A Consolidated Patrimonial Democracy?
Democratization in Post-Suharto Indonesia
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In no more than seven years, Indonesia, the world’s most populous majority Muslim country, has made a remarkable transition from an authoritarian to a democratic political system. Against heavy odds, and despite bleak prognoses that this process and the country itself would collapse, Indonesia has meanwhile developed many attributes of a consolidated democracy. As indicated by pervasive and endemic corruption, what has emerged in Indonesia, however, is a *patrimonial* democracy in which the rule of law is weak and the government’s effective capacity to govern is limited. Although patrimonialism has deep roots in Indonesian political history, there are nonetheless growing signs that electoral competition will push Indonesian democracy in a more liberal direction. A new and rare Muslim democratic star is thus rising in the Far East.

Key words: democratization; Indonesia; patrimonialism; corruption; Islam; military

**Introduction**

During the last seven years, the political landscape of Indonesia, the world’s most populous Muslim country, has been transformed almost beyond recognition. In April 1998, Indonesia still had a highly centralized authoritarian regime in which there was no effective separation of powers, power in the dominant executive branch was concentrated in the hands of a single person who had held the office of president for the preceding 32 years, political freedoms were extremely limited, elections and the few political parties permitted to compete for popular support in them were strictly controlled, and the military had extensive discretionary powers to intervene in political and other areas of Indonesian life. Meanwhile Indonesia has staged a series of free, fair and extremely peaceful elections for the country’s legislature and – for the first time in 2004 – for a popularly-elected president and had several rotations of government. Legislatures and courts are much more independent of the executive than they were under Suharto’s ‘New Order’. Indonesians enjoy extensive political freedoms. Numerous political parties compete freely for popular support and a wide range of pressure or interest groups and mass media exercise or try to exercise oversight over the behaviour of elected representatives and national and local governments.

In brief, Indonesia has made in a short time and in many respects a remarkable transition from an authoritarian to a democratic political system. Moreover, to the extent that it possesses very few of the traits typically identified as conducive to democratization and has still not recovered entirely from the profound economic crisis that hit the country in 1997-98, it has achieved this transition very much ‘against the
odds’, defying occasionally bleak, even dire, prognoses that democratization would fail and Indonesia itself would fall apart in an accelerating spiral of inter-communal or inter-cultural violence.1 Contrary to these pessimistic analyses, Indonesia’s new democracy, in my view, has become considerably more stable in the last three or four years. Indonesia arguably meanwhile displays numerous attributes of a consolidated democratic political system. Less clear, however, is what kind of democracy is being consolidated in Indonesia and how likely it is that the system has found a ‘self-perpetuating equilibrium’ or will ‘progress’ and become a more liberal consolidated democracy (Merkel and Croissant 2004: 207-211). Because of the overbearing political influence attributed to the military, post-1998 Indonesia has sometimes been labelled a ‘tutelary’ (or ‘domain’ or ‘enclave’) democracy. In my view, while this interpretation is not entirely misplaced, it overlooks a more salient ‘defect’ in the new Indonesian democracy, namely the strength and pervasiveness of patrimonial norms and practices that are deeply embedded in Indonesia’s social and political fabric and have survived the transition from authoritarian to democratic politics to a large degree intact.

In the next section of this paper I shall survey the state of Indonesian democracy in early 2005 and assess the extent to which Indonesia today approximates the ideal type of a ‘consolidated’ democracy. In the two subsequent sections I shall explore why, despite the fact that, according to much democratization theory at least, Indonesia was a highly unlikely candidate for democratization, the Suharto regime nonetheless collapsed and Indonesia made a successful democratic transition in the late 1990s. The fifth section presents the argument that what has developed in Indonesia since 1998 is a patrimonial democracy, in which, irrespective of the staging of regular free and fair elections, holders of (not only elected) public offices exploit their positions primarily for their personal rather than ‘universalistic’ ends. In the penultimate sixth section of the paper I assess how stable this patrimonial democracy is, the nature and scale of the threats to its perpetuation and how likely it is that it will ‘regress’ towards a more authoritarian political system or ‘progress’ towards a more liberal democratic one. The paper concludes that the struggle between forces favouring the patrimonial status quo and those that aim to ‘deepen’ the democratization process is currently finely balanced, but that the latter reform-oriented camp may just now be getting the upper hand.

Indonesian democracy 2005

Has Indonesia completed its democratic transition and can it therefore now be described as a democracy? If so, is it already also a consolidated democracy? How these questions are answered depends of course on how the concepts of ‘democracy’, ‘democratic transition’ and ‘democratic consolidation’ are defined. If relatively widely (but not unanimously) accepted definitions of the concepts are used, however, the first two questions may be answered with a relatively unqualified and the third with a rather more qualified ‘yes’. If Dahl’s polyarchal concept of democracy as comprising elected officials, free, fair and frequent elections, inclusive suffrage and citizenship, freedom of expression, alternative sources of information and associational autonomy is taken as the yardstick, Indonesia today may be described as a democracy and it would have completed its democratic transition after having staged legislative elections in 1999 (Dahl 1998: 84-91).

Democratic consolidation has been defined by Schneider and Schmitter (2004: 61-62) as ‘the processes that make mutual trust and reassurance among the relevant actors
more likely’, leading to the institutionalization (i.e. the transformation into known, practised and accepted relationships) of the ‘practice of “contingent consent”, namely the willingness of actors to compete according to the pre-established [democratic] rules and, if they lose, to consent to the winners right to govern – contingent upon the right of the losers to compete fairly and win honestly in the future’. They construct a behaviourally-oriented scale of democratic consolidation comprising 12 components or items. Whether a country is a consolidated democracy depends on whether all ‘significant political parties’ basically accept the existing constitution, whether elections have been regular, free and fair and their outcomes accepted by government and opposition(s), whether electoral volatility has diminished significantly, whether there has been at least one ‘rotation-in-power’ or significant shift in alliances of parties in power, whether elected officials and representatives are constrained in their behaviour by non-elected veto groups within the country, and whether formal or informal agreement has been reached over the rules governing the formation and behaviour of associations, the territorial division of competencies and the rules of ownership and access to mass media (Schneider and Schmitter 2004: 67-68).

By these criteria, contemporary Indonesia has most of the attributes of a consolidated democracy. It is true, first, that constitutional reform has been a major political issue and important changes have been made to the constitution since the democratic transition in 1999. However, these changes have made the political system more rather than less democratic, especially by introducing direct elections for the presidency, and have been adopted on the basis of a wide consensus between the principal political forces, particularly the two largest (essentially secular-nationalist) political parties, the PDI-P (Indonesian Democracy Party – Struggle) and the Golkar (abbreviation for ‘Functional Groups’), formerly Suharto’s personal party-political vehicle. Some political movements in Indonesia do still advocate arguably major changes in the constitution. In particular, some Islamic movements want to revise the existing, essentially secular constitution, which rests on the so-called ‘five principles’ (Pancasila), so that Islamic law (Syariah in Indonesian) is applied to all Muslims, but popular support for this agenda, judging by opinion poll results and electoral support for parties campaigning on this platform, seems to be limited to no more than about one-sixth of the voting population. Attempts to revise the constitution along these lines have won very little support in the national legislature. Radical groups that want to establish some kind of Islamic state by violence or force (and do not contest elections) have much less popular support (see below). If the breadth of the support they enjoy – in general and in particular for their cause to introduce Islamic law - should be the decisive criterion, these movements may be regarded as not very ‘significant’. Moreover, the Islamic parties contesting elections and represented in Parliament have accepted the outcomes of both the elections themselves and their bid to revise the constitution to include Islamic law. Hence, even if they want to bring about ‘major’ constitutional changes, they have hitherto pursued this end by peaceful and democratic means.

Second, since June 1999, Indonesia has had four – by common consent – free and fair countrywide elections, one each for the legislature in 1999 and 2004 and in the latter year a two-round presidential election as well. Turnout at all four elections exceeded 80 per cent of eligible voters and no serious political force in the country has contested their outcomes. Third, as regards the electoral volatility item on the Schneider-Schmitter scale, too few elections have so far been staged since 1999 to discern a clear trend. However, if the 1999 legislative elections are taken as a benchmark, the shifts of voter support that have occurred have taken place more between different parties in the same (secular-nationalist, Muslim-nationalist or
Islamic) bloc than between different blocs (see table 1). There is little evidence of major shifts of allegiance across fundamental politico-ideological cleavages.

Fourth, how many ‘rotations-in-power’ or significant shifts in alliances of parties in power have occurred in Indonesia since Suharto’s fall in May 1998 depends again on how this concept is defined and operationalized. Arguably, however, a first such rotation occurred when, following the 1999 legislative elections, Suharto’s former vice-president and successor, Habibie, was replaced as president by Abdurrahman Wahid (‘Gus Dur’), a second when the Parliament impeached Wahid and replaced him by his vice-president Megawati Sukarnoputri, daughter of Sukarno, Indonesia’s founding father, in 2001 and a third when, in the 2004 presidential elections, Megawati lost to her former coordinating minister for security affairs, the former general and more reform-oriented secular nationalist candidate, Susilo Bambang Yudhoyono. These ‘rotations’ occurred peacefully, although the one from Wahid to Megawati was nonetheless extremely tense, after Wahid, whose position in the legislature had been weak from the beginning, threatened to pre-empt his dismissal by declaring a state of emergency, dissolving the parliament and calling fresh elections. The one constant factor in the party-political balance of power in post-Suharto Indonesia has been the (continuing) predominance of essentially secular-nationalist political leaders and forces.

Fifth, a broad consensus exists between the major country-wide political forces regarding the rules governing ownership of and access to the mass media, the formation and behaviour of associations and, since a major devolution of decision-making powers and fiscal revenues to the district level initiated by the Habibie administration and completed by Wahid’s, over the territorial division of competencies as well. Although significant independence movements and sentiment exist in two regions of the country - the extreme east (Papua) and the extreme west (Aceh), where the GAM (Free Aceh Movement) and the Indonesian military have been locked in a bloody civil war for more than two decades - these movements contest the boundaries, but not directly the new democratic institutions or constitution, of the Indonesian state, albeit their campaigns have prompted brutal interventions by the military that have had a severely negative impact on the civil rights of citizens in both regions.

