Chapter-IV

The ‘Petition of Fifty’: The Older Generation Takes the Mantle, pp.119-156.
Chapter- 4

I don't like what the so-called Petition of fifty did. I don't like their methods, even more so because they call themselves patriots.1

-Suharto

In a path-breaking essay on how democratic transitions occur, Dankwart A. Rustow observed that “the dynamic process of democratisation itself is a set off by a prolonged and inconclusive political struggle. To give it those qualities the protagonists must represent securely entrenched forces (typically social classes), and the issues must have profound meaning to them.”2 Suharto’s regime following the fall of Sukarno’s ‘guided democracy’ began with the support and good wishes of different cross sections of society. But as the much-trumpeted welfare state degenerated into an authoritarian machinery, it was but natural that the protagonists would turn into antagonists. Every political system is put on trial under certain circumstances. Each must meet multiple challenges that can determine its fate. Different sections chose different times to voice their opinion as the seventies and early eighties turned Indonesia into a latent or impeding crisis-ridden state. The last two chapters dealt with the domestic upheaval brought about by the younger section of the society- the students. Now its time to analyse the role of the elder ones in their attempt to give shape to their quiescent vision.

State of the Economy:

The macro economic indicators were positive for Indonesia in the beginning of the eighties. The foreign exchange reserve reached $ 7.2

1 Quoted in Adam Schwarz, A Nation in Waiting: Indonesia in the 1990s, (Boulder, 1994),p.36.
billion mark thanks to an increase in the base price of Indonesia's most popular grade of oil Minas crude. Following the Bali meeting of OPEC, held in mid-December 1979 the prices were increased to $35 per barrel. In the sector of rice production too Indonesia reached a very appreciable mark of 20 million tons of husked rice, about 10% more than in the previous year. 3

In the planning sector, the government showed considerable alertness and was open to infusion of new policies. It can be noted here that the first five year plan (Repelita-I, 1969-74) was devoted to economic stabilisation, agricultural development, rehabilitation of infrastructure and education. The second five-year plan (Repelita-II, 1974-79) sought to improve the social and economic well being of the population. The third five-year plan (Repelita-III) was initiated in April 1979. It proposed to make “equity in addition to growth and national stability, a major goal of what the Indonesian government chose to call the ‘Development Trilogy’.” 4

However, the old worries such as corruption, poverty continued. In a response to public opinion poll conducted by the Indonesian news weekly ‘Tempo’, 43.8 percent of the respondents singled out corruption and abuses of power as the greatest internal threat facing the nation. Only 21.6 per cent toed the regime’s conspiracy theory by identifying the revival of the Communist party as a major threat. 5 The government’s much publicised anti-corruption campaign ‘Opstib’ remained a virtual non-starter as it failed to catch any big fish. While it was an over-hyped campaign claiming to clean the system, in actuality it directed

---

4 ibid., p.234.
5 ibid., p.237.
itself only at the lower rang of government establishment. Petty abuses of power continued as regular revelation of corruption charges against people in high offices fuelled popular sentiment.

The Origin of Trouble:

The debate, which attracted popular attention centred on the government's draft amendment of the general election law, introduced in 4 September 1979. This proposed revision of Act no.4 of 1975, which itself was a revision of Act no.15 of 1969 gave rise to a lot of discontent. In both the special committee level and the parliamentary level, the bill remained unacceptable to the political parties. There were six major issues of contention.

The first issue concerned the subject of the debate. Where as the government wanted to confine the debate only to the proposed legislation, the opposition pressed for a discussion not only of the new bill but also of other relevant legislation. The latter included the Act on the Composition and Position of Parliament, People's Congress and the Regional Parliaments.

The second point of disagreement was regarding the appointed members of the Parliament. The opposition was in favour of bringing about a change in the prevailing situation where 300 members were elected and 100 appointed (75 representing the armed forces and 25, other functional groups). The demand was to fill in the latter 25 seats by elected members.

The third point of contention was regarding the participation of members

---

6 One of the few exceptions was people like Lt.Gen. Siswadji, the Deputy Police Chief, a three-star General who was brought to trial in the allegation of embezzlement of Rp.4.8 billion of the Police fund. Among the properties confiscated were 15 luxurious cars, a number of houses and many plots of land. Another big scandal was involving an Indonesian of Chinese origin, Endang Widjaja, a building contractor who was involved in the embezzlement of state money amounting to Rp.23 billion. For details refer to Leo Suryadinata, "Indonesia: A Year of Continuing Challenge", Southeast Asian Affairs (Singapore), 1979, pp.114-15.
of political parties and Golkar in the bodies charged with the organisation of the elections. While the government favoured non-participation, the opposition voiced their opinion in favour of a stronger representation. They tried to substantiate their argument by citing the example of large-scale irregularities in the previous elections.

Fourthly, the opposition disagreed with the government’s special treatment for East Timor at the cost of their already dwindling position by allocating it four seats, which were to be taken away from the share of West, Central and East Java and Lampung. The opposition demanded that these four seats could be taken away from the 25 reserved seats.

The fifth point of disagreement was regarding the election symbols. The revised article 18, paragraph 2 stated that the use of an emblem, which might cause conflicts endangering the unity and stability of the Indonesian nation, would be forbidden. The party, which stood affected was the Islamist PPP, whose election symbol Ka’bah again became an issue of debate. The party representatives urged for a written assurance in the election law that PPP would be allowed to continue to use Ka’bah.

The final issue of contention was the stipulation of not allowing anyone to question the Pancasila and the Constitution of 1945 in their campaign. The PPP asked for a change in the expression, which would suggest that no one would be allowed to make an issue out of the existence of Pancasila and the Constitution of 1945.7

---

The political parties, which were functioning in a hostile environment, interpreted this as another step by the government to undermine their presence. They had the bitter experience of government patronage bestowed on Golkar coupled with harassment and intimidation of other parties in the previous elections. This debate was sought to be used by them for achieving far-reaching changes in the election law. They asked for measures like removal of the 'quiet week' before the elections, permission to civil servants to cast their ballot at their places of residence where it would remain a secret, sanctions against anybody who violated the election rules and setting up a body for the purpose. To press their demand hard, on February 20, twenty-six very prominent public figures\(^8\), including Muslim political figures nationalist party functionaries and highly respected retired military officers, submitted a petition to the Parliament and government concerning the general elections. The petition urged the Parliament and the government to refrain from drafting the bill as it did not mirror the aspirations of the people. It stated that honest elections were the constitutional obligation for determining membership of the representative bodies, electing the President and the Vice-President. The petition stated that "the transition period that has been going on from the birth of the 'New Order' since 1965 up to 1980 is long enough, and that a general election held sincerely, honestly, and clearly, is the one and only legal way to elect a legitimate government."\(^9\) The government was in no mood to oblige and it went ahead and adopted the proposed electoral law on 2nd March. The political parties left fuming at this complete lack of

---


\(^9\) ibid., p.240.
acknowledgement of their protest. The PDI staged a walkout on 21st February. The PPP refused to attend the session.

