



PROJECT MUSE®

---

Indonesia's Year of Living Normally: Taking the Long View on  
Indonesia's Progress

Greg Barton

Southeast Asian Affairs, Volume 2008, pp. 123-145 (Article)

Published by ISEAS–Yusof Ishak Institute



➔ For additional information about this article

<https://muse.jhu.edu/article/257254>

# **INDONESIA'S YEAR OF LIVING NORMALLY**

## **Taking the Long View on Indonesia's Progress**

Greg Barton

### **Indonesia's Year of Living Normally**

If, as Christopher Koch famously observed, 1964 was Indonesia's year of living dangerously, 2007 might well be described as Indonesia's year of living normally.<sup>1</sup> This would scarcely warrant remarking on if Indonesia had previously experienced significant periods of normalcy. But it has not, and we cannot properly understand Indonesia today without seeing its current position in context.

Every nation experiences constant change but most achieve a degree of equilibrium and satisfaction with the order of things such that they are not defined by the need for comprehensive reform. Other, less fortunate nations, many of them recently born out of the collapse of Western colonialism in the middle of the twentieth century, have endured cycles of war, conflict and social upheaval for much of their history. Happy are those nations that have enjoyed long periods of good governance and peaceful growth. In Southeast Asia Thailand, Malaysia, Singapore, and Brunei have been a good deal more fortunate than Myanmar, Laos, Cambodia, Vietnam, the Philippines, Indonesia, and Timor-Leste. Indonesia has fared better than many of the nations of the developing world and its history is by no means an entirely unhappy one. It has, however, long been, "a nation in waiting", as Adam Schwarz so acutely observed.<sup>2</sup>

By 2007 many of the things that have been so long awaited — democracy, stable and accountable government, the ending of large-scale conflict, greater

---

GREG BARTON is Herb Feith Research Professor for the Study of Indonesia in the School of Political and Social Inquiry, Faculty of Arts at Monash University.

autonomy and a fairer share of resources for the regions, freedom of the press, legislative reform, and the withdrawal of the military from politics — had finally come. At the same time Indonesia had finally moved beyond its decade-long, multi-dimensional crisis. Economic growth, public expenditure and public investment are back to being at or near pre-crisis levels. Indonesia is now safely past its crisis in political stability. At the same time the threat represented by separatist movements to Indonesia's national integrity — a threat that was never as large in reality as it was in the imaginations of many — could finally be regarded as having past. And, although the threat of terrorism will never completely disappear, Indonesia is now no longer facing a security crisis with respect to terrorism. All of this is good news but the real challenge now for post-crisis Indonesia is to make steady and sustained improvements in good governance and public sector services.

### ***Indonesia's Long Struggle***

To gain a better understanding of where Indonesia is today in its long process of reform and development it is worth reviewing how far it has come over the past six decades, and how far it has yet to go before it truly becomes the sort of nation that its founders envisioned for it. Indonesians date their country's birth from 17 August 1945, just days after the occupying Japanese surrendered at the end of the Second World War. The four years that followed were chaotic and bloody as the Indonesian nationalists fought a series of semi-coordinated guerrilla rearguard actions against the Dutch and their allies who, out of step with history, were trying to stop the inevitable end of colonialism in the East Indies. With independence finally secured at the end of 1949, Indonesia entered a new decade and a new era that whilst altogether more peaceful and stable than the revolutionary period that had preceded it, was nevertheless full of upheavals and setbacks.

In 1950 the hurriedly written temporary 1945 constitution was replaced with a new constitution, also meant to be temporary, that marked a shift from presidential to parliamentary democracy. Over the five years that followed Indonesia enjoyed a degree of success with the parliamentary system but at the same time suffered from short-lived governments and constantly shifting coalitions that made it hard for the nation to find the political leadership that it so needed. The long-awaited elections of 1955 brought some surprises — with four parties dominating the results, each one in its own way disappointed to find itself short of anything approaching a majority — but can be regarded as successful.

Much less successful were the proceedings of the constitutional commission, the body charged with forming a new constitution, that laboured for two years but ultimately failed to produce the consensus and the Constitution that could have stabilized Indonesian democracy.

Seizing the opportunity afforded by the endless arguments between pro-Islamist and secularist forces Sukarno intervened and declared himself prepared to provide the guidance that the nation so clearly needed. This intervention secured a modicum of stability but it did not solve Indonesia's economic woes nor did it resolve the growing tensions between left and right that finally bought the Sukarno regime to a bloody end.

It is a mark of how much the people of Indonesia longed for stability and order that they quickly took to calling the Soeharto regime the New Order regime. And the New Order regime did indeed bring a degree of stable government and professional centralized economic management but only after as many as half a million lives had been lost in its birth and only at the high price of military backed authoritarianism. Little wonder then, that by the early 1970s many were beginning to voice their concerns about the new regime. Some were brutally repressed for their efforts and others merely jailed. Reformers looked forward to a time when Indonesia would return to democracy and hoped that change was imminent. Few imagined that it would be another quarter of a century before Soeharto's military-backed regime was finally replaced. It was to be an even longer time before Indonesia was to enjoy normal times. Indonesia was fortunate, however, that its plentiful oil and gas reserves and a global energy crisis boosted the economy and enabled substantial economic development. The nation's steady advances in health, literacy and infrastructure — coming off the low base of the Sukarno era — pleased many. The sensible engagement of technocrats and a significant degree of benign pragmatism on behalf of the regime did see Indonesia enjoy a degree of normalcy through the 1980s and early 1990s but Indonesia remained “a nation in waiting”.

### ***Post-Soeharto Turmoil***

The transitional government of President B.J. Habibie was surprisingly effective and reformist. One of its greatest achievements was fulfilling the promise of holding free and fair elections in 1999. To Habibie's lasting credit, Indonesia witnessed a genuinely democratic and peaceful transition of power after the elections. But these were not normal times. Although the chaos and blood-letting that many had predicted would accompany Soeharto's departure was much less

intensive and extensive than had been feared, many lives were lost all the same. More than a thousand died in violence in the weeks before Soeharto resigned and many more thousands of lives were then lost in the years that followed as a sense of interregnum and general lawlessness allowed local interests and certain elite political interests to conspire to incite violence in parts of Eastern Indonesia. This was particularly true during the presidency of Abdurrahman Wahid that followed the Habibie presidency at the end of October 1999.