The component of democratic consolidation à la Schneider and Schmitter that is currently most weakly developed in Indonesia concerns the constraints exercised on the behaviour of ‘elected officials and representatives’ by ‘non-elected veto groups’. Post-Suharto Indonesian governments, it is widely argued at least, have not been able effectively to assert civilian control over the traditionally politically very powerful military. For this reason, post-1998 Indonesia is sometimes labelled a ‘tutelary’, ‘domain’ or ‘enclave’ democracy (cf. Merkel 2004: 49 and 51; Croissant 2004: 165). Historically, the military has indeed occupied a central role in Indonesian politics. The roots of its political centrality lie in the role it played in the armed struggle to win Indonesia’s independence from Dutch colonial rule in the years following the Second World War (Smith 2001: 93; Harymurti 1999: 75; Robinson 2001: 230-31). Its role expanded as Indonesia slid from democratic to authoritarian government under President Sukarno’s ‘guided democracy’ from 1957 to 1965 and reached its pinnacle after Suharto, himself an army general, came to power following an abortive left-wing coup in September 1965, sidelining Sukarno and crushing the Indonesian Communist Party at the cost of as many as half a million lives. Legitimized under the ‘New Order’ by the doctrine of its ‘dual function’ of being an ‘arbiter of the country’s social and political affairs’ as well as assuring national security and defence (Robinson
2001: 232), the military developed an extensive presence and influence in the political parties, legislature and civilian bureaucracy and also – especially following the nationalization of Dutch-owned enterprises in the late 1950s – in the business world. The military’s political influence has also been bolstered by its control of Indonesia’s intelligence services and elite combat units deployed to crush (actual or perceived) security threats and, most importantly, its territorial command structure, by virtue of which military organs parallel those of civilian political authority all the way down to village level in the country, giving the military the power to intervene directly in ‘all kinds of political, social, and economic matters’ (Robinson 2001: 233-34). The military’s closeness to the Suharto regime, its involvement in rampant corruption, and its perpetration of massive human rights abuses made it increasingly unpopular in the closing years of the New Order. Hence, a reduction in the military’s political role and its subordination to civilian control was one of the major demands of the reform movements that spearheaded Indonesia’s democratic transition in 1998-99.

Post-Suharto efforts to assert civilian control over the military and return it ‘to the barracks’ have enjoyed some, but by no means complete, success. On the one hand, the ‘dual-function’ doctrine has been repudiated, military representation in the legislatures and civilian bureaucracy has been abolished and the police have been removed from military control. On the other, the military has so far resisted demands to dismantle its territorial structure or to limit the scope of its business activities, which are critical for its funding, as the official defence budget is generally understood to cover only about a third of its total spending (Straits Times 2005b). The military was arguably the decisive arbiter in the conflicts between Suharto and the pro-democracy movement in 1998 and between President Wahid and the Parliamentary majority that dismissed him in 2001. Although Wahid registered some early victories in his efforts to reform the military and subordinate it to civilian control, he made a series of concessions to it as he tried unavailingly to avert his dismissal by the Parliament. His more conservative successor Megawati avoided antagonizing the military from the start and granted it greater leeway than had Wahid to try to crush the independence fighters in Aceh by force (O’Rourke 2002: 340-358, 368-380; Chandra and Kammen 2002: 103-04; Robinson 2001: 229). The principal sources of the military’s political influence – the territorial structure, its control of the intelligence apparatus and elite combat units, and its proven past capacity to foment domestic conflicts to undermine governments – remain intact (cf. Robinson 2001: 229; Lee Kim Chew 2003). According to the current (also Wahid’s former) defence minister, the first civilian to occupy the post in Indonesia for more than 30 years, civilian political parties and associations are still too weak to fill the vacuum if the military were to abandon its existing role – the military is ‘the only institution holding the country together’ (as quoted in Straits Times 2005a). In the past, the new president and former general Yudhoyono enjoyed a reputation as a military reformer (Robinson 2001: 246). Although his record in the military and as minister under Wahid and Megawati does not vouch unequivocally for his reformist credentials (van Dijk 2001: 527; O’Rourke 2002: 81-82, 294, 336), his administration appears to be seriously pursuing reforms – such as ending the role of the military in business and raising the ‘official’ military budget so as to reduce its dependence on outside sources of revenue – that, if realized, would facilitate the assertion of civilian control over the military and curb the incentives for it to engage in illegal business activity (Straits Times 2005b; The Economist 2005).

The military thus remains a formidable, but far from omnipotent, political player in post-Suharto Indonesia. It has meanwhile managed to regain some of the ground it was forced to concede in the immediate wake of Suharto’s fall. The critical litmus test
of whether contemporary Indonesia is a ‘tutelary democracy’ would be whether the military could prevail over a president and government with a popular mandate and majority support in the Parliament on an issue where the two sides have intensely-held and conflicting preferences. No such confrontation has yet occurred in post-Suharto Indonesia, albeit the Habibie government was able to override strong military opposition in offering the choice of independence to East Timor in 1999 – though not to protect the East Timorese from the brutal reactions of paramilitary groups and army soldiers after they actually made this choice in a referendum (Robinson 2001: 251-55). The greatest potential for such confrontations lies in the management of the secessionist conflicts in Aceh and Papua and issues relating to the military’s (or military leaders’) corporate (especially economic) interests.3 On most issues it has to address, however, the Indonesian government is not significantly constrained in its behaviour by the military per se. To describe the military as ‘operationally lame and well past its prime’, as does Rieffel (2004: 104) may be to under-estimate its capacity to exercise political influence. But any attempt by the military to overthrow the elected government and overtly seize political power itself would certainly confront major obstacles, including probably massive popular protests, too few personnel to achieve and maintain control of the main urban centres, likely internal divisions and international condemnation and opposition (Crouch 2002: 10; Wanandi 2002a; Goenawan 2003; Magnis-Suseno 2003).

To label Indonesia a ‘tutelary’ democracy may not only overstate the political role and importance of the military, but it may also serve to camouflage the extent to which other factors curtail the government’s effective capacity to govern. The most important of these is the pervasiveness of patrimonial norms and practices, whose effect is to undermine the rule of law and the capacity of the government to implement its policies ‘on the ground’. That patrimonialism is so ubiquitous in Indonesia owes much to the norms and practices that became prevalent in the military as its political and economic role expanded from the late Sukarno period onwards, but the exploitation of public office for private ends that is the essence of patrimonialism is a phenomenon that has meanwhile permeated all the civilian – executive, legislative, bureaucratic and judicial – organs of the country as well. Hitherto, democratization has had little impact on the scale of patrimonial politics, although it may have affected its pattern by empowering a larger number of actors to exploit their offices for private gain (see section five below).

By the Schneider-Schmitter criteria, Indonesia compares very favourably with other, almost all older ‘third-wave democracies’ in terms of the extent of democratic consolidation. It resembles the newer South and Central European democracies more closely than it does those of South and Central America and the former Soviet republics. Schneider and Schmitter (2004: 68) confess, however, that their conceptualization of democratic consolidation has an ‘electoralist bias’. If more demanding conceptualizations of democratic consolidation that attach greater importance to, for example, the implementation of the rule of law, should be the yardstick for measuring the degree of democratic consolidation, Indonesia’s post-1998 performance would look less impressive.4

**Indonesia and the (missing) prerequisites of democracy**

The distance that post-Suharto Indonesia has travelled towards democratic consolidation is all the more notable for the fact that the country displays very few of the traits that political scientists have identified as propitious for the development of
democratic political systems. ‘Modernization’ theories of democracy, for example, posit that the likelihood of a country being or becoming a democracy is closely related to its level of socio-economic development. However, with a per capita purchasing-power-parity-adjusted annual income in 1998 of US$ 2790, making it the world’s 141st richest country, Indonesia would not have been very high up on most modernization theorists’ lists of countries on the verge of making a democratic transition. Some incarnations of modernization theory identify a ‘large middle class’ as a necessary precondition of democracy: in the famous formulation of Barrington Moore jr. ‘no bourgeoisie, no democracy’ (Moore 1966: 418). When democratization occurred in Indonesia in the late 1990s, however, the Indonesian middle class was by almost all any standards very small, comprising less than 10 per cent of the population (defence minister Juwono Sudarsono, quoted in Straits Times 2001; Smith 2001: 83). Other theories of democracy attribute a critical role to the industrial working class (whose size is also a function of the level of socio-economic modernization) (Rueschemeyer et al. 1992: 8, 76-77, 270ff.). Like the middle class, the industrial working class in Indonesia comprised a very modest proportion of the population in the late 1990s.

Neither middle- nor working-class movements as such actually played a central role in the democratic transition that occurred in Indonesia in 1998-99. As had been the case in earlier Indonesian history, students’ groups formed the vanguard of the pro-democratic reform movement (see section four below). The modernization process that Indonesia underwent during most of the New Order may nonetheless have created a larger pro-democratic constituency by expanding the tertiary education sector and raising the overall level of education among Indonesians. One aspect of Indonesia’s socio-economic structure that may have been conducive to democratization is that, unlike many Latin American states and, for example, its neighbour, the Philippines, the country has never had a strong private landowning class with a vested interest in the maintenance of a high level of repression of agricultural labourers. While the dominant historical pattern of land ownership in Indonesia may have facilitated democratization by preventing the rise of a powerful landed aristocracy, by putting a lot of land under the control of local public office holders it may simultaneously have fostered the development of the patrimonial norms and practices that constitute the principal defect of the new Indonesian democracy (see section five below).

Other analyses of the preconditions of democracy and democratization have posited a negative relationship between democracy and the level of ethnic, linguistic, religious or general cultural heterogeneity. On almost all of these dimensions, Indonesia is an extremely diverse country, held together first and foremost by a largely common history of colonial domination by the Dutch. It ranks very high on scales of comparative national ‘ethno-linguistic’ fractionalization (see table 4 in Croissant 2004: 167). Its national tourist authority sells Indonesia as a tourist destination with the – scarcely exaggerated – claim that the country has ‘as many ethnic groups as days of the year’. The Javanese make up about 42 per cent of the population, but there are about 14 other ethnic groups comprising more than one million members (Suryadinata et al. 2003: 6). There is also a bewildering variety of local and regional languages or dialects – by no means all Indonesians, particularly older citizens, speak the ‘national language’, Bahasa Indonesia. Although the great majority of Indonesians are Muslims, many other religious denominations are also represented in Indonesia. Cultural (ethno-linguistic-religious) cleavages are susceptible to political mobilization in Indonesia – a fact to which the numerous conflicts that exploded, at the cost of many thousands of lives, across the archipelago after Suharto’s fall bear witness. However, these conflicts do not constitute proof of the inevitability of bloody cultural
or intercommunal strife in Indonesia. In some instances they were the consequence of the (transmigration) policies pursued by the Suharto regime. In others – as in the case of the anti-Chinese riots in Jakarta in May 1998 (see below) – they were very likely fomented and/or instigated by groups within the military aiming to create a pretext for a military crackdown, to shield the Habibie government against student protesters, or to undermine the credibility of the Wahid government, whose policies they opposed (Magnis-Suseno 2003; Rinakit 2003; O’Rourke 2002: 348-351; 376-77; Hefner 2002: 20-22). At any rate, and for whatever reason, the level of such violence in Indonesia has greatly diminished during the last four years (see table 2).

