



THE TRANSITION TO DEMOCRACY IN INDONESIA: SOME OUTSTANDING PROBLEMS

IKRAR NUSA BHAKTI

INTRODUCTION

In the five years since the fall of President Suharto, Indonesia has had three presidents—B.J. Habibie, Abdurrahman Wahid, and Megawati Sukarnoputri—all of whom took power by democratic means. Most people have enjoyed freedom of expression and opinion, freedom of information, checks and balances between the executive and legislative branches of government, and a depoliticized military.

However, if we ask Indonesians for their opinions on the current political situation in Indonesia, we receive mixed answers. A number of political analysts, such as Dr. Mochtar Pabottingi, a senior researcher at the Research Center for Political Studies in the Indonesian Institute of Sciences, says that the present Megawati administration is actually the second coming of Suharto's New Order government (*Orde Baru Jilid Dua*).¹ Another analyst, Jeffrey Winters, goes further, saying Megawati's surname should not be Sukarnoputri ('daughter of Sukarno') but 'Suhartoputri', because her political behavior is similar to Suharto's. Other analysts or observers characterize Indonesian politics as being marked by one step forward and two steps back.

Moderate political analysts are of the opinion that there has been some progress toward consolidated democracy but that Indonesians still face many challenges, both from within and outside the country. These include a lack of capacity among political elites, terrorism, problems at the political level, and a culture and society that is mostly still paternalistic, patrimonial and emotional. Last but not least, Indonesia still has problems with law enforcement, and there can be no democracy without the supremacy of the law.

What are the opinions of people on the streets? Their answers may surprise us. Many will say that they miss Suharto. During Suharto era, according to them, security was the top priority, their daily income was higher

¹ Suharto's government was described as the 'New Order' government to contrast it from the period of disorder under Sukarno's 'Guided Democracy'.

than today and the price of daily necessities was quite low and certainly affordable for ordinary people. In the end, they wish Suharto was still in power or that a situation similar to the Suharto era, in which the military played the dominant role in Indonesian politics, was still in place. Most of the ordinary people in Indonesia were not aware that Suharto's regime created a lot of problems for Indonesians, including human suffering, corruption, collusion, nepotism, economic dependency on foreign debt, and economic collapse. Apart from that, during the Suharto period, there was no political freedom at all.

Many NGO activists who have been active in empowering the economic capacity of village people believe that poor village communities have been apathetic towards politics or have even been very antithetical towards political parties because politicians have never delivered on their promises. One NGO activist, states that:

Democracy is a project of capitalism to secure free-market competition. Democracy does not solve the unjust economic exploitation of the poor by the economically rich. We do not need democracy, we need socialism. In essence, democracy is only needed by a small number of elites and political scientists in Jakarta, but not by the majority of the poor people.²

We may come to the conclusion that during this transition period from the authoritarian regime of Suharto to consolidated democracy, many people have been disappointed with the current political, economic and security situation in the country. Many people felt that freeing Indonesia from the authoritarian regime would raise standards of living. This is a challenge not only for the government, but also for pro-democracy supporters seeking to convince the electorate that a democratic system of government is better than an authoritarian regime. Indonesia still has a long way to go to become a mature democracy. Therefore, the country needs political endurance to answer the many challenges.

INDONESIA'S EXPERIENCE WITH THREE TYPES OF DEMOCRACY

Indonesia has been struggling with democracy for decades. It has experience with three types of democracy, all of which failed. First was the failed attempt at parliamentary democracy (1949-1957) which led to the

² Conference, 'Transition Towards Democracy in Indonesia', Hotel Santika, Jakarta, 18 October 2002.

transition from parliamentary democracy to guided democracy (1957-1959), in which President Sukarno established the so called *Zaken* or Functional Cabinet, a business cabinet which consisted of members of political parties, economists and the military. Second, there was another attempt at 'Guided Democracy' under President Sukarno (1959-1965). The third and longest period was that of 'Pancasila Democracy' under President Suharto from March 1966 to May 1998.³

Constitutional Democracy

The period of Parliamentary democracy has various names. Herbert Feith calls it 'constitutional democracy'.⁴ Most in the Indonesian political community, writers and commentators call it 'liberal democracy', the term popularized by President Sukarno. However, 'liberal democracy' was used by Sukarno, more to mock Western democratic practices such as voting, which he criticized as 'fifty percent plus one democracy'.