This incident began a new round of tussle between the government and the political parties, which involved other section of society as well. Taking a clue from the opposition's 'daring' show of strength President Suharto lashed out at them at a meeting of the armed forces Commanders in Pekanbaru, West Sumatra on 27th March.

Trouble Intensifies:

In Pekanbaru, Suharto, at the end of his regular speech, made some comments, which he said, might inspire increased alertness on part of the ABRI, in particular in the execution of their 'dual function'. Speaking impromptu he severely criticised the groups, he considered not totally committed to the state ideology, the Pancasila, and to the revolutionary constitution of 1945. Quoting from the Sapta Marga (The Seven Ways, the code of the armed forces), Suharto stressed that the ABRI would never allow the Pancasila and the constitution to be changed. He warned of a situation when ABRI would be forced to take up arms to defend these principles. He also condemned those who still oriented themselves to the value systems of the past. "Before the New Order was born we saw and sensed that our national ideology was submerged by various existing ideologies, whether it was Marxism, Leninism, Communism, Socialism, Mahaenism (a social philosophy elaborated by Sukarno), Nationalism or religion. Groups which adhered to these various ideologies had sought, once they considered themselves strong enough to impose their will on other groups by force." He recounted the bitter experiences of the Madiun Affair, The PRRI-Permesta rebellion and the

---

10 Far Eastern Economic Review (Hong Kong), 27 June 1980
coup attempt of 30 September 1965 which were results of attempts by groups who wanted to enforce their own ideology. Thus, there were unending rebellions, which were obstacles to the creation of a just and prosperous society based on Pancasila, the national ideology. He also took the opportunity to reiterate the determination of the New Order to make a total correction of deviation from Pancasila and 1945 constitution.

**Origin and Meaning of Pancasila:**

The concept owes its origin to Indonesia’s colonial past. It was put into operation on August 7, 1945 when the Japanese established an All Indonesia Preparatory Committee and made Sukarno its chairman. This concept sought to bridge the difference between the Japanese sponsored assembly of religious, ethnic and social group consisting the PETA. In the course of independent struggle Pancasila was used as a common denominator between the religious and secular factions in the Indonesian nationalist movement. Pancasila or the five principles were adopted as the philosophical foundation for the Indonesian revolution and it consisted of the following: nationalism, humanitarianism, representative government, social justice and belief in one God (with emphasis on religious freedom).\(^{11}\)

Sukarno’s vision of free Indonesia included all the islands of the Dutch East Indies. He noted Indonesia’s diversities but insisted that the concepts of representative government and social justice were broad enough to provide all groups with a voice, as well as the means to satisfy their aspirations. The emphasis on religious freedom was meant to neutralise the Muslim nationalists (Darul Islam), whose demand for an Islamic state terrified the minorities.

After Sukarno decided to give Indonesia a break from the prolonged experiment with parliamentary democracy and initiated his own ‘guided democracy’, Pancasila received a new companion. In his Independence Day speech of 1959, Sukarno articulated five principles of ‘Manifesto Politik’, which together with the Pancasila constituted the ideological basis of the regime. “The five principles of the ‘Manifesto Politik’ included a return to the 1945 constitution as the most appropriate constitution for Indonesia; socialism a la-Indonesia; guided democracy; guided economy; and Indonesian national identity.”\(^\text{12}\) The implementation of these principles was asserted to be the means of achieving the just and humane society envisioned by Pancasila.

Ever since 1945, when the state ideology was expounded, a constant irritation marked the relationship between Pancasila and the forces of Islam. The doctrine was specifically put forward by Sukarno in 1945 in opposition to the demand that the independent Indonesian republic be an Islamic state and he continued to use it through out the guided democracy period. What irritated the Islamists was the fact that this concept was taken advantage of by the Communists to keep their bete noire in check.

The New Order government opted to continue with the traditional use of Pancasila. In particular, the first principle (belief in one supreme being) was employed “both to exclude an Islamic state and to include traditional Javanese mystical beliefs. By doing so Pancasila has been aligned with the ‘abangan’ or syncretic Javanese tradition in opposition to the ‘santri’ or more orthodox Islamic one.”\(^\text{13}\) Government’s commitment to the concept was emphasised in the guidance

---


\(^{13}\) \textit{ibid.}, p.844.
courses in conducted for its citizens. Known as P-4 (*Penghayatan dan Pengalaman Pancasila*), these guidance courses were rigidly enforced by the regime. Since 1978, all civil servants, who wished to gain to promotion or even travel overseas, had to prove attendance of the two-week course. These courses were even conducted overseas to maintain to have a hold over Indonesian students studying abroad.\(^\text{14}\)

However, *Pancasila* in spite of the patronage it enjoyed continued to be devoid of any philosophical base. An important concept, designed to maintain harmony and secularism, *Pancasila* did not really cross the boundary of vagueness. In the absence of any substantial development since its origin, the content of these P-4 courses remained same at every level from school to university and beyond. Yet, it remained unchallenged not only due to the lack of any alternate concepts, but also the absolute loyalty it demanded. "Even those intellectuals seeking to articulate alternative and pluralistic expressions of political activity never questioned the relevance of *Pancasila*."\(^\text{15}\) Thus, any charge of deviation from the principles of *Pancasila* was a charge of serious nature.

Suharto's Pekanbaru speech in which he leveled charges against certain groups should be interpreted in the light of the importance of "*Pancasila*'. His call was to ABRI, "to make a success of its dual function in society". He further added that, 'So long as we can't succeed in bringing (this group) to their senses we must always step up our vigilance, chose partners, friends who truly defend *Pancasila*, and have no doubt what so ever in *Pancasila*.'\(^\text{16}\)


\(^{15}\) *ibid.*, p.107.

On the surface, it looked like a straightforward attack on the PPP with few swipes hurled at nationalist and socialist groups. However, there was a deeper meaning to it. It was a call to the armed forces to take sides in the event of an election. It was not that the ABRI was impartial in the past election, but such an open statement was not made before. After the 1978 presidential elections, there had been few attempts to develop an independent army. It did not necessarily mean undermining the ‘dual function’ of the army but to keep them aloof of the intricacies of politics. ‘The ‘SESKOAD Paper’ — written in 1977-78, took the view that politics was corrupting ABRI’s spirit and therefore, hampering its social functions and defence of the constitution. “The Paper recommended that ABRI remain above groups; ‘the politics of ABRI are those of the 1945 constitution, not the politics of a group or the politics of ABRI as a group’. The implication, according to the paper’s author, Brigadier General Abdulkadir Besar was that the concept of the dual function should not be viewed as a vehicle for the accumulation of power by the military; military officials should only be appointed to political positions as they are needed, and then only with the approval of the people.”