The chaotic Wahid presidency represented a continuing period of transition. The aspirations and expectations of the general public were given a benchmark of what to expect from a democratic administration in terms of freedom of speech and the ending of political oppression. But the embattled president attempted to do too much with too little and lacked the political capital and capacity to push through to completion the reforms that he started. The Megawati administration that followed was, in most respects, more a caretaker presidency than it was a reformist presidency. At the time this was welcomed by many but overall it did nothing to reduce the sense of Indonesia remaining a nation in waiting. From mid-2001, when Megawati took office, until late 2004 when her part-term expired, Indonesia remained very much in the grip of a “multi-dimensional crisis”. 2004 saw another remarkably successful set of elections, first for the members of parliament and then, for the first time ever, for the direct election of the president. The peaceful and constructive atmosphere that accompanied both elections and the clear 61 per cent mandate that Susilo Bambang Yudhoyono achieved against Megawati Sukarnoputri in the presidential elections appeared to have finally ushered in the beginning of normalcy. Within months, however, Yudhoyono’s honeymoon period had ground to a halt and public optimism began to fade as it became clear that the cautious new president was not going to make rapid progress in ending the “multi-dimensional” crisis.

Then on 26 December 2004 one of the largest natural disasters in modern history introduced Indonesia to a different sort of crisis. With around 170,000 lives lost in Aceh it is difficult to overstate the dimensions of the tragedy. But not everything that followed the earthquake and tsunami was tragic. President Yudhoyono displayed remarkable decisiveness in the wake of the disaster. The president was on an official visit to Jayapura, Papua, when he received news of the disaster in Aceh. He immediately decided to turn around and travel to the other end of the archipelago to assess the aftermath of the tsunami at first hand. Had he not done so it is unlikely that he would have moved as quickly as he did to open up the previously closed province to domestic and international aid. This new openness contributed to the Yudhoyono government’s success in securing a

lasting end to the violence that had bedevilled the province for decades. The first half of 2005 was marked by a specific sense of responding to the crisis in Aceh and a general sense of slowly moving reform forward across the nation. The tragedy in Aceh left the nation feeling vulnerable and this sense of vulnerability was confirmed when Indonesia suffered as series of earthquakes in 2005 and 2006 along the same tectonic fault line running southwest of Sumatra and south of Java that birthed the massive quake on 26 December 2004. The international news services were filled with plenty of stories from Indonesia during these two years. But they were mostly bad-news stories about earthquakes, floods, landslides, haze from burning forests or other disasters afflicting the natural environment and revealing the fragility of Indonesia's sprawling built-environment.

### **Indonesia Finally Post-Crisis**

In 2007 the news wires had comparatively little to report from Indonesia. Indonesia, thankfully, had dropped off the radar screen of breaking news series and live reports from disaster sites. At the same time, the steady improvement in confidence, the slow recovery of economic growth and the overall progress of reform finally bought Indonesia to a point where it could be said to be post-crisis. 2007 was Indonesia's first year in a decade of being post-crisis. It was also Indonesia's first year of living normally.

### ***Economic Recovery***

Not only was the economy sufficiently recovered in 2007 to have made up for much of the impact of the 1997 economic crisis there were once again signs of an economic boom. Building sites that had stood vacant and decaying for a decade in the nation's capital began stirring to life. Once again Jakarta's skyline was filled with cranes as new office buildings, shopping malls and apartment towers sprang up so quickly that the satellite imagery from Google Earth failed to keep pace with the changing landscape. The booming economy was fuelled mostly by consumption but it nevertheless brought with it employment for millions and restored the nation's sense of confidence.

Indonesia, the World Bank argues, is now presented with a unique opportunity to invest in development:

Indonesia can expect to have significant additional fiscal resources, or a "fiscal space" — almost of the magnitude of the revenue windfall seen during the oil-boom of the mid-1970s. Since the reduction in fuel subsidies

in 2005, Indonesia has freed up US\$10 billion to spend on development programs. An additional US\$5 billion is available due to a combination of increasing revenues and declining debt service.<sup>3</sup>

This is a matter of vital importance to Indonesia because, despite the impressive economic vitality evident in Jakarta and the other booming big cities of Java, much of Indonesia remains desperately poor. Sixty per cent of Indonesians — around 150 million people — do not have access to piped water and 30 per cent do not have access to electricity. Given these figures it is hardly surprising that Indonesia has some of the region's worst figures for maternal mortality and for infant and under-five mortality.<sup>4</sup>

In 2006 Indonesia's debt levels had dropped to 41 per cent of gross domestic product (GDP), government expenditure had increased by 20 per cent and at the same time there was a 32 per cent increase in transfers of government funds from the national government to sub-national governments. Indonesia continues to have low levels of public investment compared with other middle-income countries but at least by 2006 public investment was back to its pre-crisis level of 6 per cent of GDP.<sup>5</sup>

In the area of public investment one of the most significant developments has been the increase in allocation of public expenditure to education to around 17 per cent. This is still not nearly as much as neighbouring Malaysia, Thailand and even the Philippines, where as much as 28 per cent of public expenditure is allocated to education but it does compare well with developing countries around the world. As with everything else in the realm of public investment, however, Indonesia is still struggling to make up for the debilitating effects of low levels of spending on maintenance during the economic crisis.

In 2007 Indonesia's rate of GDP growth reached 6.3 per cent — well up from the 5.5 per cent growth rate achieved in 2005 and 2006 and the 3 to 4 per cent rates of growth achieved in the first half the decade. Nevertheless, 2007's 6.3 per cent is still well below the 7.7 per cent annual rates of growth achieved in the five years prior to the 1997 economic crisis. Part of the reason that Indonesia's GDP growth rate has yet to reach pre-crisis levels is that one key aspect of economic development that is yet to show signs of recovery is foreign direct investment (FDI). It would appear that FDI that previously flowed into Indonesia now flows largely to China, India, and Vietnam. Post-crisis Indonesia faces a much more competitive global and regional environment than that which existed in the 1980s and 1990s. In those more simple times Indonesia's corporate and public governance problems received much less scrutiny than they receive today.