Feith defines six distinct features characteristic of constitutional democracy. First, civilians played a dominant role; second, parties were of great importance; third, the contenders for power showed respect for 'rules of the game' which were closely related to the existing constitution; fourth, most members of the political elites had some sort of commitment to symbols connected with constitutional democracy; fifth, civil liberties were rarely infringed; six, government used coercion sparingly.⁵

It is still a subject of unending debate in Indonesia as to whether 'liberal democracy', 'parliamentary democracy' or 'constitutional democracy' really did fail in 1957. Many political scientists are of the opinion that liberal democracy did not fail; it was killed by Sukarno and the military. If there is a failure, then it is a logical consequence of a power game between the army and the president's office vis-a-vis the social and political forces within the civil society. The dissolution of the *Konstituante* (Constituent Assembly) and the reinstatement of the 1945 Constitution have been taken as watershed events in the end of

³ See, for example, Daniel Dhakidae, 'The Long and Winding Road: Constraints to Democracy in Indonesia', in R. William Liddle, ed., *Crafting Indonesian Democracy* (Bandung: Mizan in Cooperation with PPW-LIPI and The Ford Foundation, 2001), pp.67-74. See also, M. Syafi'i Anwar, ed., *Menggapai Kedaulatan Untuk Rakyat. 75 tahun Pro. Miriam Budiardjo* (Bandung: Mizan in cooperation with Ummat, 1998), pp.132-158.

⁴ Herbert Feith, *The Decline of Constitutional Democracy in Indonesia* (Ithaca and London: Cornell University Press, 1973 [1962]).

⁵ *Ibid.*, p.xi.

constitutional democracy and the beginning of the next period in Indonesian political history, that of Guided Democracy.

From the idealist's perspective, the failure of constitutional democracy was the result of a lack of sufficient institutional backup for democracy, namely a lack of education, a lack of democratic culture, and an insufficient economic base.

Guided Democracy

Demokrasi Terpimpin (guided democracy) concentrated power within the executive, particularly the president. Guided democracy was a great contrast to liberal democracy. While liberal democracy put the emphasis on the process, guided democracy emphasized the attainment of one major objective; 'a just and prosperous society', only to be achieved by a 'systematic and planned democracy'. President Sukarno loved to call it 'democracy with leadership'.

Guided democracy was implemented in Indonesia from July 1959 to October 1965. After six years, however, the 'systematic and planned democracy' failed to achieve a healthy economic system. Indonesia's economic situation was dire in 1965. Production had slowed dramatically. Exports and imports came to a halt and hyperinflation of more than 600 percent crippled the country. This economic collapse was followed by a struggle for power between the army and the Indonesian Communist Party. The murder of six army generals and one lieutenant by a left-wing elements in the Army⁶ capped the political and economic chaos and led to the Army *coup d'etat* on 11 March 1966 to bring down President Sukarno and his guided democracy.⁷

Pancasila Democracy (1966-1998)

Pancasila democracy is a form of democracy guided by five principles of national ideology (Pancasila). When General Suharto came to power he used the term *Orde Baru* or the 'New Order' and called Sukarno's guided democracy *Orde Lama*, or the 'Old Order', the latter implying a rotten, bankrupt system. At first, the New Order seemed set to inaugurate a fresh new era when it freed

⁶ Sukarno referred to the movement on the early morning of 1 October 1965 as *Gestok*, an abbreviation of *Gerakan Satu Oktober*, while the Suharto regime called it *Gestapu*, similar to the Gestapo in Nazi Germany or G-30-S/PKI, an abbreviation for *Gerakan 30 September* (September 30 Movement), which the Indonesian Communist Party (PKI) was accused of masterminding.

⁷ On 11 March 1966 President Sukarno was forced by the Army generals to sign a letter transferring power to General Suharto. In Indonesia, Sukarno's letter was known as 'Super Semar', an abbreviation of 'Surat Perintah Sebelas Maret' (Letter of Order of the 11 March). However, from a Javanese shadow puppet (*wayang*) story, *Semar* is a royal servant known for a powerful spirit and strength.

political detainees, and freed the press by lifting restrictions on newspapers, closed down by Sukarno. In other words, a process of liberalization was introduced by Suharto.