Thus, Suharto’s Pekanbaru speech was in total disregard of the ‘Seskoad Paper’ and its proponents. It was also an expression of irritation and anger against certain developments. These developments were made clear by Suharto himself in three weeks time since the Pekanbaru speech. He chose April 16, to make another off-the-cuff remark at the twentieth anniversary of the Kopassandha (Komando Pasukan Sandhi Yudha, Red Berets) at Cijantung, West Java. Suharto targeted the university students and the housewives who spread rumours that his wife Tien

---

Suharto was receiving commissions and determining who would win tenders, and who said that he had a mistress, a paramour, one of the well-known film actress. “The President said these rumours were aimed at removing him from office. However, those who spread them were forgetting that, if they eliminated him others would appear- citizens and soldiers of ABRI- who would always thwart their schemes, especially if they wished to substitute another ideology for Pancasila and change the 1945 constitution.”  

In a month’s time this was the president’s second calculated assault on his opponents, while in his Pekanbaru speech he was vague about his references to the opposition political parties, in his second speech he was directly critical of the students and housewives.

The Suodued Role of the Students:

The role of the students in Indonesian politics was much more subdued in 1980. However, it could be described as a sleeping giant who reacted whenever there was an opportunity. Early 1980 the government brought about a legislation, which aimed to restrict the traditional role of the student councils. The prominent role the student councils played in mobilising undergraduate opinion at the nation’s various institutions of higher education during the January 1978 crisis must have induced the government to have control over them. The government started off with the appointment of Daud Jusuf, as the minister of education who masterminded the Normalisation of Campus Life (NKK) policy.

“Under this programme, the government sought to pull the student movement’s teeth, replacing the Diwan Mahasiswa (Student Council-DM) in each university with an insipid new student Activity Coordination Body (BKK) headed

---

by government appointed rectors and faculty members. Under NKK, the role of the university student is to be a ‘candidate thinker’, not a ‘mover of the masses’.”¹⁹ Not surprisingly, there was bitter opposition from the students under the leadership of ITB and UI.

In a daring move the students of ITB challenged the government by electing a twenty-three year old Geology student, Ausie Gautama, as the chairman of the institute’s students council. According to the new law the election was illegal. Yet, seventy five per cent of the students participated in the process and despite repeated government threats they refused to disband. A delay in suspending Gautama from the institute cost the rector Sudjana his post.²⁰ The government, thus, was in no mood to compromise. Their latest belief was that the students must make use of their brains rather than intermittently lowering themselves to mindless levels of demonstrators.

The students of University of Indonesia in Jakarta also protested in the example of ITB. However, the institute of the country failed to match with the intensity of dissent of these two premier institutes. Soon they started following into line. A long-term struggle needs a lot of perseverance and patience, which only the most committed display. To stand against all odds and in the face of repeated failures could be really exhausting and mentally sapping. Unfortunately, most of the campuses showed signs of fatigue in this long drawn battle. Nearly “sixty per cent of the Gajah Mada University voted in the elections to chose student members of the BKK which had been set up in November 1978.”²¹ Similar acts were repeated in the campuses of Ujung Padang and Surabaya.

²⁰ ibid.
²¹ ibid., p.39.
Even, in the lackadaisical stage of student protest, ten truckloads of students descended on the Indonesian parliament on February 11, 1980 in a show of support for the opposition members voting for government explanation about the NKK policy. Not surprisingly the motion was defeated (279 against, 101 for with 2 abstentions). In an event of rare vote in the otherwise consensus-minded legislative body, the opposition members were able to register their protest against what can be termed as a brazen act of censorship. It can be mentioned here that the voting was possible as a result of a decision by the speaker of the Parliament General Daryatmo. During his tenure he created an environment in the Parliament which helped the institution to emerge as an important forum for popular protest, at least for a temporary period. After taking up his job as the speaker in March 1978, General Daryatmo kept the lines of communication open and attempted, 'to build bridges', between the government and some of its more disaffected citizens. He was reported to have said, "My policy is that the door of (Parliament) is always open to the people. The worst that could happen is that there comes a day when there are citizens who do not know where they can submit their applications." The extent to which Daryatmo allowed parliament to be used by the opposition as a platform for expressing dissent indicates the typical way in which an authoritarian regime functions. It is prepared to make certain concessions to the opposition at times. But these facades apart, it maintains strict control, which does not yield ground to most of the opposition's demands.

Continuing with the President's two speeches one can find that in addition to the rejection of the 'Seskoad Paper', the speeches were in direct contravention to a statement by the defence minister General Mohammad Jusuf. Speaking in

---

East Java at the end of April 1979 he had said that “ABRI was not the defender of a group of people but the defender of all groups of people; ABRI did not defend a part of the country but all parts of the country. ABRI was not an instrument of a group, a political party, or an individual, but an instrument of the nation and the state.”23 This statement was supplemented by another statement which he gave in an ‘informal gathering’ of senior government and ABRI officials in South Sulawesi in August 1979. “ABRI had to stand in the middle, not side with any one group.”24

Such views had come as a major respite from the government’s encouragement of ABRI’s blatant interference in political affairs in favour of Golkar. Thus, General Jusuf’s statement received widespread support. Especially from retired senior officers. Lt. General Ali Sadikin observed that “Now General Jusuf wishes to restore ABRI to its true position as the property of the people, of the PPP, the PDI, and Golkar, in accordance with the law, the nation’s philosophy, the Seven Pledges, and the Soldier’s oath.”25

While there was a clear presidential blessing such an initiative by the defence minister, Suharto was aware of the accompanying danger of going too far with it. So far he had ridden ABRI’s back to stay afloat in the turbulent Indonesian politics. He could not risk giving it up at such a time when his power had reached its zenith, albeit a brilliant economic scenario. “As his power continued to grow, the President became increasingly preoccupied by threats to Pancasila and to 1945 constitution, threats which many felt were greatly overstated. Increasingly, he sought to erect structures that would ensure that o change would be made to

23 David Jenkins, n.17, p.142.
24 ibid., p.143.
25 ibid.
either the state philosophy or to the constitution. And in this final analysis, ABRI was to be the guarantor of that there would be no such changes.26

Thus, the opposition, which had an inkling of hope that the future elections would be different, was left in the lurch again. The open invitation to ABRI to take sides offended the opposition who had started believing in government’s facades. Even though Suharto tried to project an image of a traditional Javanese King- a saint, a restrained, even-tempered and judicious, a man of inner calm and effortless self control, these were times when his real self came out into open. In the fifteen years since he had come to power, Suharto had become more rigid, more authoritarian, more feudalistic, more mystical, more cynical, more corrupt, very much less inclined to listen to criticism.27 The absence of any effective opposition, both outside and inside allowed himself to showcase differently- sometimes more authoritarian, and sometimes a shade less.