Still other theories or analyses of democracy attribute a decisive role to the dominant religion and identify majority-Muslim societies as being especially resistant to democratization (Lakoff 2004; Barro 1999). The fact, however, that roughly 87 per cent of Indonesians are Muslims has no more prevented Indonesia’s democratization than its low level of socio-economic modernization or high level of ethnic diversity. Both in terms of religious beliefs and practices and political orientations, the Muslim community in Indonesia is extremely diverse. However, when Indonesian Muslims have had the chance to express their political preferences freely, most of them have opted not to support a religious-inspired political agenda. The Islam that Indian merchants were primarily responsible for spreading – peacefully - through the Indonesian archipelago starting in the early 13th century was ‘gentler’ than Islam in its Middle Eastern heartland and intermeshed with pre-existing and still influential Hindu, Buddhist and animist religious traditions (Geertz 1960: 124-125; Mutalib 2004: 24; Muzadi 2003: 91-92).

When he was governor of Java for five years in the early 19th century, the British colonialist Thomas Raffles observed that the Javanese were ‘still devotedly attached to their ancient institutions, and … still retain a high respect for the laws, usages, and national observances which prevailed before the introduction of Mahometanism [Islam]’. They were, he claimed, ‘little acquainted with the doctrines of Islam’ and ‘the least bigoted of its followers’ (Raffles 1817: 2). In terms of their religious beliefs and practices, two students of Indonesian Islam have normally distinguished between two main groups: abangan (‘nominal’) and santri – more pious or more devout – Muslims (Geertz 1960: 126-130). Within the latter group, two main currents may be distinguished – more ‘traditional’, mainly rural Muslims, linked to the NU (Nahdlatul Ulama – Revival of Religious Scholars) and more ‘modernist’ in the sense of ‘purist’, mainly urban Muslims, organized by another mass organization, the Muhammadiyah. Politically, the historically more numerous abangan Muslims have tended to support secular nationalist or – in the 1950s and first half of the 1960s – Communist parties, while santri Muslims sided with self-consciously Islamic parties.

The predominance of secular nationalist political forces has been a constant in post-independence Indonesia. A bid by Islamic parties to insert a provision in the 1945 constitution that Islamic law be applied to all Muslims failed, for fear on the part of secular nationalists that this could provoke some parts of Indonesia where there were strong non-Muslim communities to try to secede (Forrester 1998: 56-57; Schwarz 1999: 10-11). Renewed efforts to insert such a provision in the constitution in the 1950s failed when President Sukarno suspended the assembly entrusted with the task of negotiating a new constitution and introduced government by decree. Various uprisings organized in the 1950s by a movement called Darul Islam (‘House of Islam’) that aimed to establish an Islamic state were put down forcefully by the avowedly secular-nationalist military. By the time Suharto came to power in Indonesia in 1965-66, the Islamic parties and movements had basically been eliminated as a political force. For most of the New Order period, Suharto maintained
the repressive policy towards these movements that his predecessor Sukarno had initiated. All political movements in Indonesia, including the ‘official’ Islamic party, the PPP (United Development Party), which was licensed to compete in elections from the early 1970s onwards, were obliged to uphold the 1945 constitution based on Pancasila. Suharto began to give greater political space to political movements based on Islam only from the late 1980s onwards, in part with the goal of establishing a political counterweight to the military, with whom his relations had meanwhile become more distant and strained (Hefner 2000: 18). The president even sponsored the foundation of an organization, the ICMI (the Indonesian Association of Muslim Intellectuals), headed by his vice-president, Habibie, to serve as a ‘sounding board for Muslim input into public policy’ (Schwarz 1999: 175). Boycotted by some prominent liberal Muslims, this organization became a political vehicle for advocates of a stronger ‘Islamization’ of Indonesian politics (Hefner 2000: 128-166). If Suharto had hoped that, by co-opting a segment of the Muslim community, he would buttress his regime against any rising opposition, this strategy of course backfired. Overall, Muslim – political and other – movements have simply not exercised a decisive influence, ‘positive’ or ‘negative’, on post-independence Indonesian politics. In as far the leaders of the main Muslim mass organizations, particularly Amien Rais, chairman of the Muhammadiyah, but also, to a lesser extent, Abdurrahman Wahid, then leader of the NU, played a central role in the opposition to Suharto and Indonesia’s democratic transition in 1998-99 (see section four below), mainstream organized Islam in Indonesia has helped rather than hindered the democratization process during the last decade.

Indonesian democratization has occurred simultaneously with an ongoing process of cultural Islamization – involving a growing number of Indonesian Muslims become increasingly devout in their religious attitudes and practice - that began well before Suharto’s fall. Santri Muslims meanwhile certainly outnumber abangans in Indonesia (Azra 2002a). According to one estimate, as many as 80 per cent of Indonesian Muslims may meanwhile be santri (Tan 2004: 176). Anecdotal evidence of this trend can be seen in the growing number of women wearing headscarves, the growing number of Indonesians making pilgrimages to Mecca, and the growing number of mosques being built in the country. Attitudes of Indonesian Muslims to issues concerning the relationship of religion and politics – as revealed by opinion surveys – also point strongly in this direction. Thus, a large and apparently growing majority of Muslims profess to believe that Islamic law should be applied in Indonesia (Tempo 2002; see table 3). At the same time, however, most of them oppose the idea that religious observance should be enforced by any religious police and, if offered the choice whether Indonesia should become an Islamic state or the current constitution based on Pancasila should be preserved, no more than about one-seventh prefer the former (Liddell and Mujani 2003; Tempo 2003). This proportion corresponds fairly closely to the proportion of Indonesians who voted for parties supporting the application of Islamic law at post-Suharto elections. As measured by their response to questions about how much politicians care about their concerns, Indonesians in general have grown more dissatisfied with the functioning of democracy since 1999 (see table 4). In 2003 at least, a majority seemed to like the idea of trading some rights and freedoms for a ‘strong leader like Suharto’ (see table 5). Faced, however, with a black-and-white choice between democratic and authoritarian government, most Indonesian Muslims – indeed, proportionally more Indonesian Muslims than Americans – thought it better to rely on democratic government than a strong leader to ‘solve our country’s problems’ (see table 6).
Post-Suharto democratization has also, of course, expanded the political space available to radical Islamic groups that want to create an Islamic state in Indonesia or across Southeast Asia and, as the Bali bombing in October 2002 and subsequent attacks demonstrate, are prepared to pursue this objective by means of terrorist violence. These groups and their members are the – ideological and in some cases biological – successors of the radical Islamic movements that took up arms against the Pancasila state in the 1950s as well as local manifestations of a contemporary international movement with its roots in the campaign against the Soviet occupation of Afghanistan in the 1980s (International Crisis Group 2002 and 2005). Many of their leaders are of Arab, particularly Yemeni, origin (Azra 2002b: 15). Most analysts share the view that the scale of radical Islamist groups in Indonesia is ‘very small’ (Prayitno 2002: 9) and that these groups are ‘quite weak’ (International Crisis Group 2001a; Wanandi 2002b; Mas’udi 2003).\(^\text{10}\) A minority of Indonesian Muslims – nine per cent of respondents in a survey conducted in February 2005, three times that proportion in one conducted two years earlier – believe that ‘suicide bombing and other forms of violence against civilian targets’ are often or sometimes justified (Terror Free Tomorrow 2005: 4). While these findings may not at first glance seem reassuring as to the likely future stability of Indonesian democracy, the fluctuating levels of sympathy for terrorist actions suggest that they ought to be interpreted against the background of the international political conjuncture, especially the ongoing Israel-Palestinian conflict and US-led invasions and occupations of Afghanistan and Iraq following the 9/11 attacks on New York and Washington – and not as indicating that this many Indonesians would condone actions aimed at overthrowing Indonesian democracy and instituting some kind of Islamic state. Strikingly, far fewer frequently than rarely practising Muslims condone terrorism and proportionally more devout Muslims than others vote for secular nationalist parties (Terror Free Tomorrow 2005: 9; Tempo 2004b: 15).\(^\text{11}\)

Overall, neither at the level of the political orientation of the major Muslim organizations nor at that of mass attitudes, despite a significant process of cultural Islamization in recent decades and the rise of Islamic terrorism, has Islam been a negative force in respect of Indonesian democratization. The Indonesian experience suggests that the relative absence or weakness of democracy in the Muslim world must be explained by other factors than Islam per se – which does not exclude the possibility that Islam in its Indonesian incarnation(s) is more democratization-friendly than Islam as it is understood and practised in other majority Muslim countries.\(^\text{12}\)

A further variable that some democracy theorists, notably Linz and Stepan (1996: 55-65), have identified as affecting the prospects of democratic consolidation (if not of a democratic transition) is the nature of the prior non-democratic regime. Distinguishing between authoritarian, totalitarian, post-totalitarian and sultanistic regimes, Linz and Stepan argue that democratic consolidation is most likely to occur in formerly authoritarian regimes and least likely to succeed in formerly totalitarian or sultanistic ones. Basically, in their view, democratic consolidation is more likely to succeed, the less repressive has been the prior non-democratic regime and the greater the space it has left for the emergence and development of political activity and life independent of the state. Some observers of pre-democratic Indonesian politics characterize the Suharto regime as sultanistic or almost sultanistic (Moeljarto and Gaduh 1998: 199; Dosch 2000: 19). The essence of sultanistic regimes, according to Linz and Stepan (1996: 54), is ‘unrestrained personal rulership’. Such regimes are characterized by a fusion of the public and private spheres, a tendency to familial power and dynastic succession, the lack of a rationalized impersonal ideology and the dependence of economic success on ties to the ruler. There is ‘no rule of law, no space
for regime moderates, no independent civil society’ and a tendency on the part of the ‘sultan’ to use paramilitary groups to coerce his opponents and secure his rule (Linz and Stepan 1996: 52-53). The New Order exhibited some, but by no means all, of the defining traits of a sultanistic regime. The public and private spheres were tightly fused, there was a strong tendency to familial enrichment and power (and signs in the late 1990s that Suharto might be trying to build up his elder daughter as his successor), access to Suharto was helpful if not indispensable to economic success, the rule of law was weak, and paramilitary groups were used, among other instruments, to suppress opposition. But the regime’s control of Indonesian society was not total or based exclusively on naked repression. Key elites were integrated into the New Order by material rewards (see below) and large sections of the population by rapid economic growth – under Suharto, according to the World Bank, poverty was reduced more rapidly in Indonesia than in any other Third World country during the same period. Although the regime became more repressive during the 1990s, there was still some space for dissent and opposition in civil society and within the regime. The New Order is more accurately characterized as a patrimonial state, of which sultanism may be regarded pace Weber as an extreme form (Crouch 1979; see section five below). Suharto’s patrimonial legacy was not the worst conceivable for the prospects of democratic consolidation per se in Indonesia. But the extreme concentration of authority in the hands of a single person that was its defining feature and the corresponding absence or weakness of impersonal institutions arguably made the task of consolidating liberal democratic government a great deal harder. As Wahid’s press spokesman observed: ‘… We had nothing. The only institution that truly functioned during the thirty-some years, ending in 1998, was Suharto. When Suharto was gone, there were no institutions. The government didn’t work, the supreme court was stagnant, the legislature was defunct’ (Witoelar 2002: 190). After Suharto’s departure, as an eminent Indonesian intellectual had foreseen before the president’s fall, everything would have to be ‘reinvented’ (Goenawan Mohamad, as quoted in Schwarz 1997: 134).