As the years passed, however, the New Order moved slowly and surely in the direction of dictatorship. The Indonesian Communist Party and the Indonesian Nationalist Party could still make their voices heard and thus compete with the Army. The New Order, in reaction, drifted toward a full military regime to stifle such dissenting voices. The Army created the so-called Functional Group (*Golongan Karya*, or *Golkar*) as a political tool to gain legitimacy from the people through general elections.⁸ Suharto's ties to the Army started to weaken when he asked B.J. Habibie to establish and chair the Association of Indonesian Moslem Intellectuals (*Ikatan Cendekiawan Muslim Indonesia*, or ICMI) in 1991. During the early period of the 1990s, the rise of ICMI to power highlighted the division of the military into so-called 'nationalists' officers, nicknamed 'red and white officers' (after the colors of the national flag), as opposed to 'green officers', a color associated with Islam.⁹ After that, the political interests of the 'red and white' Army became clearly different from those of Suharto.

During the New Order period, Suharto's regime was outwardly a success. There was a long period of security and the maintenance of political and economic interests between Suharto and the Army. After the Indonesian economy collapsed in July 1997, national security and stability were upset by mass killings and riots in Jakarta in May 1998. At that point, military interests inexorably diverged from those of the Suharto family, leading to his down fall.

THE FOUR PHASES OF THE DEMOCRATIZATION PROCESS

This chapter argues that the demands for *reformasi* (reform) and democracy were not only demands for a change of regime, but also for a change of political system. Such demands require an overhaul of all political, social and economic institutions and relations, and the establishment of a stable framework within which democratic practices can take root.

Juan J. Linz and Alfred Stepan define the core criteria of democracy as:

Legal freedom to formulate and advocate political alternatives with the concomitant rights to free association, free speech, and other

⁸ During the New Order period, *Golkar* was not seen formally as a political party but as a functional group, a strategy aimed at discrediting political parties.

⁹ Since Endriartono Sutarto, from the group of officers commissioned in 1971, became the Army Chief of Staff, he has successfully united the Army.

basic freedoms of person; free and nonviolent competition among leaders with periodic validation of their claim to rule; inclusion of all effective political offices in the democratic process; and provision for the participation of all members of the political community, whatever their political preferences. Practically, this means the freedom to create political parties and to conduct free and honest elections at regular intervals without excluding any effective political office from direct or indirect electoral accountability.¹⁰

To establish how far any given country has gone towards a transition to democracy, Linz and Stepan argue that:

A democratic transition is complete when sufficient agreement has been reached about political procedures to produce an elected government, when a government comes to power that is the direct result of a free and popular vote, when this government *de facto* has the authority to generate new policies, and when the executive, legislative and judicial power generated by the new democracy does not have to share power with other bodies *de jure*.¹¹

Theoretically, transition from an authoritarian regime to democracy is understood to take place within various phases. There are at least four phases that Indonesian politics have supposedly undergone, namely: pre-transition, liberalization, democratic transition, and democratic consolidation. The final stage of democracy (maturation) is predicted to take place within a longer period.¹²

The first phase (pre-transition) began during the period of Indonesia's economic crises in 1997. Various anti-*Orde Baru* groups emerged to establish a reform movement as a political rival to the New Order regime. This period was marked by sporadic detentions and disappearances by the state apparatus against anti-New Order political activists. Meanwhile, the ongoing economic crises had worsened the image of the state. The credibility of the New Order as a strong and powerful regime crumbled everywhere, and this finally paved the way to mass movements and social unrest in several provinces. The shooting of four Trisakti University students on 12 May 1998 initiated strong

¹⁰ Juan J. Linz and Alfred Stepan, 'Defining and Crafting Democratic Transition, Constitutions, and Consolidation', in R. William Liddle, *Crafting Indonesian Democracy* (Bandung: Mizan in cooperation with PPW-LIPI and the Ford Foundation, 2001), p.18.

¹¹ *Ibid.*, p.19.