The two speeches had a few implications. Firstly, Suharto made it abundantly clear, whatever Jusuf might had been instructed to say ABRI and Golkar were still one and the same thing. Secondly, he also seemed to make it fairly clear that the campaign was not just for the 1982 General election, but for the 1983 presidential election as well and that he was running for the fourth five-year term.

One group the President chose not to criticise was the so called ‘sakit hati’ (Barisan Sakit Hati, sick at heart) brigade, a loose association of retired military commanders whose more or less continuous criticism had angered Suharto as much as that of the Muslims, students and housewives. It might have been a deliberate

26 ibid., p.160.
27 ibid., p.159.
non-recognition of their presence. But that did not stop the latter from reacting critically to the presidential speeches.

Over the years, these retired officers were part of two organisations, the LKB and the FOSKO. The LKB (Yayasan Lembaga Kesadaran Berkonstitusi or the Foundation of the Institute for the Awareness to Act Constitutionally) was formed by A.H. Nasution in June 1978. It patrons were late Vice President Mohammad Hatta, Lt. General Ali Sadikin, former mayor of Jakarta and an ex-Police commander General Drs. Hugeng Iman Santoso. The other organisation FOSKO (Forum Studi dan Komunikasi TNI-AD, Army Forum for Study and Communication) was founded in late 1977 on the initiative of retired Lt. General Sudirman and ex-Col. Sukanda Bratamanggala. Over the years it had developed into a forum for political discussion for the senior retired officers of the army’s three most important divisions, the Siliwangi Division of West Java, Diponegoro Division of Central Java and the Brawijaya Division of East Java. The other members of the Presidium were retired Lt. General G.P.H. Djatikusumo, Major General D.R.S. Achmad Sukendro and Lt. General Dharsono. Since the early 1979, cooperation between the LKB and FOSKO had improved and contacts extended to other civilian groups critical of Suharto regime such as Lembaga Sukarno-Hatta.

Reactions from the retired army officials:

On April 18, a retired Lt. General A.Y. Mokoginta, a North Sulawesi Muslim who was chief of the Sumatran Command in 1964-67, sent a nine-page letter to the defence minister voicing his concern at Suharto’s remarks. In the letter he “focussed attention in the President’s duplicity in having Defence Minister General Mohammad Jusuf say that ABRI is above all political factions
while, Jusuf’s deputy Admiral Sudomo forgés an even closer working relationship with *Golkar*.\(^{28}\) Though Jusuf had decided not to make an issue out of his difference with the President, he made it clear that according to him the army’s role does not essentially resemble Suahrt’s reflections.

Mokoginta’s letter was followed by another letter. This time on 2 May, the FKS Purna Yudha, an association of prominent army officers sent a letter even in stronger terms to the new army chief of staff, General Poniman.\(^{29}\) This letter was signed by retired Lt. General H.R. Dharsono, a commander of the crack West Java Siliwangi Division who went on to become the Secretary-General of ASEAN, and retired General Sudirman, a former Commander of the East Java Brawijaya Division. The final sentence in the letter read, “it is to be hoped that there will not be any more speeches which can create restlessness.”\(^{30}\)

Even prior to this, two retired generals, representing the ‘*Sakit Hati*’ brigade, the former governor of Jakarta Lt. General Ali Sadikin and former commander of the national police had criticised Suharto’s statements. They announced their intention of joining one or the other of the opposition parties prior to the 1982 general elections. Not surprisingly, the regime’s response was cynical to the letters. At a meeting with *Golkar* Central Committee, Suharto described these officers as renegades. He said if they did not change their ways even after government’s persuasion, the government would be entitled to write them off as traitors. This was a serious and libelous charge, which was thrust upon the opposition for being critical of the regime’s ways. The President’s presentation of himself as the very personification of *Pancasila*, and his offensive moves to


\(^{29}\) ibid.

\(^{30}\) David Jenkins, no.17, p.161.
condemn all those who did not toe his line disturbed a wide range of elder statesman. Treating the opposition’s viewpoint with contempt, on the orders of the Deputy Defence minister Widodo, the army Chief of Staff severed the remaining links between the army and the FKS.

**Petition of Fifty:**

The two letters and their dismissive response set the tone for the inevitable. In a more decisive and incriminating move, fifty Indonesians representing a much wider section of Indonesian society presented a one-page ‘Statement of Concern’ (Pernyataan Keprihatinan) to the DPR. The document bore the name of two former Prime Ministers—Mohammad Natsir and Burhanuddin Harahap, the former head of the emergency government during the revolution, Syafruddin Prawiranegara, former Defence Minister General A.H. Nasution along with those of Ali Sadikin, former Police Chief Hugeng, Mokoginta and Jasin. The names of several former cabinet ministers and various Muslim and student critics were also attached.

The signatories voiced their deepest disappointment of the people over the utterances President Suharto made in his speeches. It read,

"We are concerned about these speeches which,
(a) assume that the people are polarized into one group wanting to make the ‘Pancasila lost for ever’ and another trying to ‘replace the Pancasila’, which (in turn) will only cause new conflicts between the groups of people; (b) define the Pancasila in such a way that it can be used to threaten political opponents, where as Pancasila was intended by the founders of republic to unite the nation; (c) prepare for the less than praise worthy intentions on part of the authorities to systematically paralyze the 1945 constitution, replacing it with the ‘Sapta Marga’ and the ‘Sumah Prajurit’ although these two pledges can not possibly rank higher than the constitution; (d) urge the Armed Forces to take sides, that is, not to stand above all groups in society, but, on the contrary, to choose friend and foe on the basis of the opinion of the authorities only; (e) leave the impression as if Suharto had come to consider himself as
the personification of the Pancasila, so that every whisper against him can be interpreted as a stand against the Pancasila; (f) allege the existence of efforts for an armed uprising, subversion, and other incorrect efforts to oppose the next general elections.

Being of the opinion that the thought expressed in these speeches of President Suharto should not be disseminated as officially representative of the authorities controlling the government of the nation and preparing the coming general elections, we urge the representatives of the people in both Parliament and the People's Consultative Congress to review the speeches of the President delivered on 27 March and 16 April.\textsuperscript{31}

Thus, the petition was an appeal to the representatives of people in the MPR and DPR to respond to the two speeches. It contained some direct criticisms of the President. However, they were cunningly worded and were prepared with an eye on the constitution so that the authorities had to keep their anger within controllable limits. While the extremely forthright in putting forward their view, they were careful enough not to step into the wrong side of law.

