



Indonesia

Assessment: Poor

Trend: ↔

Capital: Jakarta

Type of Government: Republic

Head of Government: President Megawati Sukarnoputri (since 23 July 2001)

Minister of Foreign Affairs: Noer Hasan Wirajuda

Population: 228,437,870

Human Development Index Ranking 2002: 110

EXECUTIVE SUMMARY

The Republic of Indonesia has a **poor** record of support for democracy abroad during the period 1992 to 2002, as evidenced by the country's unwillingness to criticize electoral manipulation, entrenched dictatorships, or the overthrow of democratically-elected governments. From 1992-1998, while President Soeharto was in office, Indonesia actively opposed international support for democracy, rejecting the idea of democracy as a universal value. Soeharto's resignation in 1998 created the opening for political liberalization within the country, and brought about a partial change in the country's position toward democracy internationally. Indonesia has ceased its vocal opposition to international support for democracy, and the country has taken some small steps toward participation in the community of democracies. These steps include signing the Warsaw Declaration and accepting democratization-related foreign assistance. In addition, there have been three isolated and minor instances since 1998 where Indonesia played a role that can be construed as supporting democracy within a neighboring country. More generally, however, Indonesia remains committed to the principle of non-interference in the affairs of sovereign states, and focused on the challenges of its own political transition. For these reasons, the country is not likely to emerge as an active supporter of democracy on the international scene.

FOREIGN RELATIONS BACKGROUND

Indonesia's foreign policy objectives derive from the country's three critical national priorities: maintaining territorial integrity, preserving social calm, and stimulating economic development. With colonially-defined borders extending over some 13,000 islands and a diverse though largely Muslim population of more than 250 ethnic groups, Indonesia faces significant challenges to its basic stability from secessionist movements and religious and ethnic violence. These stress points are perceived to be highly vulnerable to outside meddling and there is some justification for this view; the cataclysmic internecine violence that claimed at least 100,000 lives in 1965 was triggered by an aborted Communist coup supported by China.

The first priority of Indonesian foreign policy has therefore been to prevent outsiders from exacerbating the country's flashpoints. This goal has led Indonesia to support the creation of the Association of Southeast Asian Nations (ASEAN), an organization designed to maintain the territorial status quo of all member nations and build regional stability. More generally, the view that foreigners can exacerbate internal tensions has increased vocal support for the policy of non-interference in the affairs of sovereign states. For much of the 1990s, Indonesia was a leading opponent of universalism in human rights, arguing that Western governments and human rights organizations should not make prescriptions for Asia, where, it was argued, a fundamentally different set of values prevail.

This fear of outside criticism intensified as a result of Indonesia's disastrous occupation of East Timor. Indonesia invaded the former Portuguese colony in 1975, claiming that the newly-liberated East Timorese preferred Indonesian citizenship to independence. International condemnation of the invasion intensified after the December 1991 massacre of independence protestors in the capital city of Dili. Through



the 1990s, Indonesia found itself increasingly on the defensive over its repressive occupation of East Timor and its refusal to allow a referendum on self-determination. This criticism reinforced the belief within the Soeharto administration that outsiders were out to discredit and undermine the Indonesian state.

Offsetting this isolationist tendency has been Indonesia's intense focus on economic development, which has led the country to engage with the world in order to gain access to technology, investment capital and export markets. These goals have turned Indonesia's attention to the financial centers of Europe and the U.S. Indonesia has also sought to anchor its economic growth within Asia. Japan has been a major investor in Indonesia, and the country has close economic ties with Malaysia, Singapore, Hong Kong, and increasingly with China.

These two impulses of Indonesia foreign policy --self-protective isolationism, on the one hand, and economic engagement, on the other--reflect the "independent and active" (*bebas dan aktif*) policy that has guided the country's foreign relations since independence in 1945. On balance, Indonesia has tended to favor the "independent," or isolationist, side of this equation, which helps explain why Indonesia's influence externally has been inconsistent with the country's size and strategic significance. It bears reminding that Indonesia has the world's fourth largest population, significant military capability, oil reserves, and a strategic position astride major international shipping lanes. Yet from 1992 to 2002, the country made little use of its potential to influence others, aside from its effort to build ASEAN as a kind of solidarity group in support of "Asian values" and the doctrine of non-interference.