¹² Gerry van Klinken divided those transitions into four other steps, namely: decay of the authoritarian system, transition, consolidation, and finally maturation. See Gerry van Klinken, 'How a democratic deal might be struck,' in Arief Budiman, et al, *Reformasi: Crisis and Change in Indonesia* (Clayton: Monash Asia Institute Monash University, 1999), p.59.

criticism against the New Order, domestically and internationally. The political turmoil led to three days of social unrest in the days immediately following the shootings, in Jakarta and several other major cities in Indonesia. This was followed by student demonstrations in Jakarta and the occupation of parliament by students from 18 May 1998 until the fall of Suharto on 21 May 1998. Suharto transferred his presidency to B.J. Habibie.¹³

What the people and especially the students wanted was a new democratic constitution; one that was accountable and transparent. They also wanted reform of the justice system, freedom from 'KKN' (Corruption, Collusion and Nepotism) and for the Indonesian Armed Forces (*Tentara Nasional Indonesia*, or TNI) to be kept out of politics. This 'early stage of political transition' from Suharto to Habibie was also an opening to the next stage of political liberalization from authoritarianism, and was marked by the withdrawal of five old political laws and the implementation of three new political laws.¹⁴ Habibie also embraced many democratic procedures, such as provisions for press freedom, free and fair elections, the decentralization of regional government and the release of political prisoners.

This period also was marked by its first genuinely democratic election since 1955. The 1999 election campaign had some similarities and differences with those of elections held during the New Order. The campaign itself took a similar form, such as public gatherings and festivals. The main differences, however, were in the wholesale re-politicization of society, the freedom of the media to report on the election, and the issues discussed. In the 1999 election, the media were free to report on the activities of all parties regularly, including live debates among party candidates. The issues debated were also different from those during the New Order period. The media, politicians, and the public were free to level any kind of criticism at the government. Among the popular issues was the need to stamp out 'corruption, collusion and nepotism' and the promise to bring Suharto and his cronies to justice. However, apart from this, the candidates repeated themes similar to New Order campaigns, such as the improvement of wages for the laboring classes, the elimination of poverty, the struggle for justice, and a more equal distribution of wealth.

Although Habibie successfully portrayed political liberalization as the first step in the transition toward democracy, he failed to maintain his power

¹³ For a good historical background on this period, see, Geoff Forrester and R.J. May, eds., *The Fall of Suharto* (Bathurst, Australia: Crawford House Publishing, 1998).

¹⁴ Law No.2/1999 on Political Parties, Law No.3/1999 on General Elections and Law No.4/1999 on the Structure and Position of the MPR/DPR (Parliament).

because most Indonesian elites saw him as too close to the authoritarian Suharto regime. Apart from that, the political liberalization under his administration was not seen as a sincere personal political conviction, but rather as an expedient measure. It was believed that Habibie would never have allowed freedom of the press or the establishment of political parties without political pressure from the opposition, particularly university students.¹⁵ On the positive side during the Habibie period, there were no serious efforts to resume past human rights atrocities as practiced by the New Order regime.

Larry Diamond labels this era of transition in Indonesia as falling into ‘a gray area’ of democracy ‘that is neither clearly democratic nor clearly undemocratic’.¹⁶ Although the 1999 general election was largely free and fair, Diamond noted some incidents of fraud and dubious conduct.

The 1999 election was won by the Indonesian Democratic Party of Struggle (PDIP) under Megawati Sukarnoputri, with Golkar (the perennial party in power under Suharto) as the runner-up. B.J. Habibie lost his chance to be re-elected President by the People’s Consultative Assembly (the MPR) because the assembly rejected his accountability speech, mostly related to East Timor Issues. And although PDIP was the electoral winner, the MPR elected Abdurrahman Wahid as the fourth Indonesian president.

During the transition toward democracy in Indonesia, it is important to bear in mind that a compromise between authoritarian and democratic powers took place. The Abdurrahman Wahid government had to face one of the ‘paradoxes of democratic transition’, when New Order groups, both through parties such as the former ruling party, Golkar, and through powerful individuals, had to be accommodated because of their important political and economic roles.

The next important stage should be the consolidation of democracy. In theory, in the consolidation phase, democratic values spread and take hold in society. In Indonesia, however, these values have not yet become embedded. Many of the political elites state that they are committed to supporting democracy and reform, but in reality they practise the kinds of politics that

¹⁵ See for example, Syamsuddin Haris, ‘*Konflik Elite Sipil dan Dilema Konsolidasi Demokrasi Pasca Orde Baru*’ (Conflict among civilian elites and the dilemma of democratic consolidation in the Post Suharto Era), in Maruto MD and Anwari WMK, eds., *Reformasi Politik dan Kekuatan Masyarakat. Kendala dan Peluang Menuju Demokrasi* (Political Reform and the Strength of the Society. Problems and Prospects toward Democracy) (Jakarta: LP3ES, 2002), pp.3-21.