The group was received by the DPR leadership and by each of the main political groupings. Even the ABRI, which had initial hesitation regarding meeting a delegation which included civilians, met the group on May 13. In each of these meetings, the delegation reiterated their position regarding the seriousness of such speeches. The former Prime Minister Natsir said, “the speeches were not wise and .... could endanger national unity.”\textsuperscript{32}

**The Jasin Attack:**

In addition to the petition, what contained the seeds of explosion was a seven-page document carried and submitted to the Parliament leaders by retired Lt. General M. Jasin. Jasin, a former Panglima (commander) of the Brawijaya

\textsuperscript{31} English Translation of Pernyatan Keprihatinan, Published in Ulf Sundhausse, “Regime Crisis in Indonesia: Facts, Fictions and Predictions”, *Asian Survey*, vo.21, no.8, August 1981, p.820.

\textsuperscript{32} David Jenkins, no.17, p.163.
Division and Deputy Army Chief of Staff, headed the section for Economic policy of FOSKO and had for some years been writing letters to high functionaries of the regime accusing them of inappropriate conduct and demanding correction. In this ‘Notes for the Discussion/ Dialogue with the Leadership of the People’s Consultative Congress/ Parliament’, Jasin “lashed out at what he labeled the hypocrisy and corruption of the Suharto government, backing up his charges with what he said was a blow by blow account.”

Jasin argued that the speeches criticised in the ‘Statement of Concern’ were not abnormal but fitted into a pattern of misconduct. To prove his point, Jasin also enclosed an earlier letter written to the minister of Defence in which he stated, “I no longer believe in President Suharto or trust him because his leadership of the nation is in every regard hypocritical. I can prove this hypocrisy in the economy field as well as in the political field.”

Pointing towards the dishonesty in the political field Jasin argued regarding Suharto’s dualism in agreeing to a non-partisan role of the armed forces as advocated by Daud Jusuf and at the same time, instructing Admiral Sudomo to form a strategy which would involve ABRI in supporting Golkar in the 1982 election campaign. “In the economic field, Jasin accused Suharto and his son Sigit of misappropriating two state cattle ranches of 720 hectares, having the Public Works Department carry out road and irrigation construction on these properties, and ordering the navy to bring cattle from Australia, while at the same time arguing in public against the ‘commercialisation of office’.”

35 ibid.
In his document Jasin had his question to ask, “It is generally accepted that we now appreciate and value the developmental efforts carried out by the New Order led by President Suharto. But can, and must, the people of Indonesia tolerate, permit, and accept the hypocrisy and irregularities of the New Order led by President Suharto?”

Jasin’s letter was quite a bombshell. If weakening the President and lowering his credibility was Jasin’s aim, he definitely stood to achieve this. Bringing down the regime was a too far-fetched dream. Jasin was aware of this. In an interview to David Jenkins of the Far Eastern Economic Review, he pointed out that, “Given the character of the present President we can not accept any change. He will make ABRI a strike force to help Golkar win the election in 1982. My aim was to wake the people up, to raise the temperature.” He further added, “Suharto might be as thick skinned as an elephant. But if you give an elephant an injection every day you can eventually make him weak.”

Jasin’s attack on Suharto was quite a sensation. There was nothing new in what he had to say in his document. But this was the strongest public attack made against Suharto by a member of the ruling army group. Throughout this period these accusations against Suharto were repeated by a number of retired generals and civilians. “But there was a strong sense of cohesion and espirit de corps among serving and retired ABRI officers and, until this time, no one had broken ranks and put the blame so squarely on the President. Suharto, though still the undoubted master of the Indonesian political scene, was now being attacked on the highly sensitive corruption issue- the Achilles heels of his regime.”

36 ibid.
37 Quoted in David Jenkins, n.17, p.184.
38 ibid., p.165.
Though Jasin described his document as his ‘opinion’ and that he had ‘a right to express it’, his liberal use of the word, ‘munafik’ (hypocrite) in describing the head of the state shocked many. Many senior military leaders agreed to the sort of statements made in the ‘petition of fifty’, even if they too had sorely angered the President. But they were horrified at the bluntness of Jasin’s attack, which seemed to them out of keeping with the oriental character. 39 Now it was time for the regime to react. Like many past incidents the first preferred action was a news blackout.

The reason of a lack of adequate material on this particular wave of dissent was the government directive to the newspapers and the journals. Indonesian newspapers were instructed not to mention the petition or the Jasin document. The government even planned to close down the local office of Radio Australia which had carried the items in both its English and Indonesian news bulletin. The Radio Australia Correspondent Warwick Beutler, was unable to renew his visa and left the country in mid-1980. The government decided to describe the rationale behind its move. While the public was still kept officially uninformed, Admiral Sudomo, head of Kopkamtib and Lt. General Yoga Sugama, head of the state intelligence organisation BAKIN in a meeting with the chief editors of the nation’s leading newspapers and magazines, put forward the government’s position.

The group of fifty were accused of not only attempting a ‘constitutional coup d’etat’ but also planning to kill the president and seventy-five others. In support of the accusation they produced a document detailing the assassination plot allegedly written on the same typewriter as the ‘Statement of Concern’. 40 “In the twenty eight-page document which made illegal use of the army crest on its

40 Ulf Sundhaussen, n.31, p.822.
front page, it was said that FOSKO had to begin to take steps to change the national leadership because this could not wait until 1982.\textsuperscript{41} The two generals also informed the editors that the key signatories were under twenty four-hour surveillance.

While nobody doubted the government’s capability of maintaining the surveillance, the whole facade of a ‘coup’ met with scorn and derision. The suggestion that men of the stature of Nasution, Hugeng, and Natsir were somehow connected with a plot to assassinate government leaders was dismissed as an absurdity. Nasution, deeply offended by the government’s tactics, described the claims as \textit{fitnah} (defamation). He had been quoted as saying, “They are murdering us when they spread these slanders.”\textsuperscript{42}

Ulf Sundhaussen talks about four strategies available to the government for controlling political events. Those were coercion, pacification by appeals, buying off the opponents and news manipulation. The first three were unsuitable in this situation. “These respected citizens could not easily be coerced, nor could they in his instance be pacified by appeals of any kind, or be bought off. So the government settled on news manipulation as the most promising strategy.”\textsuperscript{43} However, the regime erred in driving it to ridiculously unbelievable levels.

\textbf{The Regime Strikes:}

After the failed attempts to disgrace the group of fifty through forged documents the regime took some decisive steps against the dissenters. This was aimed at producing twin results; chastising the present outspoken voices and warning the potential followers. In his meeting with the senior editors, Yoga

\begin{itemize}
\item \textsuperscript{41} \textit{Far Eastern Economic Review}, 27 June 1980.
\item \textsuperscript{42} David Jenkins, n.17, p.168.
\item \textsuperscript{43} Ulf Sundhaussen, n.31, p.822.
\end{itemize}
Sugama, the intelligence chief had assured that the government would strike back at those who had signed the petition. At the same time he had also ruled out arrests of those critics, lest it would give them the much sought after martyrdom. So the regime chose the path of economic strangulation. “They would be isolated, their expiring work permits and business licenses would not be renewed, their credit lines to state banks would be cut off, their requests for exit permits would not approved, and they would not be permitted to participate in government tenders.”