### ***Transition to Democracy***

Even more impressive than the recovery of the economy is the success of Indonesia's transition to democracy. The economic recovery has brought Indonesia to a point where for the first time since early 1997 there is a sense of real optimism and vitality, at least in the nation's capital, but Indonesia is yet to match the rates of growth that it enjoyed in the 1980s and 90s. The democratic transition, however, is not taking Indonesia back to a place where it once was but rather it is taking it somewhere it has never been before. Even in the 1950s democracy was never as firmly rooted and stable as it has now become. In a very real sense Indonesia has now moved beyond initial democratic transition and is now in a period of democratic consolidation.

It is impossible to conceive of this democratic transition having succeeded without the withdrawal of the military from politics. Military reform is still very much a work in progress, but the withdrawal of the military from politics and governance is now complete. The doctrine of *dwifungsi*, which only recently seemed destined to prevail for decades more, melted away with surprising rapidity and lack of contestation.

### ***Moving Beyond Separatism***

One of the great fears, in the minds of some at least, was that the transition to post-Soeharto period would bring about the "Balkanisation" of the republic. This was despite the fact that the only significant armed separatist movement in Indonesia was the Free Aceh Movement (Gerakan Aceh Merdeka, or GAM). The existence of residual elements of the Republic of South Maluku (Republik Maluku Selatan, or RMS) movement in Ambon was exploited for reasons of political rhetoric but never represented a serious threat to the integrity of post-Soeharto Indonesia. The Operation for Free Papua (Operasi Papua Merdeka, or OPM) movement did represent a more significant threat but it nevertheless lacked sufficient capacity and broad popular support to become more than a dangerous nuisance. The line of negotiation with the Papua Presidium initiated by President Wahid in late 1999 has proven a reasonably constructive way of engaging with the indigenous Papuan communities and discussing their grievances. There remains much unfinished business in the two provinces of Papua and West Papua but genuine crisis has been averted. The successful provincial elections held in Aceh at the end of 2006 represented confirmation that the peace process in Aceh was likely to endure. This was further confirmed by the absence of significant violence over the following twelve months.

### ***Overcoming Terrorism***

In the wake of the bomb attacks in Denpasar, Bali on 12 October 2002, and the shocking revelations that followed about the presence of a significant *jihadi* terrorist network, Indonesia appeared to be facing a new kind of crisis. Following the first wave of post-Bali arrests, as the full extent of the Jemaah Islamiyah's (JI) network began to be revealed, the scale of the challenge facing the Indonesian authorities and their foreign colleagues was overwhelming. The Indonesian police appeared unequal to the task and prospects seemed grim. But with help from the Australian Federal Police (AFP) and others, the Indonesian police have exceeded all expectations. This work reached an important benchmark in 2007 with the arrest of JI's senior leadership.

It is important to take stock of what has been achieved in the years since the bombs went off in Bali. What has happened has significant implications both for ongoing reform, democratization and development in Indonesia and for the future of Australian-Indonesian relations.

The quietly successful partnership between the AFP and the Indonesian police points to a larger story of cooperation between Australian agencies and their Indonesian counterparts in post-Soeharto Indonesia. Never before have government-to-government relations between Australia and Indonesia, across all fields and going well beyond counter-terrorism, been as concrete and as extensive as they are now. Oddly enough, much of this derives from the good working relationship between the Indonesian authorities and the AFP that began to consolidate within hours of the Bali bombing, and built upon a foundation of good personal relationships established over years of exchanges and joint training.

Little attention was given to, and little was known about, JI prior to the 12 October 2002 attacks in Bali. In the wake of the 2002 attacks JI tended to be seen through the lens of Al-Qaeda. The Al-Qaeda links were real, as was the need to act decisively to stop further bombings, but there was more to JI than Al-Qaeda. It continues to have an active presence in Indonesia and the Philippines and had previously established cells in Malaysia, Singapore, Thailand, and Cambodia, and attempted to establish cells in Australia. JI was formed in 1993 in Camp Saddah, the *mujahidin* training camp in Afghanistan linked to Abdullah Azam and Osama bin Laden. The network of *jihadi* Islamists which became JI was affiliated with the Indonesian separatist Islamist movement Darul Islam (DI). DI, also known as Negara Islam Indonesia (NII) which emerged in the early 1950s, was crushed in the early 1960s, reemerged in the 1970s and remains active today. The DI sub-network that became JI was lead by Abdullah Sungkar and Abu Bakar Ba'asyir since it was established in the early 1970s.

The collapse of the Soeharto regime in May 1998 opened up new opportunities for JI to pursue its aims in Indonesia. Prior to May 1998 JI had concentrated on *dakwah*, building “pure” Islamic communities (*Arabic*: *jemaah Islamiyah*) and sending *mujahidin* for training abroad. From late 1999 onwards JI worked in a low-key fashion on supporting local *jihād* in Maluku and Sulawesi. Throughout 2000 JI carried out a series of small to medium terrorist bombings across Indonesia. At the same time JI leader Abu Bakar Ba’asyir was pursuing a strategy of working openly through Majelis Mujahidin Indonesia (MMI) to unite *jihadi* and non-*jihadi* radical Islamists and to push for political change.

The 12 October 2002 bombing in Bali represented JI’s first large-scale bombing targeting the “far enemy” through attacking foreigners in Indonesia. Follow-up bomb attacks on foreign targets took place in 2003, 2004 and 2005, but none achieved the impact of the 2002 bombing. These “far-enemy” major attacks were controversial within JI, and Ba’asyir, evidentially, did not believe that the 2002 attack made good tactical or strategic sense. Some of the younger leaders, however, did not agree with Ba’asyir’s MMI strategy. Nevertheless, many within JI were uncomfortable with the large number of Indonesian Muslim victims of the bombings and felt that the bombings were counterproductive, especially within the context of the global war on terrorism (GWOT), causing the Indonesian authorities to clamp down on JI’s local *jihād* and training operations in Sulawesi. The bombings cost JI dearly, with over 300 arrested over three years.

On 23 January 2007 Wiwin Kalahe, wanted for murder in Poso, turned himself in to police in Poso, Central Sulawesi. Publicly the story was put around that Wiwin led police to the locations of several JI safe houses in Java, where he had sheltered in July 2004, and that police surveillance led to a successful interception. The reality is more complex. On 20 March 2007 two men were followed from a safe house. Police were led to a small store in Sleman, Yogyakarta. They closed in and arrested seven militants after shooting an eighth dead. Inside the store they found two M-16 rifles and two handguns. The next day one of the men arrested, Sikas, led police to a significant weapons cache containing 2,000 bullets, 20 kg TNT, 700 kg potassium chlorate, 200 detonators, and 16 pipe bombs. The police also found documents using the term *sariyah* (brigade) suggesting a new JI organizational structure or at least the creation of a special forces unit.