¹⁶ Larry Diamond, ‘The Global State of Democracy’, *Current History* 99, no. 641 December 2000, p.414.

demonstrate their lack of political ethics—ethics that are essential for the development of democracy.

During the Abdurrahman Wahid (also known as Gus Dur) government, political elites busied themselves with partisan struggles for power with little, if any, effort to advance the process of democratization. In a democratic system, the winning party in the election logically has the right to form the government. However, Indonesia's system is, in some ways, disorderly, and may not reflect the will of the people. Megawati, who came ahead in the general election, was chosen only as Vice-President, and not President, causing much anger among her supporters. Meanwhile, the *Poros Tengah* (Axis Forces), acting as the coalition group of various Islamic political parties, succeeded in getting Gus Dur inaugurated as the fourth President. Furthermore, the system based on the 1945 Constitution does not make clear the relationship between Parliament and the President. Both have equal constitutional power and this has caused conflict between the two branches of government.

The government that emerged from the 1999 election comprised a loose coalition of parties. The government was formed in October 1999 and initially consisted of figures from the leading parties, including PDI-P leaders, because of Megawati's role as Vice-President. There were two concerns with such a coalition. The first was whether the government would be fragile because it was formed by an unsteady and *ad hoc* coalition, with Gus Dur himself coming from a minority grouping within this loose coalition.

Juan Linz describes what constitutes a consolidated democratic regime:

... when no significant national, social, economic, political, or institutional actors spend significant resources attempting to achieve their objectives by creating a nondemocratic regime or by seceding from the state. *Additionally*, a democratic regime is consolidated when a strong majority of public opinion, even in the midst of major economic problems and deep dissatisfaction with incumbents, holds the belief that democratic procedures and institutions are the most appropriate way to govern collective life, and when support for anti-system alternatives is quite small or is more or less isolated from pro-democratic forces. *Constitutionally*, a democratic regime is consolidated when governmental and a-governmental forces alike become subject to, as well as habituated to, the resolution of conflict within the bounds of the specific laws, procedures, and institutions that are sanctioned by the new democratic process...¹⁷

¹⁷ R. William Liddle, *Crafting Indonesian Democracy* (Bandung: Mizan, 2001), p.28.

Unfortunately, the Gus Dur administration failed to provide those preconditions. Political crises remained and were marked by clashes of interests between parties in the cabinet. His presidency found no mass support in the midst of ongoing violent conflicts in several regions; specifically, communal conflicts in Ambon, Maluku, and Poso and separatist movements in Aceh and Papua.

This crisis of leadership was brought to a point of no return by the Bulog scandal, leading to opposition in the Parliament.¹⁸ Ultimately, Gus Dur was brought down by a coalition of forces including parties within his government and the TNI. A Special Assembly was held in July 2001 in the Parliament Building to impeach Gus Dur and this paved the way for Megawati to become the fifth President.

The new administration is now facing serious challenges to its own legitimacy, ranging from the lack of a domestic economic recovery, security problems, and international criticism of its efforts to stamp out terrorism. The political situation is still fraught with problems since there has been no clear decision on constitutional amendments, not to mention inconsistencies in the political system. Constitutional crises could also become endemic since, on the one hand, Indonesia has a presidential system, but on the other, it also allows for impeachment. However, the fourth amendment to the 1945 Constitution, amended by the People's Consultative Assembly in August 2002, now makes it difficult for the parliament to impeach the president.

As has previously been described, Indonesia's political system is in a 'political gray zone' under Megawati's administration. Indonesia's political transition has not moved forward but rather backward. There is no guarantee that the transition will move forward into a democracy *per se*. Indonesia's democratic transition is marked by a situation in which democratic procedures take place, but substantial democracy is ignored.¹⁹

The October 2002 night-club bombing in Bali has also worsened the 'democratic consolidation', as the TNI has attempted to regain their previous domination of policy through a new Law on Terrorism, regarded by many as a new threat to democracy.²⁰ The implementation of this will not only endanger the democratization process in Indonesia, but will strain relations between the

¹⁸ A scandal relating to the operations of the centralized state purchasing and distribution agency, the Bureau of Logistics (Bulog).