While most of the literature on democratization and democratic consolidation focuses on domestic or internal determinants of these processes, some scholars have also or instead assigned an important role to external actors and/or the political orientation of the neighbouring region. Huntington, for example, credits the European Union, the US, Gorbachev’s USSR and the Vatican – ‘the major sources of power and influence in the world’ – with having ‘significantly helped third wave democratizations’ (Huntington 1991: 86-87). Rueschemeyer et al. (1992: 6-9) argue by contrast that ‘transnational power relations’ shape the balance of domestic power that determines the chances of democracy. Specifically, the economic and geopolitical dependence of peripheral (Third World, in their sample Latin American and Caribbean) countries on ‘core’ states normally reinforces the power of traditional dominant classes and an authoritarian state and hinders democratization. For their part, Merkel and Croissant (2004: 207) emphasize the role of the immediate geographical neighbourhood rather than the wider international environment or balance of power: ‘The less a young democracy is surrounded by stable democratic countries and the less well-established are the mechanisms of regional integration among democratic states, the lower are the costs of semi-democratic rulers to violate constituent rules of liberal democracy’.

The role of external – regional and wider international – actors and processes on Indonesian democratization was ambiguous, but on balance positive. Regional neighbours and neighbourhood supported the Suharto regime more strongly than they did democratic reforms. The regional organization ASEAN (Association of Southeast Nations), true to its time-honoured norm of non-interference in member states’
domestic affairs, refrained from intervening in the political crisis of by far its largest member. Several other South- and Northeast Asian states (the Philippines, South Korea, Thailand and Taiwan) had indeed democratized in the preceding decade or so, but the other semi- or much more full-blooded authoritarian regimes in the region had survived the end of the Cold War, unlike their European counterparts, more or less intact. Overall, Indonesia’s neighbours were much more worried about the dangers of a post-Suharto Indonesia disintegrating violently and endangering their own security than they were enthusiastic about the prospects of a transition from authoritarian to democratic politics in the country.

The conservative influence exercised by Indonesia’s regional neighbours and setting was trumped, however, by the impact of other, more powerful external actors who favoured political reforms in Indonesia, most notably the Clinton administration in the US. As the 1997-98 financial crisis deepened, the US Treasury leadership concluded that the economic reforms forced on Suharto by IMF, especially at American instigation, would not work by themselves and would have to be accompanied by political reform. The Treasury’s stance provoked an uproar among other agencies in the administration, including the State Department and the Pentagon, who argued that even if Suharto’s overthrow was desirable, it was unlikely to occur and that if it did, as many of Indonesia’s neighbours thought, the country would be ‘engulfed in bloodshed’ and might even disintegrate (Blustein 2001: 228-230). But the Treasury view prevailed. Now that the Cold War was over, the Clinton administration saw ‘no need to “mollycoddle” Suharto’ in the same way that previous administrations had done and was adamant on the ‘need for democracy and an end to corruption and human rights abuses’ (Lee Kuan Yew 2000: 313). If the Clinton administration cannot be credited with toppling the Suharto regime directly itself, the conditions that it was instrumental in imposing on Suharto for IMF loans in the financial crisis certainly boosted anti-regime protests and accelerated its demise.

Overall, the literature on democracy, democratization and democratic consolidation provides us with only very few insights as to why Indonesia made a democratic transition in the late 1990s and has meanwhile made very significant progress towards democratic consolidation. As a relatively poor country with small middle and industrial working classes, a high level of ethnic, linguistic and cultural diversity, an overwhelmingly Muslim population, located in a neighbourhood that is certainly not especially hospitable to democratization, Indonesia would not have stood very high on most democracy theorists’ lists of likely candidates for imminent democratization in the middle of the 1990s. Like Mongolia (Fish 1998), it constitutes a case of ‘democracy [largely] without prerequisites’. That, against such apparently heavy odds, it has nonetheless undergone a major and very rapid democratic political transformation speaks for the superiority of agency- or actor-centred over more structural theories of democratization.

Indonesia’s transition to polyarchal democracy

Although there were spasmodic political protests against the Suharto regime during its first two decades, none of these managed to rock its foundations. Rapid economic growth seemed to provide the regime with enough mass support or acquiescence. One observer of Indonesian politics argued that although modernization would ‘inevitably produce new demands and pressures on the political system’, the regime was sufficiently internally unified and confident of its repressive capabilities and simultaneously ‘sufficiently open and flexible’ to be able to ‘stay in power
indefinitely’, provided Suharto’s successors proved to be as strategically and tactically skilful as Suharto himself (Liddle 1996: 34-35).

By the 1990s, however, several changes or events had occurred that, with the benefit of hindsight, may be regarded as having contributed to the regime’s erosion. First, over the preceding three decades, although Indonesia remained a relatively poor and predominantly rural society, its economic and social structures had undergone major changes, while its political system had remained more or less frozen. This growing tension had given rise to an increasingly pervasive ‘sense of frustration’ in the country (Schwarz 1999: 269). After having promised a new era of ‘openness’ under the pressure of international developments in the late 1980s and early 1990s, Suharto had intensified the level of repression after his re-election as president in 1993. In 1996, the crushing of protests against the regime’s removal of Megawati as head of the state-licensed secular-nationalist party, the PDI, led to the worst riots in Jakarta since 1974 (Schwarz 1997: 122-123). As pressures for political liberalization were mounting, Suharto threw the political gears into reverse. Second, internationally the Cold War had ended and the US, which had staunchly supported the Suharto regime while there was still a perceived Communist threat, was less supportive of authoritarian politics among its allies than it had been earlier (see above). Third, as Suharto’s children had grown up and gone into business, nepotism had become increasingly blatant and corruption increasingly rampant. By 1993, according to one survey, Suharto family members made up six of the 13 wealthiest indigenous Indonesian business people (Schwarz 1999: 144). The privileges that Suharto bestowed on his family aroused growing popular anger: ‘Suharto’s children seem to have no idea they are inviting a revolution’, one political analyst is quoted as having said at the time. ‘Even the normally apolitical middle class gets exercised about the preferences the business elite enjoys’ (Schwarz 1997: 127, 133).

The financial crisis that engulfed Indonesia in 1997-98 provided the match that, against this background of smouldering dissatisfaction with the political status quo, suddenly set the Suharto regime ablaze. The Asian crisis, which began in Thailand in July 1997, hit Indonesia harder than any other Asian country. In 1998 the economy contracted by about 13 per cent, the severest economic contraction suffered by any country since the 1930s’ depression. As the economy collapsed, Suharto was forced to acquiesce in increasingly draconian and unpopular measures as the price for financial bail-out aid from the IMF. Student-led protests began in February-March 1998 and rapidly gathered momentum, spreading from Jogjakarta and Jakarta to many cities in the other islands (Bhakti 1998: 174). As more and more Indonesians from across the entire social spectrum rallied to the students’ cause, anti-Suharto demonstrations proliferated and expanded. The largest – in Jogjakarta in mid-May – mobilized a million participants (Bhakti 1998: 176; Aspinall 1998: 144; O’Rourke 2002: 132).

The final act in Suharto’s fall began to unfold when, under the pressure of the mass mobilization of opposition, the New Order elite began to disintegrate and abandon Suharto. This process was initiated when members of one of Indonesia’s elite combat units, the Kopassus, shot dead several protesting students at the Trisakti University in Jakarta and, in the ensuing days, evidently well-organized anti-Chinese ‘riots’ wrought havoc in Jakarta and several other large cities, resulting in an estimated total of 1188 deaths, the rape of several hundred – mainly Indonesian Chinese - women and extensive property damage (Berfield and Loveard 1998). The origins and circumstances of these events is disputed, but most accounts blame them on Suharto’s son-in-law, Prabowo, head of the army’s other elite combat unit, the Kostrad, who is believed to have wanted thus to undermine the head of the military, Wiranto, and to
persuade Suharto to sack Wiranto and appoint him, Prabowo, as head of the armed forces, a position from which Prabowo conceivably aimed to launch a general crackdown of the protest movement. If this was indeed Prabowo’s strategy, it misfired completely. ‘Shocked and frightened’ by Prabowo’s perceived ‘savagery’, the New Order elite began to put pressure on Suharto to resign (Forrester 1998a: 21). Leaders of his Golkar party in Parliament appealed to him to step down, threatening him otherwise with impeachment. An attempt by Suharto to reshuffle his cabinet collapsed when it became clear that nobody would join it. Finally, the military leadership too decided that he should resign and, rejecting the possibility of taking over power themselves, that he should hand over power to his vice-president Habibie (Schwarz 1999: 364). Assured that the military would guarantee his family’s and his security, Suharto indeed resigned and made way for Habibie (Forrester 1998b: 46).

Suharto’s transfer of power to his own deputy pre-empted any abrupt regime change in Indonesia. Habibie was forced to call free elections and to stage them in June 1999. If he had not done so, there would have been a ‘popular uprising’ (Wanandi 2002a). The student movements that had played such a critical role in bringing about Suharto’s fall contested Habibie’s appointment and wanted to accelerate the pace of political change. In this project they were opposed, however, by the leading politicians in the anti-Suharto opposition – the ‘Ciganjur Group’ comprising Megawati, Rais, Wahid and the widely respected Sultan of Jogjakarta. The students became increasingly marginalized in the transition process, which henceforth was managed primarily through ‘elite networks’ and ‘court politics’ (Tornquist 2000: 383ff.).