Such measures were described by a former Minister of Mines, Mr. Slamet Bratanata as ‘an attempt to strangle people to death by economic means’.

It is typical of the regime, which derives its support base through skilful distribution of patronage. Lt. General Benny Murdani summed it up:

“Normally when people retire (from the army) they come to us and see what they can get in the way of business. And normally people like this get first priority on government contracts and tenders. They can make $1-2 million on commissions and that sort of thing and put it in the bank and sit back for life. So what we have done in this case is tell them to go the bottom of the list.”

Thus, it affected people having economic interests. This display of Nixonian revenge to isolate the regime’s ‘enemies’ drove many retired officers out of business. The former governor of Jakarta Ali Sadikin had to relinquish his position from one company. Dharsono had to give up his chairmanship of P.T. Propelat, the Siliwangi holding company in West Java. Sukendro gave up his position of President of the government owned holding company managing thirty-nine of Central Java trading and industrial companies. Jasin had to relinquish his post of chief supervisor of his three companies. Slamet Bratanata, a consultant to

---

45 Quoted in David Jenkins, n.17, p.183.
foreign oil firms complained of threats to his clients by government as a result of which many of them terminated their business dealings with him.

However, there were petitioners who had never associated with any business world. The regime’s method of treatment differed in content, even though the end aim of ‘isolation’ remained. These spiteful punishments meant harassment in different ways ranging from deprivation of privileges to soft persecutions.

Nasution lost the three soldiers who were still at his disposal as drivers and guards. In addition to this he was denied a passport to travel overseas. This was something, which Nasution experienced earlier also. Two years before this incident Nasution, because of his dissenting voice, was stripped off a number of aides who were helping him in his writing on the revolutionary struggle against the Dutch. There were threats that if there were any more criticism, Nasution would be evicted from his government-owned house.

The Protestant daily ‘Sinar Harapan’, reported the incident involving Jasin. The latter was summoned to appear before a public prosecutor and was threatened with the possibility of having criminal procedure started against him. While in the social circuit Jasin talked about arguing his case himself, he at the same time threatened to shoot the first person entering his house to arrest him. However, he complied with the summons only when the Panglima of Jakarta Major General Norman Sasono threatened to pick up Jasin himself.46

Hugeng was subjected to petty and vindictive punishments. Earlier he was forced to resign as police chief, after tracking down an import racket involving the most prominent men in Indonesia. Immediately after he added his signature to the

46 Ulf Sundhaussen, n.31, p.829.
petition, his popular Hawaiian song’s TV show was removed on the grounds of ‘not reflecting national culture’. Later Admiral Sudomo commented “Don’t look on Hugeng as a innocent guitar player or Hawaiian singer. We must not exclude the possibility that he will one day sing a revolutionary song and incite people to riot.”

Other famous personalities who were subjected to various official restrictions included former Prime Minister Natsir who was banned from attending an International Commission of Jurists seminar in Kuwait on ‘Islam and Human Rights’. In addition to restricting foreign trips of these personalities, the foreign ministry suggested couple of other restrictions. Accordingly, signatories to the petition were taken off the official invitation lists of foreign embassies to avoid any embarrassment. Contrary to the custom of inviting former Prime ministers to National Day celebrations in the presidential palace (Merdeka palace), no invitations were issued in the name of Natsir, Burhanuddiun Harahap, or Sjafruddin Prawiranegara.

The academicians were also not spared. On June 9, 1980 the rector of the Atma Jaya University was asked by the inspector general of the department of education and culture to take action against Chris Siner Key Timu, the head of the student bureau at the University. Chris, a signatory in the petition tendered his resignation on July 28, after the department threatened to review the status of the university and the government aid given to it. Similar fate awaited Dr. Judilherry Justum, an assistant at the University of Indonesia School of Medicine, Professor Dr. Kasman Singodimedjo and Dr. Anwar Haryono, both lecturers at the Jakarta

47 David Jenkins, n.17, p.169.
48 Straits Times (Kuala Lumpur), 21 October 1980.
49 David Jenkins, n.17, p.185.
Sjarief Hidayat Institute of Islamic Studies (IAIN). The regime was prepared to go to any extent to make the signatories pay for their audacity. Nasution's wife, Founder and Chairman of the BPKKS (Badan Pembina Koordinasi dan Pengwasan Kegiatan Sosial, Coordinating Supervisory Body for Social Activities) was not even spared. She was stripped off her post and the funds of BPKKS were frozen.

These are the few examples of harassment, which the signatories of the petition had to undergo. But the silver lining in the whole affair remained in the sustenance of criticism in face of mounting harassment and persecution. One example of this relentless criticism was by Sadikin who once said, "Never mind the generation of 1945. They are all Brengsek (sons of bitches). I know, because I am one of them." Fearless use of such hostile language marked the Indonesian politics. The dissenters were 'Nekad' - obstinate and even reckless. In the mood of defiance, ready to risk almost everything in their struggle against the government. Till then the government never thought about dealing with the new sector of dissent i.e. the retired generals. It decided to hit harder till this round of upheaval cools down.

On October 19, A.M. Fatwa, one of Indonesia's strongest and perhaps most radical Muslim figures was abducted and beaten by various military men. A week later, troops from the Jakarta regional Military Command broke up a panel discussion held- without security approval- at the University of Indonesia. Among the speakers was General Nasution. Thus, response which aimed at

---

50 ibid.
isolating and ‘cutting the life line’ acquired as the groups activity and criticism continued.

Support from Other Groups:

The petition lacked the signature of any of the NU leaders. It reflected “a belief in the organisation that the petition, and especially its language was not the appropriate manner in which to respond to the President’s comments.” Even though the petition created quite an upheaval in the country, there was not much overt support for the signatories. The Muslim groups in Parliament followed the policy of non-involvement in power politics and did not even insist on debating the statement in parliament. There was a feeble statement of support from certain quarters but nothing more than happened. The small but influential band of liberal civil right campaigners remained passive. There were no discernible activities from either the underground PSI or the underground PKI.

No ethnic group used the opportunity to voice its grievances. Most importantly, no ethnic Javanese joined their cause with the petitioners most of whom were people from outer islands. Important retired officers identifiable such as the critics of the regime, such as General Sumitro, Kemal Idris and Ishak Djuasa did not come out with overt support for the petitioners. And lastly, there was no observable unrest among the serving armed force generals.

End of the Affair:

The ‘Statement of Concern’, which generated too much of heat in Indonesian politics ran out of steam. The reasons for yet another failure against the regime were the combination of the weaknesses of the dissenters and strength

54 Ulf Sundhaussen, n.31, pp.829-30.
of the government. Dissent occurred in such a variety of intensity, commitment and ultimate objective of critics that joined action against the regime could not eventuate. Among the petitioners were people who for long enjoyed official patronage and were as corrupt as the people against whom they had raise their voice. Their non-Javanese origin also proved to be a setback.