¹⁹ *Kompas*, 20 July 2002.

²⁰ Government Regulation (regarded as National Law) No.1/2002 and No.2/2002 on Terrorism (*Peraturan Pemerintah Pengganti Undang-Undang or Perpu*).

Megawati government and Islam as well. The government was accused of being a puppet of the United States in the global war on terrorism.

The United States, as part of its response to international terrorism, will also hamper the democratization process in Indonesia, because of US intentions to reintroduce a military-to-military relationship with Indonesia at the expense of democracy. Most observers in Jakarta believe that the present Bush administration is more focused on the war on terrorism than on democracy; a quite different policy from that of the previous administration. The US government's intention to increase military and police cooperation with Indonesia must be balanced with a policy to support democratization in Indonesia. Indonesia is not America, where there is trust between the people and the security apparatus. In most cases, people are still traumatized by what was done by the security apparatus (ABRI, which included the armed forces and the police) during the New Order period. Fear of politicization of the military is still very real. On one hand there is a need to make the security apparatus become professional, on the other hand there is still public distrust towards the military (and even to the police). It is a dilemma for Indonesia, where democracy is still fragile. If the fight for democracy is lost, it means that terrorists, whoever they are, win.

In today's situation, pro-democracy movements are facing two kinds of danger. On one hand, there is a strong tendency for the old status quo elements to try to regain power through Golkar and the military forces. The latter is clearly the strongest among the support pillars of the Megawati regime. On the other hand, pro-democracy groups do not share any agreement on how to run the *reformasi* process. Many hoped that non-governmental organizations (NGOs), intellectuals, and student movements would be able to influence political reform, but they also face internal weaknesses such as a lack of professional management skills to run their organizations, and a lack of networking and formulation of ideas. This situation leads to weak organizational accountability, and is taken advantage of by status quo groups.²¹ The political elites, on the other hand, have already begun early political maneuvers for the elections scheduled for 2004. This has turned their attention from the real problems facing the nation. In other words, we are facing a leadership crisis, in which the leaders, both executive and legislative, are more concern with their future political positions than the people's interests.

²¹ Mashudi Noorsalim, 'Egoism a hindrance to progress in reform' *The Jakarta Post*, 4 April 2002.

CONCLUSION

One conclusion often mentioned by Indonesian intellectuals on Indonesia's political transition concerns its uncertainty. Divergent interests (none necessarily related to the needs of the country) of various the political adversaries have become more common. *Reformasi* as a driving force toward a democratic transition has remained empty jargon.

Apart from that, political developments in 2003 show that a number of political parties have tried to delegitimize Megawati's administration since the government increased prices in three areas: fuel, electricity and telephone usage. They are not only making many political statements on those issues, but they also criticize the government's policy of privatizing some public companies, particularly in the case of Indosat (Indonesian Telecommunication and Satellite). The government, based on intelligence analysis, has accused a number of political figures, namely retired Army general Wiranto, Fuad Bawazir (former minister during the Suharto era), Eros Djarot (a journalist-turned—politician who used to be close to Megawati), Adi Sasono (former minister during the Habibie government) and Rizal Ramly (former economic minister during the Abdurrahman Wahid government), as being behind student, worker, and other demonstrations in early 2003. Most of the demonstrators not only demanded the cancellation of the price increases, but also that Megawati and Vice-President Hamzah Haz step down.

It seems that most of political parties are more concerned with narrow party interests than the people's or the nation's interests. They have been busy with political maneuvering, either inside Parliament or outside, as part of their preparations for the 2004 general election. Both supporters and opponents of the Megawati administration are not fully aware that if civilian politicians fail to consolidate democracy in Indonesia, the gate will open for the military (particularly the Army) to take over the government. Present student and mass demonstrations show that the 'parliament of the street' is still alive as a consequence of the failure of political parties to aggregate and articulate people's aspirations.

In conclusion, a lack of any democratic culture among students and political elites, and the tendency of the Army to see itself as 'the guardian of the state', threaten the transition to consolidated democracy in Indonesia. Whether or not democracy in Indonesia is stalled depends on whether political elites bear in mind what happened to the liberal democracy of the 1950s.