored social stability; Provision of some external economic support from international banking and monetary institutions.

Alternative 4 – Unstable Authoritarian

· Features:
Continuing recession leads to insurrection which necessitates continuous use of ABRI to maintain law and order. ABRI action amy
involve excessive force and human rights violations. Government stretched to cope and thus forced to concede to demands such as granting autonomy/independence to one or more disputed provinces. Indonesian government policies are poorly received by the world community.

- **Indicative Outcomes:**
  Indonesia is fractured politically, the economy regresses to a stagnant low income level, with 50% or more of the population below the poverty level. Disputed provinces and possibly other remote areas break away either to become independent states, autonomous regions or to seek a merger with neighboring states. Continuing economic recession leads to breakdown of ABRI solidarity causing political infighting.

- **Indicators:**
  Food riots and looting; Insurrection/resistance in disputed provinces; Political riots; Harsh ABRI intervention on a continuous basis; International condemnation of Indonesia government/military actions; Refugee outflows; Chinese entrepreneurs consolidate in their new overseas locations; Some from of beliigerence by Indonesia towards its neighbors.

All the alternative futures for Indonesia above should be in the mind of every Indonesian to cope with the needs of the 21st century challenges in a “new life of Indonesia”.

**CONCLUSION**

The present Indonesian leadership recognises the many challenges to be faced by the country in the future, not only in the economic field, but in the political, social and cultural field as well. In addition new political system atmosphere which evolved in the reformation era is now being tested with the “sporadic change” in national leadership political parties as well as mass organizations. Furthermore it seems reasonable to assume that post-Soeharto Indonesia is still struggling in a period of democratic negotiation among its political powers, which theoretically it could end with the return to the authoritarianism or moving towards the democratic installation.¹³

There is no doubt that Indonesia needs a political solution and political stability under a new government before it can have economic recovery. Therefore, the Megawati government or his successors is hoped to be able to solve the problem, and by focusing upon the atmosphere for reformation in Indonesia. *In this respect either an optimistic view it might be assumed that Indonesia is trending*
towards a stable democracy, possibly after a transitional authoritarian phase.

This is particularly so because this country has just got a political earthquake and followed by a political euphoria. Nevertheless, at least currently Indonesia has been in the process of democratising this process needs a condition of freedom and peace. Not only is peace indivisible, but this country is so dynamic and becoming more important for the world, that its impact will be felt economically and strategically by other parts of the globe as well.
ENDNOTES

1 For further discussion, see Geoff Forester (ed), Post-Soeharto Indonesia renewal or Chaos?. Singapore, Institute for Southeast Asian Studies, 1999.

2 These are issues that are considered to be emotive issues and constitute the following: ethnicity, religion, race and class. See Douglas E. Ramage, Politics in Indonesia: Democracy, Islam, and Ideology of Tolerance. London, Routledge, 1995, p.88


4 This term is widely used among the Indonesians to describe post Soeharto's New Order era.

5 This program was initially formulated as one package of the bureaucratic reform through Law No. 5/1974 on The Principle of Regional Government, which stipulated among other thing that regional governance was to be implemented in line with the principles of decentralizations. In this paper, Regional Autonomy is referred to as the transfer of authority from the higher level of authority, which is the central government (except the four prerogative of the central government, namely Foreign Affairs, Finance, the Judiciary, and Defence and Security) to lower level of government (region, district down to village governments) for the management of public functions.

6 Kompas, 19 Januari 2001

7 At the beginning of the reformation era ABRI changed its name to be TNI (Tentara Nasional Indonesia, Indonesian National Army) on 1 April 1999.

8 The Academic of the Indonesian Armed Forces.

9 These are Sapta Marga (Sevenfold Way), Tri Ubaya Cakti (Three Sacred Efforts), Catur Dharma Eka Karma (One sacred Creed), and Sebelas Asas Kepemimpinan ABRI (Eleven Principles of Leadership of the Indonesian Armed Forces).


11 In Soehartos's government these institution had ever been an effective and strong military institutions, and even more than that it had been as shadow
political institutions of Department of Domestic Affairs in Indonesia. Military had been a determinant institution to solve the internal conflict among Indonesian political parties and mass organizations. See Richard Tanter, “The Totalitarian Ambitions: Intelligence and Security Agencies in Indonesia”, in Arief Budiman (ed), State and Civil Society in Indonesia, Clayton, Monash University, 1990, pp.215-288.

12 For a contemporary discussion on civil-military relations in Indonesia please see Rizal Sukma and J. Kristiadi (eds), Hubungan Sipil-Militer dan Transisi Demokrasi di Indonesia (The Civil-Military Relations and Democratic Transition in Indonesia). Jakarta, Centre for Strategic and International Studies, 1999.

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