In clear contrast, Suharto proved to be a great survivor. Throughout the event the authorities retained strength and means to cope with the dissenters. "Cutting the life line off" policy paid rich dividends as the petitioners stood vulnerable with their bare necessities attacked. Ulf Sundhaussen refers to the inertia that characterises the problem of succession in Indonesia. "As long as Javanese traditional public mores continue to dominate the political culture of Indonesia, political ambitiousness will be frowned upon; the reigning King (or President) should not be challenged. In practical terms this has meant that no potential challenger or even endorsed successor has become visible."

Indeed, the absence of a potential successor proved to be a drawback.

Petition of fifty continued to function though in a much-dilapidated form. The debate it opened up regarding Pancasila, the role of the armed forces in politics continued for quite sometime. It also opened up a new sector of protest, i.e. the retired generals whom the regime thought of as mere ciphers. Thus, a banner of revolt was kept flying high by this group for long time to come. While the students acted on the spur of the moment, the P-50 group intellectualised the opposition to the regime. Their protracted opposition to the government's moves to further contract the space available to the subdued opposition invited displeasure of the government. The result was persecution and other forms of

\[55\] ibid., pp.834-5.
harassment. In one such occasion in 1984, one prominent member of the group H.M. Sanusi, a former cabinet member under both Sukarno and Suharto was charged together with nine other people with conspiring to bomb a shopping centre and two banks owned by the Chinese businessman Liem Sioe Liong. The latter was a close business associate of President Suharto and also a man of dubious connections, whose ascendency to prosperity during the Suharto era had raised quite a few eyebrows. Sanusi was found guilty and was subjected to nineteen years of imprisonment. This was a clear-cut attempt by the regime to implicate the P-50 group in the bombing affair and to tarnish its image.

In the already contracted space for dissent, it was but natural that the opposition was showing increasing signs of unrest. Though at times it showed the tendency of breaking loose, the regime with forces of violence at its disposal could bring the situation under control. One such occasion was the Tanjung Priok riots. In 1984, a legislation introduced by the government required unflinching adherence to the principles from the political parties. Both Christians and Muslims vehemently opposed the draft law and on 12 September 1984 violence broke out in Tanjung Priok, Jakarta's port area. Following a speech by the Muslim leaders, when a crowd of 1500 people marched towards the Police station to demand the release of four persons arrested for assaulting two security officers, the government troops blocked their way and opened fire. It resulted in nearly thirty casualties and several others were arrested. The government's firm step to control an unauthorised display of public opinion was once again on display. The government acted smartly to suppress all the information regarding the affair as dead bodies were quickly removed from the scene.
The regime’s version of the whole affair supported the army’s action as a necessary step to suppress inspired violence. A completely different version was, however, presented by the ‘White Paper’, brought out by a group of former military officers, scholars and intellectuals associated with the P-50 group. This white paper called for an investigation to the whole affair.

The following years witnessed persecution of various opposition groups. The affair, which attracted a considerable attention, was the Dharsono trial of 1985. General Dharsano, a former commander of the West Java’s Siliwangi Division and also a diplomat, invited government’s displeasure as a result of his association with the P-50’s A.M.Fatwa. Dharsano was accused of two unwarranted activities. “The first accusation concerned his attendance of meetings at the house of former Jakarta governor Ali Sadikin. At these meetings the white paper was drafted and it contained several passages which, according to the government, undermined its authority. The second accusation was that General Dharsono had been spreading hatred and ill feeling. He was also accused of inspiring the 4th October bombing in Jakarta. General Dharsono, the highest military officer charged till then in connection with the bombing was convicted and was sentenced to ten years of imprisonment along with A.M. Fatwa who was sentenced for eighteen years.

During his trial Dharsono declared “Though the New Order is already twenty years old ... we must frankly admit that he ideals of the new Order government are far from reality. The critics did not mean to arouse hostility, but to open the eyes of the public to the facts so that could see the situation in true perspective.” However, the fact remained that the dissenters like General

\[56\] For details see Hans Thoolen, n.7, pp. 92-4.
Dharsono succeeded in their efforts to a very minimal extent. In all the three occasions of articulation of dissent this thesis has dealt with so far, the opposition operated with distinct limitations. On most of the occasions they came strikingly close to their goal, but somehow success eluded them. Even though they could take some advantage of the inner contradictions within the regime in all the events, in the end the regime had the upper hand.

Now switching to a different plain of analysis, we seek to find answer to the following question. What keeps the authoritarian regimes going in face of the growing discontent among the masses? Which vital force do the opposition lack in their struggle for democracy, transparency and accountability? We will attempt to conceptualise the answers to these questions and relate them to the Indonesia of the 1970s and 80s and also to the late 90s when the Suharto regime was finally overthrown.

The vital parameters which determine the length of sustenance of a regime are essentially three: (i) Inner contradiction in a regime, (ii) Economic Performance of the Government and (iii) International Support Base. While we attempt to develop these parameters, we tend not to neglect the voice of the people. However, expression of dissent has its own limitations and can be effective only when there are factors accentuating the destabilisation process. Sporadic violent acts, protest marches, petitions, appeals, clandestine publications often shake the regime off its roots. But when it comes to the moment of final push, the strategy dwindles and the regime regains its lost ground and reasserts itself through the use of forces of violence. Thus, what is needed most is the aforesaid assistance. As we examine the New Order in the 1970s and 80s and also in the late 1990s, we tend to find a distinct variation in these parameters.
(i) Inner Contradiction in the Regime:

In the 'Malari Affair' General Sumitro acted as the Prime conspirator who provided support to the students. Malari was a result of the inner contradiction between the older 1945 generation of armed forces generals and the new generation of army professionals. Similarly, the 1978 student movement in various universities of Indonesia, spearheaded by the ITB, received considerable support both from the serving and retired generals. The P-50 group itself represented the former armed forces personnel. Thus, there existed a definite contradiction within the regime regarding the way the policies are formulated and implemented. At times it came to the fore to challenge the very existence of the government. But somehow the regime survived. The reason lied in the way Suharto nurtured his support base within the army. A number of army generals owed their existence as well as prominence to Suharto. They never forgot even for a moment that their interest was best served with Suharto in power. They clearly outnumbered the generals who had of late started resenting the regime’s policies. Thus, whenever, there was a murmur of protest, these loyalists spoke and acted in unison to silence that. In- spite of the ambitious talk of internal dissent, there never was a real crack in the regime, which could have pulled it down.