The domestic political context for this foreign policy framework has shifted with Indonesia's own democratic transition, which in a few short years has transformed the nation's constitutional structure and political dynamic. Until 1997, Indonesia was essentially a one-party dictatorship. Regular elections for parliament did take place, but government officials vetted all candidates and controlled the three approved political parties, and a significant percentage of seats were reserved for the military. This carefully structured political edifice began to crumble with the 1997 Asian financial crisis, which devastated Indonesia's economy. Soeharto's resignation in

May 1998, in the face of social upheaval and widespread political protests, set in place a transition to multiparty democracy that has surprised most observers by its speed and intensity. By August 2002, Indonesia had relaxed controls on political parties, conducted democratic elections, and amended the constitution to institute direct presidential elections and curtail the military-allocated seats in parliament. Indonesia also survived three leadership transitions: Soeharto was replaced by his Vice President, B.J. Habibie, who administered transitional elections. These were won by moderate Islamic leader Abdurrahman Wahid, who was then impeached two years into his term and replaced by Vice President Megawati Sukarnoputri.

The democratic transition has affected Indonesia's foreign policy in complicated ways. First, and most positively, democracy in Indonesia has brought an end to the country's rejection of universal norms in human rights. Foreign Minister Hassan Wirajuda noted this in a briefing to foreign journalists in October 2001: "For a long time, the Indonesian public did not quite see human rights in the same way that the international public did. This discrepancy in perception became a constraint in the development of our foreign relations. We will do our best to remove that perception gap."¹

At the same time, democratization in Indonesia has coincided with, and to some extent contributed to, an intensification of the country's key stress points. Challenges from secessionist movements, particularly in Aceh, and from religious and ethnic rioting have intensified since 1997. These problems affect foreign policy in two ways. First, they deepen the fear that the unity and social stability of the country are at risk, which intensifies the country's self-protective isolationism. Second, they focus all attention inward, keeping on hold the question of how a newly democratic Indonesia will conduct its foreign policy. President Megawati, in her August 2002 State of the Union Address to Parliament, had almost nothing to say about foreign policy except to restate a commitment to ASEAN and to an "independent and active foreign policy."

Part of Indonesia's challenge in formulating a post-transition foreign policy vision stems from a new factor that has entered the scene: Islamic politics. The Soeharto years were marked by a strict separation between mosque and state, which imparted a degree of religious neutrality to the country with the world's largest Muslim



population. In the new electoral dynamic, Islamic groups in Indonesia are beginning to recognize and exercise the strength of their numbers. At the same time, the emergence, since the attacks on the World Trade Center, of a global Islamic terrorist threat has suddenly rendered Indonesia a critical player in global anti-terrorist efforts. Indeed, the United States now appears to be much more interested in Indonesia's ability and willingness to combat terrorism, than in the country's democratization process. Megawati's vague generalities on foreign policy may reflect her unwillingness to choose between alienating domestic Islamic groups and losing the support of the United States.

Another new political force that has recently become a factor in the country's policy debate is the NGO community, which has been a key catalyst of the country's political reform. In general, this community tends to be less isolationist than other actors in the country, in part because of their connections with peer groups such as NAMFREL in the Philippines. NGOs, therefore, have the potential to nudge the government toward a more active and involved foreign policy -- one more in keeping with growing international norms. This potential has yet to be realized, however, because at present, NGO leaders, like everyone else in the country, are single-mindedly focused on how Indonesia will navigate its difficult transition to an open but harmonious democracy.

Given the intense preoccupation with domestic crises and internal stability, and the difficult balancing act around Islamic issues, it is likely that in foreign policy Indonesia will default to the familiar position of emphasizing non-interference in the affairs of sovereign states.

RESPONSE TO OVERTHROWS OF DEMOCRATICALLY-ELECTED GOVERNMENTS

The Indonesian government took no actions to condemn or otherwise respond to the overthrow of any democratically-elected governments during the period 1992 to 2002. In two of three seminal cases involving countries in the region, Indonesia actively demonstrated support for the new governments. Indonesian President Abdurrahman Wahid visited Pakistani General Pervez Musharraf seven months after he overthrew Prime Minister Nawaz Sharif in 1999. And President Wahid called the new President of the Philippines, Gloria Macapagal, to congratulate

her after the January 2001 extra-constitutional impeachment of President Joseph Estrada. Finally, there is no record of any response from Indonesia to the May 2000 military coup in the Fiji.