The democratic transition process in Indonesia thus corresponded closely to the model of an (in this case, implicit) pact between ‘soft-liners’ in the regime and opposition ‘moderates’. Such a pact was practically formalized in the Wahid’s short-lived first post-election Cabinet, which included representatives of all the major Indonesian political forces, including the Golkar (Tornquist 2000; cf. O’Donnell and Schmitter 1986: 37). The Ciganjur Group’s reform agenda was extremely modest and limited basically to staging free elections sooner than Habibie preferred and securing the medium-term withdrawal of the military from politics. In fact, not even the students’ groups that drove the transition had a programme for radical socio-economic as well as political change. Their core demands were that Suharto should be put on trial, corruption eradicated, the military should ‘return to the barracks’, and a new transitional government should be named and free elections held as soon as possible (Tornquist 2000). The essentially moderate character of the reform movement facilitated a peaceful democratic transition, as it reassured the New Order elites that the transition did not pose a fundamental challenge to their position and interests, but rather that in business and in political life the ‘standard operating procedures’ would remain the same. But, while the democratic reformers’ moderation helped to reconcile the old elites with the prospect of democratization and thus ensure that the transition itself would not be jeopardized, it also meant that a great deal of ‘baggage’ from the Suharto regime would be carried over into the new one and that the post-Suharto democracy would thus be burdened with some very significant ‘birth defects’. In other words, opposition moderation was functional for the democratic transition, but dysfunctional for the quality of the new democracy that emerged from it.
The post-Suharto state: Old patrimonial wolf in new democratic clothing?

The principal ‘defect’ of post-Suharto Indonesian democracy and obstacle to the consolidation of liberal democratic politics is the ‘weakness’ of the state – or, more precisely, the weak capacity of the state to ensure the rule of law and to implement and deliver policies oriented towards universalistic ends (Crouch 2002: 7; Wanandi 2002b: 135, 145). Several phenomena are symptomatic of or help to explain post-Suharto governments’ incapacity (or unpreparedness) to govern effectively in this sense. One is the government’s very limited revenue base. Less than one per cent of Indonesians file personal tax returns; the tax take is less than 14 per cent of GDP, ‘one of the lowest’ in Southeast Asia (The Economist 2004: 15). A second – for which there is ad hoc evidence – is the low proportion of government expenditure that reaches the intended recipients. Hence, according to a study carried out by a coalition of Indonesian NGOs, 75 per cent of government money saved from lowering fuel subsidies in 2001 and supposed to be channelled to low-income earners missed its target, ‘mostly due to corruption’ (Jakarta Post 2005). A third relates to the level of educational qualifications and work ethic of civil servants. According to the last minister in charge of the civil service at least, fewer than half of Indonesian civil servants ‘know what they are doing and do their jobs properly’ (quoted in: Straits Times 2003b; Straits Times 2002). The majority, in his view, are ‘under-educated, unmotivated, unsupervised and rarely held accountable’. Even the notoriously taciturn Megawati when she was president blasted the bureaucracy as resembling a ‘waste-basket’ or ‘trash-can’.

The most critical symptom and cause of the government’s weak capacity to implement universalistic policies is the level and pervasiveness of corruption in all – executive, legislative, and not least judicial – branches of the state. Indonesia is perceived internationally to be one of the world’s most corrupt countries (see table 7). An overwhelming majority of Indonesians think that it is very or fairly common among government officials (see table 8) and view it as a ‘disease’ that must be combated (see table 9). Similarly large proportions of Indonesians were dissatisfied with the anti-corruption record of the Megawati government by 2003 (see table 10) and expected her rival (and successful) presidential candidate Yudhoyono to tackle this issue more effectively (see table 11). Corruption appears to be seen as particularly serious among public utility agencies, the police, political parties and, above all, the courts (see table 12). According to various sources and estimates, payments are made to influence as many of 95 per cent of Indonesian court verdicts, as many as 85 per cent of all judges may be corrupt, almost 80 per cent of even Supreme Court judges take bribes, and the Attorney-General’s Office depends for 40 per cent of its income on ‘unofficial payments’. More than 60 per cent of respondents in one survey said that the police were apt to demand a bribe to ‘take action over anything’. Confronted with claims by a state agency that they had suddenly become rich by taking bribes, national MPs reputedly replied that such practices were acceptable because ‘practically everybody does it’ and they were in any case beyond the law (Fionna and Webber 2002: 11). Corruption is almost certainly a significant brake on economic growth in post-Suharto Indonesia. Many companies report not making investments they would otherwise make because of too high ‘corruption-related costs’ (see table 11). Corruption and associated legal uncertainty have likely also contributed to the precipitous decline in foreign direct investment in Indonesia (see table 12) – up to 2001, foreign firms won fewer than 10 per cent of the ‘high-visibility’ cases involving conflicts with local firms taken to the new commercial courts set up at the IMF’s insistence in 1998 to circumvent the established courts because the latter were viewed as too corrupt (Fionna and Webber 2002: 9-10). Obviously, if the state apparatus in
general and the judicial system in particular are so thoroughly riddled by corruption, a defining trait of liberal democracy - namely, the rule of law – indeed exists in Indonesia only on paper (cf. Croissant 2004).

Pervasive and rampant corruption is the primary manifestation of the extent to which patrimonial political norms and practices that have deep roots in Indonesian history have carried over into the post-Suharto democratic era. Patrimonial government, in the classic definition by Max Weber, ‘lacks above all the bureaucratic separation of the “private” and the “official” sphere’. Patrimonial rulers may exploit their power as if it were their ‘personal property’, unconstrained by ‘binding norms and regulations’. The ‘office and the exercise of public authority serve the ruler and the official on whom the office was bestowed, they do not serve impersonal purposes’ (Weber 1978: 1028-1031). In short, the practice of patrimonialism, regardless of the purpose of its practitioners, is what is now commonly viewed as corruption by another name.

The traditional Javanese kingdoms that existed before Holland colonized the Indonesian archipelago were governed along lines that corresponded closely to Weber’s ideal-typical patrimonial state. Javanese rulers secured the loyalty of their officials by granting them the right to revenues from land that they could exploit commercially, but not buy and own (Anderson 1990: 46-48, 59-61; see also Pye 1985: 111-119). According to Anderson, patrimonialism re-emerged in post-independence Indonesia, partly because it had been the traditional style of government in pre-colonial times and partly also because, in the economically turbulent 1950s, the ‘rational-legal bureaucracy bequeathed by the Dutch proved economically unsustainable’, not least perhaps because the political parties greatly expanded the civil service staff – which grew tenfold between 1940 and 1968 – to accommodate their supporters (Anderson 1990: 48; Anderson 1983: 482-83). The material scope for the exercise of patrimonial politics was widened by the nationalization of Dutch firms in the context of the conflict over the status of Papua (formerly Irian Jaya) in the late 1950s. This expanded the range of lucrative posts and activities which the government could allocate to (especially military) officials in exchange for their loyalty and support. Under Suharto’s rule, patrimonial politics progressed to a higher plane. By one interpretation, Suharto had a traditionally Javanese conception of the rights of the president and his family:

Suharto’s ‘heroes’ were the sultans of Solo in Central Java. As the president of Indonesia, he was the mega-sultan of a mega-country. Suharto believed his children were entitled to be as privileged as the princes and princesses of Solo. He did not feel any embarrassment at giving them these privileges because it was his right as a mega-sultan.

(Lee Kuan Yew 2000: 304)

The centralization of authority in the New Order and Suharto’s capacity to practise patrimonial government were enhanced by the rapid growth of central government revenues and the nature of their sources. After he aligned Indonesia closely with the major Western powers in the Cold War, multilateral agencies such as the World Bank supplied Jakarta with generous amounts of financial aid (not all of which received the official intended ‘target’). Central government coffers were also boosted by revenues from the growing exploitation of Indonesian natural resources, notably oil and natural gas, by multinational companies. As he and the military had brutally suppressed the Communist Party in 1965-66 and Muslim movements challenging the Pancasila constitution had already been eliminated during Sukarno’s presidency, Suharto could focus his attention on securing the loyalty of the military elite by
appointing them to civilian posts that offered ‘prospects of material gain’ or helping them go into business where they would enjoy government support and protection. Within this elite, political competition ‘did not involve policy, but power and the distribution of spoils’ (Crouch 1979: 577).

Military officers frequently formed joint ventures involving Indonesian Chinese business people as partners and, as the economy was gradually opened to foreign direct investment, collaborated with overseas companies as well. Weber argued in the early 20th century that patrimonial states lack the ‘political and procedural predictability, indispensable for capitalist development, which is provided by the rational rules of modern bureaucratic administration’ (Weber 1978: 1095). Under Suharto, however, patrimonial practices – corruption - became highly institutionalized: ‘There was a price for everything and everyone knew the price and knew what he was getting for what he paid’.19 Conflicts involving foreign investors were effectively arbitrated according to a standard procedure that completely marginalized the courts and rested on the acceptance of the authority of Suharto, who was mindful of Indonesia’s image abroad and of its need to be seen as an attractive business location.

The fall of Suharto and the transition to polyarchal democracy in Indonesia in 1998-99 did not involve a massive transformation of personnel in the bureaucracy, judiciary or military or a large-scale redistribution of power in the Indonesian business world, although the 1999 Parliamentary elections did bring a large proportion of new MPs. Hence ‘very strong remnants of the Suharto regime’ survived the transition (Witoelar 2002: 193). The highly centralized political system that Suharto had developed, on the other hand, collapsed. At the centre, in Jakarta, power shifted – under President Wahid at least - from the executive to the legislature. With the post-Suharto decentralization reforms, extensive decision-making powers and corresponding budgets were devolved to the district level. Exacerbated by the profound power vacuum left by Suharto’s sudden fall (see above), the fragmentation of decision-making powers and authority multiplied the scope for the exploitation of ‘public’ offices for ‘private’ ends. Notwithstanding the greater transparency facilitated by political liberalization and the adoption of numerous laws and measures aimed at combating the phenomenon, levels of corruption are generally perceived to have risen, if anything, in post-Suharto Indonesia (Straits Times 2003a; see also table 7). The pattern of corruption, however, has become more ‘anarchical’ or ‘chaotic’. Behind a formally democratic façade and a partly democratic reality, much of the daily political life of post-Suharto Indonesia remains very patrimonial. The issue is how durable and stable this cohabitation of democracy and patrimonialism will prove in the longer term and, if their peaceful co-existence is not possible, in which direction post-Indonesian politics will evolve – towards a more liberal democratic system or back towards a more authoritarian one.

A consolidated, ‘regressing’ or ‘progressing’ patrimonial democracy?