In addition to this, the lack of the rule of succession added to the disadvantage of the opposition. “Having had only two leaders since independence, Indonesia has no established method to resolve the issue of succession.”58 In all these episodes of dissent, the opposition could never project an able leader who could have succeeded the monolithic Suharto. None of the protests were launched

under the leadership of any particular individual. This was a major shortfall with the opposition.

(ii) Economic Performance of the Government:

It is true that all the incidents of dissent had an economic origin in them; it ranged from the rice crisis to a series of grand-scale corruption involving high officials. Yet, the economic performance of the regime remained admirable. Be it due to boom in oil prices, be it the performance of the 'Berkeley Mafia', Indonesia remained steadfast in terms of infrastructure, production of food grains and foreign exchange reserves. Suharto was aptly called the 'Father (Bapak) of Modern Indonesia'. In such an event there was very little that the opposition without a sound policy alternative could have done. Sloganeering apart, the Indonesians did not really mind the so-called 'selling out of the nation', so far as they witnessed overall development.

(iii) International Support Base:

Since the beginning of the independence of the Indonesian nation the Americans were fighting the Communists in far corners of the world. Their agenda of 'making the world safe for democracy' made them ignore other aspects of governance while pumping in millions of dollars in the form of aid to keep the countries away from Communism. The New Order regime, which raked up the issue of Communist conspiracy time and again, qualified to be a darling of the West. It brought Suharto laurels as well as hard currency. American investment in Indonesia was the largest in Southeast Asia. Ever since Suharto came to power, military aid and technical assistance started flowing into the country in increased quantities. In the mid-70s Admiral Ray Peet, Director of Military Assistance, explained to the United States Congress: 'Military security assistance to Indonesia
is oriented primarily toward the development of a capability to establish and maintain internal security in this strategically located and important nation." The IGGI consisting of several European nations provided financial stability to the Suharto regime.

**Transformation in the 1990s:**

However, the situation underwent an objective transformation in the 1990s. In a way, it was the intermeshing of all the parameters mentioned before.

With the Cold War coming to a dramatic climax, the Americans suddenly realised that it had no critical stake in the fate of Indonesia. Indeed, by then Indonesia had outlived its strategic importance. The 'Domino theory', which drove the Cold War fears that Southeast Asian nations might fall, one after another, to Communism ceased to be relevant. As a result, "In 1996, American imports ($6.8 billion worth) exceeded its exports there ($5 billion). But that combined amount of trade was less than Indonesia's total trade with ASEAN countries, much less than with Europe, a little more than half with Japan." Americans suddenly started bothering about human rights, environment and other issues and started linking them to their relationship with Indonesia. The latter devoid of its special place, was treated like any other nation. United States campaign against authoritarian regimes came to engulf Indonesia as well.

The armed forces had so far been Suharto's strength. But a process of generation change, which had started in the mid-1970s, reached its peak in the 1990s. The new generation of armed forces kept a certain distance from Suharto. Many started resenting Suharto's attempt to continue with promoting certain

---


officers, his and his family’s involvement in corrupt practices, even though there was no direct challenge to his authority.\textsuperscript{61}

In addition to this there was the new generation of Indonesian youth.

"Vastly higher level of literacy and increasing exposure to the outside world have combined to create a generation of Indonesians who are less inclined than their parents to take the authority of their rulers for granted. Nearly half the Indonesian population was born after the traumatic events of 1965-66, and for this generation the lessons of the past are inevitably more muted warning against democracy than for their parents."\textsuperscript{62}

To top it all was the economic crisis, which engulfed whole of Southeast Asia in the mid-1990s. On 30 May 1997, the annual World Bank Report titled ‘Sustaining High Growth with Equity’ had praised Indonesia’s economic goal setting and their attainment. But soon the crisis, which according to the IMF was the result of “domestic and structural weakness of the affected economies”\textsuperscript{63}, spoilt the entire achievement. The rupiah began to slide on 11 July 1997 by two percent and by August, nine percent. In a daring move on the 14th of August 1997 the government decided not to intervene in the market to check the fall of the rupiah. It was a measure that aimed at saving the already depleting foreign exchange reserve. As a result, the rupiah was allowed into a free fall and the interest rates soared. The Asian Wall Street Journal put it aptly, ‘over confidence in Indonesian economy quickly switched to underconfidence.’\textsuperscript{64} At that point of time the rupiah had crashed though the 5000 to the dollar mark, making it the largest devaluation in the world in 1997. The inflation level had crept to double digits.

\textsuperscript{61} For details see Baladas Ghoshal, n.58, p.27.
When Suharto presented a wildly optimistic budget speech projecting a high growth for a nearly bankrupt Indonesia on 6 January 1998, he had already entered into negotiations with the IMF to rescue the country from doom. However, $38 billion IMF package was not without specific demands. One of the major demands was for great fiscal austerity, a policy the IMF almost universally calls for in countries hit by short-term balance of payment crises. It involved higher interest rates, lower government spending and increasing taxes. Indonesia had to answer through the closure of 16 banks. However, some of the banks, in which Suharto and his family had personal stakes, were reopened and money was attempted to be siphoned out of the country. Even though Suharto tried initially to create hedges around the IMF dictates, by January 15th the world financial body had a complete sway over the country’s economic policy. It even tried to link the bail out package with the political histrionics in the country. “The IMF said on March 6, it would delay a $3 billion tranche due in Jakarta on March 15 and wait until a new cabinet is installed.”

Suharto’s unpopularity at that point of time can be judged from the fact that his mere signal of running again for the presidency sent the rupiah reeling to an all time low of 17,000 to a dollar. After his installation as president, his signature on a document of understanding with the IMF in April 1998 prepared the battleground. The students were showing signs of unrest and the campuses were bustling with activities. This third agreement with the IMF came with a condition of hundred policy reforms tied to specific deadlines and extensive monitoring. “By May 4, the government announced a fuel subsidy reduction that

---

65 For Details refer to Charles Tanzer, n.63, p.51.
meant a 70 percent rise in gasoline prices.” Suharto was committing the same mistake, which had triggered the fall of his predecessor, even though his hands were completely tied. In addition he was making his position more precarious by jealously grabbing on to power.

It was beyond the limit of toleration for the students who took to the streets. The late talk of reforms only infuriated them more. As the ensuing riots resulted in the death of four students at the prestigious Trisakti University, the country experienced, what the Asiaweek magazine termed, ‘the ten days that shook Indonesia’. Suharto suddenly discovered that “the Muslim hierarchy wanted him to go, with ABRI chief General Wiranto saying he would protect Suharto if he stepped down. Harmoko ... head of the ruling Golkar, said the party and Parliament wanted him out.” Thus, with an eroded power base and also with a tarnished image Suharto had no option but to beat a hasty retreat. On the morning of 21st May 1998 he resigned in simple ceremony and Indonesia was able to free itself from his 32 years of authoritarianism and oppressive rule.

67 ibid. ,p.29.
68 ibid.