Intelligence gained from the seven arrested in the 21 March raid led to another major raid two months later on 10 June 2007. This raid saw members of the Detachment 88 Counter-Terrorism Unit arrest six JI militants. Among them was the man they had long been pursuing, Abu Dujana, JI’s operational

commander. Abu Dujana had impressive credentials: he was fluent in Arabic, had trained with Hambali in Pakistan and Afghanistan and met with Osama bin Laden, and had good links with Al-Qaeda. It turned out, however, that he was not the *amir* of JI as he had sometimes been described. Together with Abu Dujana was a man named Zarkasi. Little was known about Zarkasi prior to his arrest but questioning revealed that this man was, in fact, JI's *amir* and had been so since 2004. Zarkasi did not have the same credentials as Abu Dujana, having neither mastery of religious knowledge or experience in Afghanistan. Nevertheless, the mysterious Zarkasi had helped rebuild JI. This should serve as a reminder not to be over-confident about the extent of our knowledge about the organization.

Jemaah Islamiyah was greatly diminished by the arrests that followed the October 2002 Bali bombings but perhaps not quite so much as we liked to believe. In 2002 JI appears to have had around 2,000 active members. In 2007 JI has at least 900 active members but this is a conservative estimate. Indonesian police have arrested more than 300 activists linked to JI but at the end of 2007 only 170 men were being held in Indonesian jails because of their involvement in criminal activity related to *jihadi* terrorism. And less than half of these were members of JI. More than 150 activists have already been released after serving their sentences: this includes more than sixty who were released in 2006 and 2007.<sup>6</sup> These figures should remind us that terrorists cannot be "eliminated". Some can be deradicalized and reintegrated but this will probably amount to no more than 20 per cent in the longer run. The experience of Darul Islam suggests that most will remain linked into the social networks and quietly committed to the cause.

When the Soeharto regime ended, the underpaid and ill-equipped Indonesian police were the poor cousins of the Indonesian military, with whom they were then linked, and had a fairly dismal reputation on most fronts. The Indonesian police continue to face enormous challenges and enjoy uneven success but it is clear that sections of the police linked to counter-terrorism, in particular Detachment 88, have performed at an unexpectedly high level. This should remind us of what can be and has been achieved in Indonesia. It will take a very long time to reform all aspects of the Indonesian state and its agencies but that does not mean that all is hopeless and that good work cannot be done right away.

## The Liminal State

Whoever it was that first mused whether "the glass was half full or half empty" was clearly not thinking about Indonesia but the aphorism is certainly apposite when contemplating the nation's prospects. Indonesia has always been a place to

inspire optimism and to sustain pessimism in equal measure. For most of its history Indonesia has somehow always seemed to muddle through. There have been some terrible dark moments, none more so than the killings that accompanied the shift from the Sukarno Old Order to the Soeharto New Order. But for the most part, Indonesians seem collectively possessed of remarkable common sense and of a desire to avoid confrontation and seek resolution. In many ways the violence after Soeharto's resignation seems more like a case of the glass being half empty rather than half full. Thousands died in May 1998 and then in the first few years of the new decade at least 10,000 lives were lost in conflicts in Kalimantan, Ambon, and Poso. It might seem difficult to see how this could be interpreted as anything but a disaster. And disaster it surely was but the remarkable thing was the will of the local communities to end the violence and move beyond it, something that it seems would have occurred more quickly were it not for external provocation. It might reasonably be asked not why did violence break out in Ambon and Poso but why did not more of eastern Indonesia suffer from communal violence. If those who prophesized the Balkanization of the Indonesian Republic were even partly right in their analysis, the years following Soeharto's resignation should have been much more turbulent than they were.

One of the main reasons that Indonesia's democratic transition has gone as well as it has is that it has broad support of the people of Indonesia. This is indicated in a plethora of different ways, including high turnouts for national and regional elections, the spirited but generally peaceful character of those elections and the political campaigns that precede them, the willingness of people to vote down powerful but unpopular local politicians, and consistently widespread positive support for democracy in social surveys.

Until relatively recently, high quality, rigorously conducted, broad social surveys were relatively unknown in Indonesia, with the exception of market research undertaken by large corporations such as those in the cigarette industry.

More limited surveys charting the attitudes of urban professionals and business people, generally coordinated as components of global or regional surveys, have a much longer history. The remainder of this chapter will focus on insights generated by two different kinds of survey projects. We will look first at recent surveys conducted by the Center for the Study of Islam and Society (Pusat Pengkajian Islam dan Masyarakat, or PPIM) at the National Islamic University in Jakarta (UIN Syarif Hidayatullah) exploring social, political and religious attitudes across the archipelago. These surveys investigate personal values, convictions and opinions at the individual level. The second set of survey data that we will examine comes from "Governance Matters 2007", a report compiled by the World

Bank that aggregates data from several dozen leading international organizations focussing primarily on the perceptions of urban professionals regarding public and private sector governance and service delivery. Both data sets reveal some disturbing aspects of Indonesia that tend to be downplayed in more subjective and personal observation.

Whether focussing on Islamic thought and social movements, the business environment, or politics and civil society, it is natural that observers and analysts tend to engage most with other urban professionals. In the study of contemporary Indonesian society this is true of both Indonesian and foreign writers. This is not without its benefits but it does result in significant gaps in perception. High-quality national surveys represent an important resource in addressing these lacuna and rounding out our understanding. Surveys have their own limits, not least that, even with carefully constructed question sets, it can be difficult to know exactly what the respondents understand from the questions and intend in their responses. For this reason it is important not to interpret this information in a reductionist fashion. The data in the surveys and survey aggregates being examined here represent a significant contribution to understanding Indonesia's glass half full/glass half empty liminal status. This data does not, in fact, directly contradict or nullify the positive subjective impressions outlined above but it certainly places them in a broader context.