RESPONSE TO MANIPULATION OF ELECTORAL PROCESSES

There is no record of the Indonesian government taking any action to condemn or respond to manipulation of electoral processes in other countries during the period 1992 to 2002. The two seminal cases of the Malaysian election of 1999 and the Cambodian election of 1998 were reviewed, and in neither case is there a record of any public reaction on the part of the Indonesian government. The Cambodian election drew extensive criticism from international and local observers and from the United States Government, but ASEAN declared the elections free and fair and a reflection of the will of the Cambodian people. Whether Indonesia was the instrumental force shaping ASEAN's response is difficult to discern, but there can be little doubt that Indonesia supported this view. A few months later Indonesia sided with Vietnam against Thailand in an ASEAN vote on Cambodian membership.

Regarding the Malaysian elections, President B.J. Habibie did express concern about the conditions of Malaysia's well-known prisoner Anwar Ibrahim, the former Deputy Prime Minister, and Habibie cancelled a planned visit to Kuala Lumpur. The Economist described these gestures as "a breach of South-East Asia's hallowed principle of "non-interference."² Ibrahim's arrest occurred several months before the election and may have been intended to dampen enthusiasm for political rivals as the polls approached. Habibie's comments could be taken as an indirect criticism of the pre-election environment in the country, but there was no direct reaction to the election itself.

PROMOTION OF INTERNATIONAL DEMOCRACY

Indonesia did little to promote democracy internationally in general terms between 1992 to 2002, but there has been some improvement in this area following the country's own political transition. During the Soeharto administration, Indonesia essentially opposed international support for democracy. In a 1992 address to the United Nations, for example, President Soeharto issued a strong rejection of Western pressure for democracy and human rights in developing countries, calling



instead for greater support for economic development. In 1994, B.J. Habibie, then minister of Research and Technology, stated that voting created a “conflict prone democracy” suitable only for cultures accustomed to conflict.³ President Soeharto warned on several occasions of the threat of “outside values.” Indonesia also blocked the efforts of Thailand and the Philippines to modify ASEAN policy on democracy and human rights from one of strict non-interference to a more nuanced “flexible engagement.”

Things did change somewhat after Soeharto’s resignation. Starting in 1998, Indonesia began to accept some foreign assistance to support democratization programs. Over the next four years the percentage of development aid to support democratization became significant. The United States Agency for International Development, for example, devoted roughly 20 percent of its Indonesia budget to democratization programs in 2000 through 2002. Indonesia has also ratified some international agreements relating to democracy and human rights, and endorsed the Warsaw Declaration in 2000. Indonesia also voted in support of several United Nations General Assembly resolutions that pledged to strengthen the role of the UN in the promotion of democratization. Finally, in 1999, President Habibie agreed to allow a referendum on self-determination for East Timor, an important step towards Indonesia’s learning to respect elections as an expression of the will of the people.

POLICY TOWARD ENTRENCHED DICTATORSHIPS

Between 1992 and 2002, Indonesia did nothing to support democracy in entrenched

dictatorships. For example, Indonesia had been at odds with China, not because of its dictatorship, but rather because China had supported the communist uprising in Indonesia in 1965. Beginning in 1988, Indonesia began to reestablish relations with China, and since then close ties with Beijing have been an important priority. There is no record of any criticism of China’s government from any Indonesian officials.

Indonesia also was supportive of Burma and Laos, two other dictatorships in the region. In 1997, Indonesia helped the two countries gain admission into ASEAN. Some saw the move to include these countries as an attempt to “strengthen the authoritarian pole...within ASEAN, neutralize the formal democratic regimes --the Philippines and Thailand-- and prevent them from following foreign policies that would be more sympathetic to democratic movements on the ground.”⁴

After Soeharto, there were isolated instances during which Indonesia appeared to be changing its approach toward entrenched dictatorships. In 1999 President Wahid met with Burmese democracy leader and political prisoner Aung San Suu Kyi during his visit to Rangoon, although there is no record that Wahid made any statement in support of a more democratic process in that country.

It is unclear, however, whether President Megawati Sukarnoputri will continue this general trend. Since her inauguration in July 2001, Megawati has visited both China and North Korea. During her visit to China, the President secured a \$400 million loan guarantee from the Chinese government.

¹ Statement by H.E. Dr. N. Hassan Wirajuda before the Jakarta Foreign Correspondents’ Club, Jakarta, 12 October 2001.

² “South-East Asia’s leaders: Out with the old, in with something much less familiar”, *The Economist*, London: 10 October 1998.

³ Sukma, Rizal. “Values, Governance and Indonesian Foreign Policy” in *Changing Values in Asia: Their Impact on Governance and Development*. Tokyo: Japan Center for International Exchange, 1999, p. 139.

⁴ Bello, Walden. “View and Comment: Democratic Expansion in South East Asia.” *Business World* 1 August 1997.