Post-Suharto democracy certainly does not face any imminent threat of regression. In as far as the ‘sheer longevity’ of democracy is conducive to its consolidation (Schneider and Schmitter 2004: 85), this is good news for the prospects of democracy in Indonesia. At the ‘religious-authoritarian’ end of the political spectrum, while radical (i.e., violent) Islamist groups may continue to pose a (sporadic) security threat in Indonesia, they do not possess a strong mass base and are incapable of mounting any direct challenge to the democratic order. At the ‘secular-authoritarian’ end of the
political spectrum, the military poses a more serious potential threat to continuing democratization. However, it is difficult to conceive of a scenario in the shorter term whereby the military leadership or any significant faction of the military would attempt an open coup, let alone succeed in such an endeavour. A scenario in which the military allies itself with authoritarian civilian political forces which would provide a military-backed regime with a more solid mass base than the military alone possesses is, in principle, more plausible. In practice, though, it is hard to see where these forces would come from or that they would be able to deliver such a regime enough popular backing to enable it to be stable. A coalition of the military and Islamic parties linked by a common antipathy to democratic reforms, as forecast by O’Rourke (2002: 414-15), is highly unlikely, not only because of differences of attitude towards the role of Islam in Indonesian politics, but also because these parties’ support remains a great deal weaker than anticipated by O’Rourke, who expected an ‘Islamic government’ to emerge from the 2004 elections. The least implausible scenario leading to a (probably creeping) ‘re-authoritarianization’ of Indonesia politics would involve the new president Yudhoyono allying himself with renewed authoritarian, predominantly secular political movements (for example, the Golkar) to pre-empt growing tendencies towards national disintegration or implosion in the context of some grave politico-economic crisis. As of 2005, however, Yudhoyono’s (brief) record in office as well as his programme suggested that he was a genuine democratic reformer – a reformer with his roots in the Suharto regime but a reformer nonetheless. As a former general, he may actually be better able to curb the military’s political role than any other conceivable president. As he fills the leading military offices with reform-minded allies, a challenge to his authority from the military leadership at least will become increasingly unlikely. The issue that has the greatest potential to provoke an attempt by the military to strengthen or reassert its political influence – not only because of its self-conception as the guarantor of Indonesia’s territorial integrity, but also because of its economic interests in the province (International Crisis Group 2001b: 12-14, 17-19) - is the civil war in Aceh. Following the catastrophic tsunami in Aceh on Boxing Day 2004, however, the prospects for a negotiated settlement of this conflict are better than they have been at any other time since it broke out in the 1970s.

Although they are not an ‘anti-systemic’ party, the democratic Islamists in the PKS (Justice and Prosperity Party) and potentially other future political formations may pose a threat to the current secular nature of Indonesian democracy. The PKS increased its vote from 1.4 per cent in the 1999 elections to over seven per cent in 2004 and topped the poll in the capital city, Jakarta. The PKS wants to introduce Islamic law in Indonesia, but to insert what it describes as the ‘Medina Charter’, protecting equally the ‘rights and responsibilities of all religions’, in the Indonesian constitution (Nurwahid 2004: 33). Well-organized and reputed for the integrity of its activists, it has its origins and hard-core support among Muslim students and intellectuals at Indonesian universities (Prayitno 2002: 23; Tempo 2004a: 18-19). It campaigned largely on an anti-corruption platform at the 2004 elections, shoving syariah law ‘well into the background … to the point of invisibility’ (Ricklefs 2004; The Economist 2004: 12 and 15). It supported Yudhoyono’s presidential candidacy, despite the fact that Yudhoyono pledged explicitly not to introduce Islamic law into the Indonesian constitution (Straits Times 2004a), and forms part of the president’s Parliamentary majority. As things now stand, the PKS’s influence in the presidential coalition will likely be more than balanced by more secular-oriented parties such as Yudhoyono’s own Democratic Party, the Golkar and the PKB (National Awakening Party) close to former President Wahid. If the Yudhoyono administration should fail, however, especially in combating corruption, the PKS could be one of the major
beneficiaries – such parties clearly do have broader potential electoral support than they have so far managed to mobilize (see table 3). A government much more under the sway of the PKS would likely be ‘cleaner’ than its predecessors, but less supportive of individual freedoms and rights. Under its influence and/or that of other Islamist parties, Indonesian democracy would probably become simultaneously less patrimonial and less tolerant. Indonesia could then become a significantly more ‘illiberal’ democracy (Zakaria 2003).

More than any other factor, the extent to which the Yudhoyono and subsequent administrations succeed in eradicating corruption is likely to determine the scope for future growth of democratic Islamist parties such as the PKS. Combating corruption was one of Yudhoyono’s central campaign platforms and is for many Indonesians one of the most important political issues (see table 11). How effective his anti-corruption policies prove may depend heavily on the evolving balance of power in his coalition between the more reform-oriented parties, such as the PKS, PKB and his own party, and the Golkar, whose support Yudhoyono also needs for a stable Parliamentary majority. The Golkar party apparatus supported Megawati against Yudhoyono in the second round of the presidential elections after its own candidate, Wiranto, was eliminated in the first. Following Yudhoyono’s election victory, however, his vice-presidential running mate from the Golkar, Jusuf Kalla, overthrew the incumbent party chairman and brought the Golkar into Yudhoyono’s coalition. The question now is whether Yudhoyono’s dependence on Golkar’s Parliamentary support will stymie any serious bid he should undertake to make good his bold anti-corruption election campaign pledges.

The uncertainty concerning the relationship between Yudhoyono and Golkar, which has a much larger Parliamentary bloc than any other parties in the presidential majority and is well represented in his cabinet, points to another variable that could be a source of tension and instability. Under the ‘old’ 1945 constitution, once political liberalization had been achieved, the system of indirect election for the presidency had turned what had become a strongly presidential system under Sukarno and Suharto into a much more Parliamentary one. By introducing direct presidential elections, the recent constitutional revision makes the constitution more ‘democratic’, but at the same time it establishes two potentially competing centres of power – the presidency and the legislature - which can both legitimately claim a popular mandate for their actions. Other things being equal, presidential systems of the kind that the revised constitution establishes are more vulnerable to democratic breakdown than Parliamentary ones (Linz 1990). They create the possibility of a gridlock or stand-off between the legislature and the executive. The revised constitution creates a new constitutional court whose task it is to arbitrate such conflicts. If it should not be able to assert its authority, the danger, of course, is that such a stand-off would end up being arbitrated by the military.

The evolution of the relationship between Yudhoyono and the Golkar will also exercise a powerful influence over whether post-Suharto Indonesia remains in a ‘self-perpetuating’ patrimonial-democratic equilibrium or evolves towards a more liberal democracy in which more effective government is possible and the rule of law much better guaranteed than at the present time. Without strong leadership from the top (as well as continuous popular pressure from below), the reforms of the bureaucracy and judiciary that are necessary to combat corruption - and are inevitably long-term projects - are unlikely to make very much progress. Of the three theoretically possible paths that post-Suharto democracy can take, these two – the persistence of patrimonial democracy or progression towards more liberal democracy – represent more plausible
medium-term scenarios than regression, with continuing patrimonialism involving the
danger, however, that, over a longer-time span, growing popular disaffection with
democracy may pave the way for a return of authoritarian politics.

The weight of recent Indonesian history, both distant and recent, speaks for the
probability of the perpetuation of patrimonial politics. The speed with which, after
1999, new Parliamentarians adopted the norms of self-enrichment characteristic of the
Suharto era shows that corruption will not automatically decline as the numerical
weight of New Order politicians, bureaucrats, judges, business people and soldiers
declines. It is questionable, however, whether patrimonial politics can perpetuate
itself indefinitely in a polyarchal-democratic system where politicians have regularly
to seek popular (re-)election. The smooth functioning of patrimonial politics requires
political competition to be confined to elites and mass political action to be
suppressed or at least strictly controlled (cf. Crouch 1979: 583-585). Particularistic
policies that are the hallmark of patrimonialism can hardly reach – or benefit –
directly the masses of voters whose support parties and politicians require for their
political survival in democratic elections. Rather – also in Indonesia - they offend
widely-held notions of equality and fairness. Hence, effectively patrimonial parties
are forced to appeal for or mobilize support on the basis of ‘communal affiliation’, the
(in the case, for example, of Megawati, ‘inherited’) charisma of their leaders or the
moral authority of village heads and/or the coercive capabilities of the military or

The post-Suharto elections have produced growing signs, however, that the traditional
structures and relationship patterns on which successful election campaigning along
these lines depends are breaking down. Leaders and parties, even or indeed especially
the richest (PDI-P and Golkar), that are widely perceived to have ‘failed’ in office
and/or to have been very corrupt have been severely punished. Thus, the PDI-P’s vote
collapsed between the 1999 and 2004 Parliamentary elections by almost half and its
candidate, the incumbent Megawati, whose record in combating corruption was at
best weak, was comprehensively defeated in the presidential elections. Despite having
by far the best party ‘machine’, the Golkar did much less well in the 2004
Parliamentary and presidential elections that it had hoped and anticipated. Despite the
Golkar leadership’s support for Megawati in the second round, voters who identify
with the party voted massively instead for Yudhoyono, who defeated Megawati by
more than 20 per cent and ran his campaign with a ‘loose’, but extensive ‘network of
government organizations’, pitting ‘“people power” against Indonesia’s traditional
mighty party machinery of the Golkar and PDI-P’ (Straits Times 2004c). Political
parties and leaders steeped in patrimonial traditions thus seem likely to face harder
times in Indonesia: ‘The assumption that money politics and a strong party machinery
are enough to deliver votes no longer holds’ (Maxwell Lane, quoted in: Straits Times
2004b). Relatively well-educated, high-income-earning urban-dwellers voted
especially strongly for the new ‘anti-corruption’ parties, the PKS and Yudhoyono’s
Democrat Party (see table 15). Within many of the established parties, the pressure
for internal reforms and more accountable leadership is intensifying, albeit at varying
speeds and with varying degrees of success. There seems to be a growing chance that
the pressures of electoral competition will force parties and politicians to break with
inherited patrimonial norms and practices. Polyarchal democracy may thus possess
the capacity to propel Indonesia away from its patrimonial political legacies towards a
more liberal-democratic political future.