### ***Islam, Democracy, and the Indonesian Psyche***

In 2007 PPIM published a survey report entitled "Attitudes, Behaviour and Religious Violence in Indonesia (Findings of a National Survey)".<sup>7</sup> The survey, as with most of the PPIM surveys, engaged with a broadly representative sample of Indonesian Muslims. One-third of the respondents (33.3 per cent) said that they were active members of a religious organization such as the largely rural and traditionalist Nahdlatul Ulama (NU) or the largely urban and modernist Muhammadiyah. This finding aligns neatly with the claim of NU and Muhammadiyah to have 40 million and 30 million members respectively as, with around 88 per cent of all Indonesians being Muslims, the nation of 245 million people is home to approximately 215 million Muslims.<sup>8</sup>

If the broad demographics of the survey respondents fit well with our preconceptions, the same cannot be said of most of the rest of the survey findings. NU and Muhammadiyah have long been characterized as moderate organizations orientated towards a "live and let live" tolerance of difference and acceptance of social and religious diversity. The results of this survey, however, suggest

that the reality is more complex and that intolerant and hardline views are much more common place than is generally thought. Slightly more than one half of all respondents (53.1 per cent), for example, agreed with the statement that: “people who take liberties when interpreting the Qur’an should be jailed”.<sup>9</sup> And almost one half of respondents (47.0 per cent) agreed with the Indonesian Council of Ulama (Majelis Ulama Indonesia, or MUI) *fatwa* that, as a deviant movement, Ahmadiyah should not be allowed to exist in Indonesia.<sup>10</sup> Even more disturbing is the fact that the same number (48 per cent) of respondents indicated that they supported the idea that “adulterers living in Muslim communities should be stoned to death”.<sup>11</sup>

Elsewhere in the survey, when asked a series of questions about their “support for Islamism” as many as 57.7 per cent of respondents supported capital punishment by stoning to death as a punishment for adulterers, as required by a literalist reading of the *hudud* ordinances within *shari’a* law. Similarly, in the same place almost one-third (30 per cent) of respondents said that they agreed with the punishment of amputation being meted out on convicted thieves.<sup>12</sup> This figure is shocking by any measure — except when compared with the two times greater level of support of capital punishment for adulterers — and does not at all fit with our preconceptions about Islam in Indonesia.

When asked about what actions, in practice, they were actually prepared to undertake themselves “only” one-quarter of all respondents (26.6 per cent) said that they were ready to participate in the punishment of death by stoning of adulterers. Slightly more (28.7 per cent) were prepared to drive out followers of Ahmadiyah whilst one in seven (14.7 per cent) of respondents were ready to participate in the burning down of church buildings erected without proper permissions. Approximately one quarter of all respondents (23.1 per cent) indicated that they were ready to join in a war in defence of the Muslim community in Afghanistan and in Iraq, and slightly more (25.2 per cent) indicated their own readiness to fight in Poso.<sup>13</sup>

When it came to their convictions about what Islam teaches with respect to the legitimate and proper use of violent means one-half of all respondents (49 per cent) agreed with the position that Muslims were obliged to wage war in Poso to defend fellow Muslims from attacks by non-Muslims. The perception of Muslims being attacked by non-Muslims, and the concomitant necessity of an armed response represents a key issue. One-third of respondents (32.8 per cent) said that they believed that the American attacks upon Iraq and Afghanistan represented attacks on Muslims. Half of those who believe this (16.1 per cent of all respondents — presumably largely a subset of the 32.8 per cent) justify the

attack upon the World Trade Center in New York on 11 September 2001 on the basis that the United States was (subsequently) attacking Muslims in Afghanistan and Iraq. Even more disturbingly, one in five (20.5 per cent) of all respondents justified the Bali bombing of 12 October 2002 on the basis that the nightclub bombed was a site of Western decadence. Rounding out this set of issues, and completing the impression that a significant minority of respondents were committed to a disturbingly hardline position, almost one in five respondents (18.1 per cent) supported the position that apostates from Islam must be killed.<sup>14</sup>

PPIM published a second survey in 2007 that, unlike most of their surveys, targeted a specific professional group. This survey, entitled “Assessment of Social and Political Attitudes in Indonesian Schools: Madrasah and Pesantren Directors and Students”, focussed on interviewing twelve teachers (*ulama*, *kyai*, and *ustaz*) and senior students from sixty-four *pesantren/madrasah* and sixteen Islamic schools across eight provinces, giving a total of 960 respondents.<sup>15</sup> Considerable care was taken to choose a representative sample of NU and Muhammadiyah institutions together with independent *pesantren* and urban Islamic schools from among Indonesia’s 20,000 *pesantren* and numerous *madrasah* and Islamic schools.<sup>16</sup>

Indonesia has significant number of progressive *pesantren* and *madrasah* but the vast majority remain socially conservative. It is not surprising then, that the results of this survey reveal that, in aggregate, Indonesia’s community of Islamic teachers and students are significantly more conservative than society at large. Whereas, survey results for society at large reveal that 30 per cent of people support implementation of the *hudud* punishment of amputation for thievery this punishment has the support of almost 60 per cent (59.1 per cent) of religious schooling respondents surveyed.<sup>17</sup> And where “only” one-third (32.8 per cent) of general survey group said that they believed that the American invasions of Afghanistan and Iraq represented attacks on Islam, fully two-thirds (67 per cent) of religious school respondents took this position.<sup>18</sup> Almost four-fifths of these respondents took the view that “Western countries, primarily the United States and Great Britain, are the root cause of religious violence in Muslim countries (such as bombings in Indonesia and in Middle Eastern countries” and only one in ten (10.7 per cent) believe that Osama bin Laden is an “actor of violence in the world”.<sup>19</sup>

When it comes to general support for Islamist politics, four out of five respondents (82.8 per cent) support the application of *shari’a*, with two-thirds (63.9 per cent) saying that only pro-*shari’a* political candidates should be supported. Similarly, two-thirds of respondents “support the foundation of an Islamic state and the implementation of *shari’a* as fought by Darul Islam (DI), Negara Islam

Indonesia (NII), Majelis Mujahidin Indonesia (MMI), Front Pembela Islam (FPI) and Laskar Jihad (LJ)".<sup>20</sup> Almost four out of five of these respondents (79.6 per cent) also said that women should not be allowed to travel unless accompanied by the husbands or close relatives (*muhrim*). And half of them (49.9 per cent) supported police surveillance of fasting during Ramadan.<sup>21</sup>

It would appear that one reason why *shari'a* law and Islamist politics have such strong support in Indonesia today is that there exists very little confidence in public institutions. Less than one in five respondents believed that "the police perform their law enforcement task well" (17.5 per cent) or that nation's courts perform their task "to achieve justice in legal decisions" (19.3 per cent). Only slightly more (21.9 per cent) have confidence in the performance of the House of Representatives (DPR). Conversely, whilst just under one half (48.7 per cent) of respondents have confidence in the president's performance of his duties more than four out of five (81.6 per cent) respondents believe that "religious leaders, precisely the *ulama*, will not mislead them".<sup>22</sup>

It is interesting that whilst PPIM surveys since 2001 show evidence of increasing support for Islamism<sup>23</sup> they also reveal steadily increasing support for democracy.<sup>24</sup> Indeed in this 2007 survey high levels of support for Islamism are accompanied by high levels of support for democracy, with six out of seven (86.0 per cent) of respondents agreeing that "democracy is the best system of governance for Indonesia". A similar number (82.8 per cent) agreed with the statement that "democracy creates social order within society".<sup>25</sup>

These results are matched by the results of a third social survey published by PPIM in 2007 with the title "Islam and Nationalism: Findings of a National Survey".<sup>26</sup> Respondents in this survey indicated low levels of trust in public institutions but relatively high levels of trust in religious leaders. Only 8 per cent of respondents had confidence in political parties, only 11 per cent trusted the legislature (DPR), and only 16 per cent trusted the police. Things were only a little better when it came to the president and the army with 22 per cent of respondents trusting both institutions. Twice this number (41 per cent), however, said that they had confidence in religious leaders.<sup>27</sup>

The results of this survey are rather more heartening in that they speak of Indonesia's significant success in building a national identity that transcends ethnicity and regionalism. Respondents were asked to identify the three most important factors that formed the basis of self-identity. Less than one in ten (9.3 per cent) listed ethnic background as being of prime importance and less than one in five (17.6 per cent) listed it as being their second or third (19.0 per cent) most important factor.<sup>28</sup> Interestingly, only one in eight chose type of work

as being their first most important factor and less than one in twenty (4 per cent) chose social status. Only one person in a thousand (0.1 per cent) said that membership in a political party was the prime factor shaping their self-identity. Almost one in four (24.6 per cent) respondents indicated that their Indonesian nationality was the factor of prime importance to them.<sup>29</sup>

More than two-fifths of respondents (41.3 per cent) listed religion as being of prime importance, almost one-third (29.3 per cent) listed religion as being the second most important factor, and one in ten listed religion as the third most important factor. This means that more than four out of five respondents included religion in the top three factors shaping their self-identity. The results of this survey, as with PPIM's other two surveys for 2007, reinforce just how important religion is in the lives of most Indonesians today.

This survey reflects a relatively high level of support for Indonesia's current unified national state based on Pancasila (84.7 per cent). As many as nine out of ten respondents said that religious matters had to be brought into conformity with Pancasila and the 1945 Constitution. Nevertheless, almost one-quarter of respondents (22.8 per cent) also said that they supported aspirations to make Indonesia an Islamic state (along the lines of DI, TII, MMI and so on).<sup>30</sup> Making this reasonably unambiguous, slightly more than this number of respondents said that they supported application of the *hudud* punishments that called for amputation of limbs of thieves.

The results of these three PPIM surveys are disturbing when approached from any angle and do not fit with general subjective impressions about Islam in Indonesia. After all, women generally enjoy significant freedom in contemporary Indonesian society, "honour killings" are unheard of, adulterers are never stoned, nor are apostates, and thieves never have their limbs cut off. Nevertheless, the growing levels of, at least, verbal support for hardline positions, suggest that Indonesia still has a long way to go before it becomes the sort of modern society that it clearly aspires to be.

When it is remembered, however, that this is a country in which 60 per cent of citizens do not have access to piped water and 30 per cent do not have access to electricity, these kinds of survey results begin to make a little more sense. There are two Indonesias and almost all who write about Indonesia live and work in the cities and towns of developed Indonesia and have relatively little contact with the other Indonesia that is largely rural and without piped water and modern services. That this other Indonesia should prove a good deal more socially conservative than the Indonesia that we know should probably not surprise us as much as it does.

### ***Good Governance Matters***

Indonesia has exceeded all reasonable expectations in its transition to democracy, its programme of decentralization, its conducting of national and local elections, in its speed and ease of moving beyond *dwifungsi* and in its response to a very significant terrorist threat. Unfortunately, however, all this is not enough to ensure that Indonesia thrives and prospers. Democratic Indonesia finds itself in a very competitive global environment. Not only does it now have to compete with India and China but it also has Vietnam and Thailand, and even the likes of Brazil and Turkey, vying for investment. In other circumstances, the fact that Indonesia had moved through its multi-dimensional crisis and emerged to not only a stable democratic system with an economy growing more than 6 per cent per annum would have represented remarkable success. But the current growth rate, welcome though it is in lifting Indonesia out of debt and stabilizing the economy, is scarcely enough to provide adequate jobs for each new year's cohort of school leavers and university graduates, much less enable it to catch up on the damage done by the financial crisis. At one level this seems a terribly unfair state of affairs. When the reasons for Indonesia's failure to thrive are examined, however, it becomes clear that the pessimists were not entirely wrong and that much hard work is required before it can be said the Indonesia is truly safe from the danger of stagnation.

In broad terms, Indonesia's basic dilemma is that it lacks good governance on almost every front. This unpleasant reality is starkly bought home by the World Bank Good Governance ratings. And although some may argue with details and elements of the analysis, the basic shape and scale of Indonesia's challenge is confirmed by virtually every survey and study undertaken.

*Governance Matters 2007: Worldwide governance indicators 1996–2006* is a research document produced by the World Bank group surveying levels of good governance around the globe.<sup>31</sup> It presents its results in terms of percentile rankings and covers the ten-year period 1996 to 2006. The findings for Indonesia make for a sobering reading. They remind us that no matter how impressive Indonesia's achievements over the last decade, democratic reform is still very much a work in progress. In part this is because levels of good governance around the world have been rising and consequently Indonesia is not just competing with itself but with an increasingly competitive global environment. In part it is also because of the unpaid bills of the Soeharto regime coming due. That is to say, that many of the characteristics of the Soeharto regime whilst conducive to stability and economic growth during a period of higher investment inflows nevertheless undermined the longer term development of good governance through the maturation and consolidation of institutions required for good governance.