The other trend that gives cause for optimism regarding the evolution of Indonesia’s
young democracy is the growth and increasing mobilization of civil society or non-
governmental organizations, especially in the cause of combating corruption. One of the legacies that the Suharto regime left post-New Order Indonesia – the results of its crushing of the Communist Party and strategy of ‘mass depoliticization’ – was a weak civil society and the virtually complete absence of left-wing political or any other organizations (Tornquist 2000; Hadiz 2000: 10, 15). Many NGOs, especially those concerned with combating corruption and promoting democracy or religious tolerance, are predominantly foreign-financed, lack deep popular roots and may therefore prove fragile if confronted by a hostile government. However, the big Muslim organizations, the NU and Muhammadiyah, do have deep and strong roots in Indonesian society and would likely oppose any authoritarian political restoration in the country. Left-wing, working-class-based political movements, on the other hand, are still very weak. The only such party to contest the 1999 and 2004 Parliamentary elections, the PRD (People’s Democratic Party) polled less than one per cent of the vote on both occasions. Trade unions are likewise weak (Jakarta Post 2003). Since Suharto’s fall, however, an ‘exceptionally vibrant press’ has developed in Indonesia (Rieffel 2004: 109). Aided by an increasingly supportive political balance of power and the setting-up, after a long delay, of a potentially powerful anti-corruption commission, the media and NGOs have meanwhile begun to score some notable victories in their efforts to combat corruption, ranging from the prosecution of the former governor of Aceh, sentenced provisionally to a 10-year jail term in April 2005, to the launching of investigations for alleged corruption against a large number of regional legislatures and politicians throughout the country (Financial Times 2004). The growing impact of anti-corruption initiatives is a sign that living with rampant and pervasive corruption may not be a fate to which post-Suharto Indonesia is inexorably condemned.

Conclusion: A rising Muslim democratic star in the Far East?

Against seemingly very heavy odds, Indonesia has undergone a successful transition to polyarchal democracy and made very substantial progress towards becoming a consolidated democratic polity during the last seven years. There are no potent immediate or near-term threats to the survival of its young democracy, neither from radical Islamist groups or terrorism nor from the traditionally powerful, predominantly secular-oriented military. The new democracy is burdened, however, by a heavy legacy from Indonesian history, especially from Suharto’s New Order. For the quality of post-Suharto democracy, the most critical of these legacies is a deeply-entrenched tradition of patrimonial politics, which is buttressed by the survival of powerful (political, bureaucratic, military and business) interests rooted in the country’s New Order past and manifests itself primarily in the form of massive corruption. The outcome of the ongoing contest for power between these interests and the forces for deeper democratic reform will determine whether the patrimonial democracy that has developed in post-Suharto Indonesia becomes a stable political order or evolves into a more liberal system in which governments can exercise power effectively for universalistic ends and the rule of law is much better guaranteed than at present. In the political battles of the last year or so, the majority of Indonesian voters have come down strongly on the side of the reform-oriented forces. As long as they continue to have any say in the matter – and they more than likely will – the prospects that Indonesia will progressively shed its patrimonial past are not too bad. There is thus a fighting chance that, after an initially extremely turbulent phase of post-authoritarian politics and without being becalmed, Indonesia has reached more peaceful political waters and that we are indeed witnessing the rise of a new and rare Muslim democratic star in the Far East that can offer a ‘shining example’ of
successful democratization to other majority Muslim countries (former Malaysian Deputy Prime Minister Anwar Ibrahim, quoted in: *Straits Times* 2005c).

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**Notes**

1 See, for example, the titles of the articles by Dibb and Prince 2001 (‘Indonesia’s Grim Outlook’), Rosenthal 2003 (‘Southeast Asia: Archipelago of Afghanistans?’), Friend 1998 (‘Indonesia in Flames’), and Rohde 2001 (‘Indonesia Unraveling?’).

2 Przeworski has defined ‘tutelary democracies’ as regimes in which ‘the military extricates itself from the direct performance of government and withdraws into barracks, but withdraws intact and contingently’, remaining ‘in the shadows’ while elections take place and elected representatives govern, ‘ready to fall upon anyone who transgresses too far in undermining their values and their interests’ (Przeworski 1988: 60-61).

3 It is nonetheless striking that the head of the military pledged in April 2004 that the military would end its role in business in the next two years (*The Economist* 2005).

4 Hence, Linz and Stepan (1996:5) understand by ‘democratic consolidation’ a state of affairs in which democracy has become ‘“the only game in town” … routinized and deeply internalized in social, institutional, and even psychological life, as well as in calculations for achieving success’. They distinguish between behavioural, attitudinal and constitutional dimensions of democratic consolidation. Behaviourally, they argue, democracy becomes the only game in town ‘when no significant political groups seriously attempt to overthrow the democratic regime or secede from the state’. Democracy is consolidated attitudinally when ‘the overwhelming majority of the people believe that any further political change must emerge from within the parameters of democratic formulas and constitutionally when ‘all actors in the polity become habituated to the fact that political conflict will be resolved according to the established [i.e., democratic] norms’ (all the above quotes from Linz and Stepan 1996: 5). If democratic consolidation is so conceptualized, Indonesia may fall some distance short of being a consolidated democracy, depending in particular on the significance that is attributed to terrorist groups such as the JI (Jemaah Islamiyah) or independence movements that have taken up arms against the central government such as the GAM (Free Aceh Movement) in Aceh and the degree to which the military is regarded as having accepted the new democratic system.

5 For an illustrative example of modernization theory, see Przeworski and Limongi 1997. For a discussion and analysis of such theories, see Potter 1997: 10-13. Modernization theories of democracy are particularly closely associated with Seymour Martin Lipset.

6 Suryadinata et al. (2003: 6) count more than 1000 ethnic or sub-ethnic groups, based on self-identification, in Indonesia. Wanandi (2002b: 136) gives the number as ‘more than 490’.

7 Barro’s is the most comprehensive statistical analysis of the determinants of (electoral) democracy currently available. He finds a strong positive relationship between democracy and levels of socio-economic development or modernization (as defined by per capita income, education levels and the size of the middle class as well as the gap between male and female primary school attainment), a strong negative one between Islam and democracy and ‘some indication that more ethnically diverse countries are less likely to sustain democracy’ (1999: 172). Barro’s results are based on a panel study of over 100 countries for the period from 1960 to 1995.

8 Muzadi, chairman of the NU, the largest Indonesian Muslim organization argues hence (2003: 92) that Islamic tradition in Indonesia is ‘more characterized by the face of Indonesian culture, which cannot be compared to the face of Islam existing in other parts of the world, including the Arab region’.

9 This survey finding corroborates the analysis of an official in the NU (Mas’udi 2003), who told the author that Indonesian Muslims ‘know we live in a plural society. We have all the religions of the world here – the majority of Muslims are well aware that it is impossible for us to impose, to enforce our way of life according to our religion’.

10 According to Prayitno, an MP for the (democratic Islamist) PKS, the number of people who share the views of the leaders of such groups among the roughly 200 million Indonesian Muslims or can be counted as their followers is in the ‘hundreds or thousands’.
Just under four per cent of Christian Indonesians among this survey’s respondents thought that terrorism could often or sometimes be justified.

By Freedom House definitions and rankings (Freedom House 2004), the only majority-Muslim countries whose political systems are more ‘liberal-democratic’ than Indonesia’s are Albania and two West African countries – Mali and Senegal – where Sufi currents of Islam are especially strong.

Liddell’s article was originally published in 1985.

Forbes magazine estimated Suharto’s personal fortune to be worth US $16 billion in 1998 and that of the Suharto family as a whole to be worth US $40 billion.

The Singaporean ‘senior minister’ at this time, Lee Kuan Yew, describes in his memoirs (2000: 311) how the Singaporean Prime Minister Goh Chok Tong and he tried unavailingly to persuade Suharto’s children, via the eldest daughter Tutut, to wind back their business activities during the 1997-98 economic crisis.

The poor qualifications of many Indonesian civil servants are widely attributed to the allegedly widespread practice of selling government jobs to the highest bidder in the Suharto era (Straits Times 2003b).

Details of sources in Fionna and Webber 2002: 11.

According to Anderson (1983: 489), these inflows covered as much as 50 per cent of the bill for all Indonesian imports in the late 1960s and 1970s.

Remark made to the author by the CEO of the Indonesian subsidiary of a foreign-owned insurance company, Jakarta, 2001.
### TABLE 1

**INDONESIAN PARLIAMENTARY ELECTION RESULTS BY BLOC, 1999 & 2004**

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>2004</th>
<th>CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Secular nationalists (Golkar, PDIP, DP, etc.)</td>
<td>62.5</td>
<td>59.3</td>
<td>-3.2</td>
</tr>
<tr>
<td>Muslim nationalists (PKB, PAN)</td>
<td>19.7</td>
<td>17.0</td>
<td>-2.7</td>
</tr>
<tr>
<td>Islamic parties (PPP, PBB, PKS, etc.)</td>
<td>17.7</td>
<td>21.3</td>
<td>+3.6</td>
</tr>
</tbody>
</table>

**SOURCE:** The Economist 2004.

### TABLE 2

**DEATHS FROM INTERCOMMUNAL VIOLENCE IN INDONESIA**

![Graph showing deaths from intercommunal violence in Indonesia, with years 1994 to 2003.]

**SOURCE:** United Nations Support Mission for Indonesia Recovery (UNSTIR).
### TABLE 3

**ATTITUDES OF INDONESIAN MUSLIMS TO THE RELATIONSHIP OF RELIGION AND POLITICS**

<table>
<thead>
<tr>
<th>Issue</th>
<th>Percentage of Agreement</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>Women may not become judges</td>
<td>23%</td>
<td></td>
</tr>
<tr>
<td>Women may not become members of the House of Representatives (DPR)</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Priority in education must be given to boys</td>
<td>44%</td>
<td></td>
</tr>
<tr>
<td>Inheritance rights for daughters to be half that for sons</td>
<td>50%</td>
<td></td>
</tr>
<tr>
<td>Women must be accompanied on all journeys by their cleric or husband</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Polygamy is permitted</td>
<td>37%</td>
<td></td>
</tr>
<tr>
<td>Governance with a basis of Islamic Syariah is the best</td>
<td>67%</td>
<td></td>
</tr>
<tr>
<td>The government must require the exercise of Syariah</td>
<td>73%</td>
<td></td>
</tr>
<tr>
<td>In the general election, select only candidates that will fight for</td>
<td>46%</td>
<td></td>
</tr>
<tr>
<td>the exercise of Syariah</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In a general election, only Islamist parties should be included</td>
<td>21%</td>
<td></td>
</tr>
<tr>
<td>The government must require Muslim women to wear the Islamic head</td>
<td>36%</td>
<td></td>
</tr>
<tr>
<td>covering</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Application of amputation of hands as punishment</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td>Police to administer the following of the Kemoter test</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td>Women may not become president</td>
<td>26%</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Tempo 2002.*

### TABLE 4

**Political Alienation**

Some people say, "I don't think that the government cares very much about what people like me think." Do you agree or disagree? Strongly or somewhat? (Q 60 base 528)

<table>
<thead>
<tr>
<th>Year</th>
<th>Agree</th>
<th>Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>24%</td>
<td>69%</td>
</tr>
<tr>
<td>2003</td>
<td>26%</td>
<td>39%</td>
</tr>
</tbody>
</table>

TABLE 5

Support for Autocratic Leadership

Some people say, "This democratic government is too weak. We need a strong leader like Suharto, who can make decisions and restore order, even if it reduces rights and freedoms." Would you agree or disagree? Strongly or somewhat? [Q79 base 326]

<table>
<thead>
<tr>
<th>Country</th>
<th>Strongly</th>
<th>Somewhat</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal</td>
<td>24%</td>
<td>29%</td>
</tr>
<tr>
<td>Ivory Coast</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tanzania</td>
<td>13%</td>
<td>16%</td>
</tr>
<tr>
<td>Bangladesh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ghana</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uganda</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indonesia</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>USA</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lebanon</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turkey</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Malaysia</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jordan</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Uzbekistan</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>


TABLE 6

MUSLIM & AMERICAN ATTITUDES TO DEMOCRACY & AUTHORITARIANISM

Responses in % to the question: "Some feel that we should rely on a democratic form of government to solve our country’s problems. Others feel that we should rely on a leader with a strong hand … Which comes closer to your opinion?"