The sad irony for Indonesia is that of the six major indicators measured Indonesia has declined on five when 2006 figures are compared with those for 1996. The only rising indicator is the aggregate indicator for Voice and Accountability. In 1996 Indonesia was ranked around the 15 percentile range and by 2006 its rating had steadily climbed to a ranking of 40 percentile points. In fact the ranking did not so much steadily climb over the decade as jump up dramatically from 1998 to 2000 when it moved up 20 per cent of points and after this its climb of a further 5 points took another six years. This might seem like damning with faint praise but when read against the global data it confirms that despite Indonesia's dramatic transition to democracy, it still has a long way to go before it achieves the quality of governance and government accountability that its people have so clearly said that they want.

Many of the problems that Indonesia currently faces clearly have their origins in the systemic failures of the Soeharto regime. The regime failed to steadily develop and consolidate the institutions and accountability mechanisms necessary for a professional and effective civil service and robust good governance. This was almost as obvious in 1996 as it is looking back now. But so long as foreign investment kept flooding in and the economy continued its decades-long ride with some of the world's best growth rates, and so long as President Soeharto remained resolutely in charge, many aspects of governance worked surprisingly well. In two of the six indicators measured in 1996, Regulatory Quality and Government Effectiveness, Indonesia scored a respectable 65 per cent. In other words, on these measures during the Soeharto regime's last good year, Indonesia was doing better than around two-thirds of the rest of the world.

Given the sudden and dramatic nature of the collapse of the Soeharto regime in May 1998, and the uncertainty and sense of interregnum that followed, it is hardly surprising that Government Effectiveness should experience an abrupt decline. The 1998 Governance Matters percentile rank for Government Effectiveness was 20 per cent. Indonesia had gone from being one of the developing world's better performers in the area of Government Effectiveness to one of the world's lowest performers in 1998. By the time of the 2000 reading Government Effectiveness was back up to 35 per cent and it remained there until showing a small rise to 40 per cent in 2004 through to 2006. Evidently the success of the 1999 elections and the peaceful and stable transition to elected government helped to restore much of the government's effectiveness that had been lost in the preceding year but even now Indonesia enjoys much lower rates of effective governance than it did when the Soeharto regime was at the height of its power.

A similar story can be told for Regulatory Quality, which in 1996 was around 65 percentile points and in 2006 was more than 20 points lower. The difference here, however, is that Regulatory Quality showed a steady decline up until 2002 and then a steady climb from a low point of 25 per cent to a high point of around 63 per cent. In other words, the suggestion is that even after the transition to democratic government the decline continued and only slowly recovered over a four-year period.

The remaining three indicators show a similar story. On Rule of Law things were clearly better in 1996 than in 2006. Indonesia was then ranked in the 40 percentile range. This was hardly a good ranking but it fits with the subjective assessment that law and order in the Soeharto period was never very satisfactory. By 1998 the indicator had dropped to the 25 percentile range and then reached a low point of 18 percentage points in 2002 and 2003 before recovering slightly to 23 in 2006. Given all the good things that have clearly occurred in Indonesia over the last few years it seems hard to believe that three-quarters of the world's nations experience better rule of law than Indonesia. After all, although it is clear the general level of criminality has increased, Indonesia does not feel like a dangerous place. To some extent the low ranking is influenced by the level of communal violence experienced in parts of Indonesia, particularly in Eastern Indonesia, and by the low levels of satisfaction that Indonesians report when dealing with the police and with the court system. The Governance Matters indicators show a broad band covering the range of reporting regarded as being at least 90 per cent certain. This means that the 2006 aggregate indicator for rule of law could be as low as 13 per cent and as high as 32 per cent within this 90 per cent certainty band. But even the most optimistic grading of the data suggests that Indonesia has a long way to come in improving rule of law.

The aggregate indicator for Control of Corruption also shows a dip in the years 1998, 2000, and 2002, before a steady improvement through to 2006. In 1996 Indonesia was ranked in the 30 percentile range, and in 2006 it had recovered to a ranking of around 23 percentile points having been as low as 17 percentile points in 2002. Once again, it is difficult to reconcile subjective impressions with the Governance Matters data. But given that this data is based upon between fifteen and eighteen reputable sources for each of the indicators and that each of these sources are regarded as leading sources of reliable data on the global scene, the results cannot be disregarded. For the Control of Corruption indicator the band of 90 per cent reliability of data is broad but it simply indicates that at best Indonesia might be ranked at 34 percentile point at the most optimistic reading. This can hardly be construed as a good result whichever way it is interpreted.

The sixth aggregate indicator is the most shocking of all. In 1996 Indonesia ranked barely above the 28 percentile range for Political Stability and Absence of Violence. By 2000 this had dropped to around 7 per cent and in 2003 to 5 per cent before steadily climbing back to the ranking of 15 percentile points in 2006. Subjectively, it was clear that Indonesia was dealing with significant communal violence issues over this period with more than 10,000 lives lost in Ambon and Poso and thousands more lost in May 1998 in Java and later in communal violence in Kalimantan. So it is clear that Indonesia was never going to rank high on the Absence of Violence scale. Even so, it is hard to see how this nation of 245 million people, which has been mostly peaceful and largely free of violence should be ranked as one of the most violent nations in the world. Similarly, given that subjectively Indonesia has exceeded all expectations in achieving a consistent level of political stability it is difficult to see why it should rank so low on a global ranking for Political Stability and Absence of Violence. Nevertheless even reading from the upper edge of the 90 per cent certainty band only gives Indonesia a ranking of 22 percentile points in 2006.

### **Conclusion: The Long Road Ahead**

What these figures tell us is that even if Indonesia has been judged too harshly, and even if some of the data has been unduly coloured by impressions that do not accurately reflect the day-to-day reality of life for most Indonesians, Indonesia still has tremendous work ahead of it before it can be regarded as having reached even a modest level of good governance. There is simply no way that this sort of data can be easily dismissed. In modern, cosmopolitan circles the low levels of good governance and the poor quality of government services is no secret but neither is it felt as acutely as these survey results suggest. For the majority of Indonesians who live in the other Indonesia of rural poverty and urban squalor, however, there is little reason to have confidence in public institutions. For these people Islamism, and the hope of a society in which the application of *shari'a* represents tangible and reliable rule of law, increasingly appears to offer a desirable alternative to the status quo.

It is impossible to ignore the evidence that Indonesia is among the world's least well-governed nations. This should not, however, be taken as grounds to be harshly critical of Indonesia's current government. Rather, it serves as a reminder of the inherent weaknesses and failures of the Soeharto regime and the low base from which democratic government in Indonesia is now building. After all, the figures suggest that the Soeharto regime only performed moderately well in the

areas of Regulatory Quality and Government Effectiveness. An analysis of the situation suggests that many of the problems being experienced by post-Soeharto governments in these areas had their roots in systemic institutional aspects of governance established during the Soeharto regime. And when it comes to Control of Corruption, Rule of Law and to Political Stability and Absence of Violence, Indonesia has always been among the very worst performing of the world's nations for more than a decade and probably for the last five decades. This is simply the reality that the current government has to deal with. It is also the reality that observers of Indonesia and all concerned for its welfare have to acknowledge. Indonesia's decade of democratization has been very much a good news story. Indonesia has done very much better than anyone reasonably expected it to do. But it is coming off a low base and it is now attempting to get its house in order at a time when much of the rest of the world has been experiencing substantial improvements in levels of good governance.

What this means is that Indonesia faces substantial challenges that are both influenced by issues of good governance and are shaping Indonesia's capacity to achieve good governance. Chief among these are the need to improve effective planning to reduce corruption and to improve the performance of both the central government and regional governments. At the same time, Indonesia faces a massive challenge in rapidly developing infrastructure such as power generation, highways, railways, airports and seaports. It also needs to rapidly lift standards in education and healthcare and improve the performance of the police and judiciary. Somewhat less urgent, but nevertheless essential, is the reform of the military and the gradual replacement of military self-financing through unwholesome business ventures with adequate state funding. At the same time, Indonesia faces new challenges, not least being the need to respond to threats to its natural environment and to deal with the consequences of regional and global environmental problems including climate change and all of the effects that this will have on the economy and welfare of this very large and very poor nation.

## Notes

- <sup>1</sup> Christopher Koch, *The Year of Living Dangerously* (Australia: Nelson, 1978).
- <sup>2</sup> Adam Schwarz, *A Nation in Waiting: Indonesia's Search for Stability*, 2nd ed. (St Leonards: Allen & Unwin; 2000).
- <sup>3</sup> "Executive Summary: Indonesia Public Expenditure Review 2007", World Bank <<http://siteresources.worldbank.org/INTINDONESIA/Resources/Publication/280016-1168483675167/Ex-Summary-PERreport.pdf>>.
- <sup>4</sup> Ibid.

- <sup>5</sup> Ibid.
- <sup>6</sup> International Crisis Group, “Deradicalisation and Indonesian Prisons”, Asia Report no. 142, 19 Nov 2007, <[http://www.crisisgroup.org/library/documents/asia/indonesia/142\\_deradicalisation\\_and\\_indonesian\\_prisons.pdf](http://www.crisisgroup.org/library/documents/asia/indonesia/142_deradicalisation_and_indonesian_prisons.pdf)>.
- <sup>7</sup> PPIM UIN Jakarta, “Sikap dan Perilaku Kekerasan Keagamaan di Indonesia (Temuan Survey Nasional)”, <<http://www.ppim.or.id/doc/file/20070607091626.pdf>>.
- <sup>8</sup> Ibid., p. 15.
- <sup>9</sup> Ibid., p. 9. The original wording in the survey report reads: “orang yang menafsirkan al-Qur’an secara bebas harus dipenjara”.
- <sup>10</sup> Ibid., p. 9. “Ahmadiyah tidak boleh hidup di Indonesia sesuai fatwa MUI yang menyatakan bahwa Ahmadiyah adalah aliran sesat (47.0%)”.
- <sup>11</sup> “orang berzina dalam masyarakat Muslim harus dirajam sampai mati (48.0%)”.
- <sup>12</sup> Ibid., p. 12.
- <sup>13</sup> Ibid., p. 7.
- <sup>14</sup> Ibid., p. 10. “Muslim yang keluar dari Islam (murtad) harus dibunuh (18.1%)”.
- <sup>15</sup> Jamhari and Jajat Burhanudi, “Assessment of Social and Political Attitudes in Indonesian Schools (Madrasah and Pesantren Directors and Students)” (PPIM UIN Jakarta) <<http://www.ppim.or.id/doc/file/20070530032238.pdf>>.
- <sup>16</sup> The report’s authors, Jamhari and Jajat Burhanudi, document a steady growth in the *pesantren* sector. They note that in 1977 the Department of Religious Affairs reported having a total of 4,195 *pesantren* with 677,384 students on their books. In 1981 the figures were 5,661 *pesantren* with 938,397 students, in 1985 there were 6,239 *pesantren* with 1,084,768 students, in 1997 9,388 *pesantren* with 1,770,768 students, and by 2003 there were 14,647 *pesantren*. There has been a similar growth in Muhammadiyah’s *madrasah* and, coming off a vastly smaller base, independent Islamic schools. Ibid, p. 9.
- <sup>17</sup> Ibid., p. 21.
- <sup>18</sup> Ibid., p. 28.
- <sup>19</sup> Ibid.
- <sup>20</sup> Ibid, p. 20.
- <sup>21</sup> Ibid., p. 21.
- <sup>22</sup> Ibid., p. 18.
- <sup>23</sup> Ibid., pp. 34–35.
- <sup>24</sup> Ibid., p. 36.
- <sup>25</sup> Ibid., p. 16.
- <sup>26</sup> PPIM UIN Jakarta, “2007 Islam Dan Kebangasaan: Temuan Survey Nasional”, <<http://www.ppim.or.id/doc/file/20070522012506.pdf>>. This survey engaged 1,200 respondents and obtained 1,173 valid responses with a margin of error of +/- 3 per cent at a 95 per cent reliability level. Its respondents were equally divided between male and female and, reflecting national demographics, 42 per cent lived in cities and 58 per cent in rural areas. All were aged between 17 and 60.

<sup>27</sup> Ibid., p. 15.

<sup>28</sup> Ibid., pp. 10–11.

<sup>29</sup> Ibid., p. 10.

<sup>30</sup> Ibid., p. 5. “Aturan agama harus diselaraskan dengan Pancasila dan UUD ’45 (90.4 per cent)”; and “Aspirasi menjadikan Indonesia negara Islam (DI/TII, MMI, dll) (22.8 per cent)”.

<sup>31</sup> This report can be accessed at <<http://info.worldbank.org/governance/wgi2007/pdf/c102.pdf>>.