<table>
<thead>
<tr>
<th>Country</th>
<th>Democratic govt %</th>
<th>Strong leader %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Ivory Coast</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Tanzania</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Ghana</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Uganda</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>USA</td>
<td>53%</td>
<td>29%</td>
</tr>
<tr>
<td>Lebanon</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Turkey</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Pakistan</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Malaysia</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Jordan</td>
<td>30%</td>
<td>70%</td>
</tr>
<tr>
<td>Uzbekistan</td>
<td>30%</td>
<td>70%</td>
</tr>
</tbody>
</table>

TABLE 7

INDONESIAN CORRUPTION IN INTERNATIONAL COMPARISON

(Transparency International’s Corruption Perceptions Index)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Score</td>
<td>1.9</td>
<td>2.6</td>
<td>2.7</td>
<td>2.0</td>
<td>1.7</td>
<td>1.7</td>
<td>1.9</td>
<td>1.9</td>
<td>1.9</td>
<td>2.0</td>
</tr>
<tr>
<td>Ranking</td>
<td>41/1</td>
<td>45/54</td>
<td>46/52</td>
<td>68/85</td>
<td>96/99</td>
<td>95/90</td>
<td>88/91</td>
<td>96/102</td>
<td>122/133</td>
<td>133/146</td>
</tr>
<tr>
<td>For Comparison</td>
<td>China</td>
<td>40/41</td>
<td>50/54</td>
<td>41/52</td>
<td>52/85</td>
<td>58/99</td>
<td>63/90</td>
<td>57/91</td>
<td>59/102</td>
<td>66/133</td>
</tr>
</tbody>
</table>

Scale: 1 = highly corrupt; 10 = very clean

SOURCE: Annual corruption perceptions surveys of Transparency International (www.transparency.org)

TABLE 8

Perceived Incidence of Government Corruption

How common do you think corruption is among government officials: very common, fairly common, fairly rare, or very rare? [Q34]

<table>
<thead>
<tr>
<th>Incidence</th>
<th>Very</th>
<th>Fairly</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common : 95%</td>
<td>41</td>
<td>28</td>
</tr>
<tr>
<td>Rare : 69%</td>
<td>5</td>
<td>6</td>
</tr>
</tbody>
</table>

TABLE 9
PUBLIC ATTITUDES TOWARDS CORRUPTION

A disease against which we should all combat, denouncing every case that we know of.

Natural occurrence and part of our daily life, so denouncing it is unnecessary.


TABLE 10
(DIS)SATISFACTION WITH IMPLEMENTATION OF REFORM AGENDA

<table>
<thead>
<tr>
<th>Reform Agenda</th>
<th>April 2002</th>
<th>June 2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Satisfied/Very satisfied</td>
<td>Dissatisfied/Very dissatisfied</td>
</tr>
<tr>
<td>Democracy</td>
<td>35%</td>
<td>27%</td>
</tr>
<tr>
<td>Autonomy &amp; Decentralization</td>
<td>41%</td>
<td>33%</td>
</tr>
<tr>
<td>Law Enforcement</td>
<td>42%</td>
<td>44%</td>
</tr>
<tr>
<td>Clean Governance</td>
<td>40%</td>
<td>46%</td>
</tr>
<tr>
<td>Economy</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Eradication of KKN</td>
<td>38%</td>
<td>51%</td>
</tr>
</tbody>
</table>

*Are you very satisfied, satisfied, dissatisfied, or very dissatisfied with the steps taken by President Megawati in accomplishing the following reform agenda?* n=3000

29

TABLE 11

DIRECT COMPARISON OF EFFECTIVE CANDIDATE AT ADDRESSING KEY ISSUES

<table>
<thead>
<tr>
<th>Issue</th>
<th>Megawati</th>
<th>Susilo Bambang</th>
<th>Yudhoyono</th>
<th>Both</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keeping prices low</td>
<td>46%</td>
<td>27%</td>
<td>14%</td>
<td>14%</td>
</tr>
<tr>
<td>Creating jobs</td>
<td>52%</td>
<td>25%</td>
<td>13%</td>
<td>15%</td>
</tr>
<tr>
<td>Reducing corruption</td>
<td>53%</td>
<td>24%</td>
<td>14%</td>
<td>24%</td>
</tr>
<tr>
<td>Maintaining territorial</td>
<td>54%</td>
<td>21%</td>
<td>18%</td>
<td>26%</td>
</tr>
<tr>
<td>Improving security</td>
<td>59%</td>
<td>20%</td>
<td>15%</td>
<td>27%</td>
</tr>
<tr>
<td>Improving quality of</td>
<td>47%</td>
<td>27%</td>
<td>17%</td>
<td>27%</td>
</tr>
<tr>
<td>education</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

30% identify this as top issue


TABLE 12

The Transparency International Global Corruption Barometer 2003

A total of 49,836 people were surveyed in 47 countries in the Voice of the People survey, a general household survey conducted by Gallup International in July 2002. The survey included a series of questions on behalf of Transparency International, specifically the TI Global Corruption Barometer Survey. In addition, 1,016 adults were surveyed in the Palestinian Authority by the Palestinian Center for Policy and Survey Research in December 2002.

30,607 people were polled in 47 of the countries on the following question: They were asked: If you had a magic wand and you could eliminate corruption from one of the following institutions, what would your first choice be?

<table>
<thead>
<tr>
<th>Country</th>
<th>Finance</th>
<th>Health</th>
<th>Education</th>
<th>Law</th>
<th>Media</th>
<th>Government</th>
<th>Natural Resources</th>
<th>Public Service</th>
<th>Politics</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Argentina</td>
<td>1.5</td>
<td>2.6</td>
<td>3.4</td>
<td>4.3</td>
<td>3.7</td>
<td>3.7</td>
<td>3.4</td>
<td>3.0</td>
<td>3.1</td>
<td>3.8</td>
</tr>
<tr>
<td>Australia</td>
<td>1.7</td>
<td>2.9</td>
<td>3.5</td>
<td>4.3</td>
<td>3.8</td>
<td>3.8</td>
<td>4.0</td>
<td>3.7</td>
<td>3.2</td>
<td>3.8</td>
</tr>
<tr>
<td>Austria</td>
<td>1.8</td>
<td>3.0</td>
<td>3.6</td>
<td>4.3</td>
<td>3.8</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>1.9</td>
<td>3.0</td>
<td>3.6</td>
<td>4.3</td>
<td>3.8</td>
<td>3.8</td>
<td>3.0</td>
<td>3.4</td>
<td>3.5</td>
<td>3.8</td>
</tr>
<tr>
<td>Belgium</td>
<td>2.0</td>
<td>3.0</td>
<td>3.6</td>
<td>4.3</td>
<td>3.8</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.3</td>
<td>3.8</td>
</tr>
<tr>
<td>Benin</td>
<td>2.0</td>
<td>3.0</td>
<td>3.6</td>
<td>4.3</td>
<td>3.8</td>
<td>4.0</td>
<td>3.0</td>
<td>3.4</td>
<td>3.3</td>
<td>3.8</td>
</tr>
</tbody>
</table>

* Data was missing for this and other questions from Gallup International data for Pakistan, China and Brazil.

Transparency International press release - Transparency International Global Corruption Barometer, 3 July 2003, page 2 of 4
TABLE 13
CORRUPTION AS A DETERRENT TO INVESTMENT

Figure D7  Reasons Not to Invest in Indonesia

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Too uncertain economy</td>
<td>73.5%</td>
</tr>
<tr>
<td>To high input cost</td>
<td>65.7%</td>
</tr>
<tr>
<td>Business downturn</td>
<td>65.7%</td>
</tr>
<tr>
<td>Too high corruption-related cost</td>
<td>35.3%</td>
</tr>
</tbody>
</table>


TABLE 14
INDONESIA – NET DIRECT INVESTMENT FLOWS, 1980-2003

SOURCE: The Economist Intelligence Unit
### Table 15

**THE SOCIAL BASES OF INDONESIAN PARTIES, APRIL 2004 ELECTIONS**

Table 2: Voter Characteristics

<table>
<thead>
<tr>
<th>Party</th>
<th>Urban Residence</th>
<th>High School Education and above</th>
<th>Household Expenses below Rp 500,000/month</th>
<th>Non-Muslim</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democrat</td>
<td>26%</td>
<td>58%</td>
<td>39%</td>
<td>19%</td>
</tr>
<tr>
<td>PKS</td>
<td>34%</td>
<td>65%</td>
<td>37%</td>
<td>3%</td>
</tr>
<tr>
<td>PAN</td>
<td>22%</td>
<td>51%</td>
<td>44%</td>
<td>2%</td>
</tr>
<tr>
<td>Golkar</td>
<td>12%</td>
<td>32%</td>
<td>51%</td>
<td>11%</td>
</tr>
<tr>
<td>PDI-P</td>
<td>15%</td>
<td>30%</td>
<td>58%</td>
<td>22%</td>
</tr>
<tr>
<td>PKB</td>
<td>12%</td>
<td>32%</td>
<td>55%</td>
<td>4%</td>
</tr>
<tr>
<td>PPP</td>
<td>11%</td>
<td>27%</td>
<td>54%</td>
<td>3%</td>
</tr>
</tbody>
</table>

**SOURCE:** Survey conducted by the Institute for Social & Economic Research, Education & Information (LP3ES) & National Democratic Institute for International Affairs (NDI), 6155 voters, 5 April 2004.


Nurwahid, Hidayat (Chairman of the PKS) (2004) ‘‘We want to change the national leadership’’, Tempo, 19 April 2004, 30-33.


