

A political vacuum in Indonesia

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For three decades, since coming to power in one of the bloodiest military coups of the 20th century, the Suharto regime has ruthlessly maintained its grip over Indonesia.

Backed by the US, Australia and other capitalist powers, Suharto has suppressed opposition parties and media, rigged elections, and jailed and executed political opponents. In East Timor and Irian Jaya, the Indonesian military has conducted protracted wars against separatist rebels.

But the facade of invincibility is cracking. Even as the People's Consultative Assembly (MPR) prepares to meet on March 1-11 to rubber stamp the 76-year-old Suharto for a seventh five-year term of office, his regime faces a rising tide of opposition and social unrest. Significantly, despite the widespread mobilisation of police and army troops, a number of anti-Suharto demonstrations have taken place in Jakarta and other cities over the last month.

Last week Suharto ordered the military to crack down on opposition groups and protests in the lead-up to the poll. His statement follows a massive military display of force in the center of Jakarta involving 25,000 troops and army troops, along with helicopters and armed personnel carriers.

On February 11, police in full riot gear and armed with truncheons arrested 140 demonstrators in central Jakarta during a protest against corruption and price increases outside the office of the Attorney-General. The protesters chanted "Freedom" and "Lower the prices" before being dispersed.

Suharto's regime has been undermined by economic collapse. In just six months, the rupiah has lost 80 percent of its value and share prices have plummeted. As a result, nearly every Indonesian bank and company is technically insolvent. Suharto has been forced to declare a temporary moratorium on foreign debt repayments.

Millions of workers in construction, textiles and other industries have lost their jobs. Basic food and commodity prices have risen sharply and will soar further when the government ends fuel and other price subsidies as part of austerity measures demanded by the IMF. In recent days, malnutrition has been reported, particularly in drought-stricken areas.

The social crisis will intensify as the Suharto regime implements more of the IMF's \$33 billion rescue package — cutbacks to government spending, the axing of major infrastructure projects and the restructuring of the banking system. The government-run All-Indonesian Workers Federation estimates that the level of unemployment will treble in the course of the year from 4.4 to 13.5 million.

The issue being discussed in ruling circles in Indonesia and internationally is not so much if, but when Suharto will go, and who will replace him. Intense interest has focussed on the choice of the new vice-president, and therefore likely successor to Suharto, due to be approved by the MPR next month. When Suharto indicated that he

favoured Research and Technology Minister Yusuf Habibie — a known advocate of protectionism and national economic regulation — international investors immediately sent the rupiah plunging to record lows.

Both the US and the IMF have opposed Suharto's plan to peg the rupiah to the US dollar — a move that would enable Suharto and his millionaire children to repay debts and move cash offshore. The Indonesian share market plunged 10 percent and the rupiah lost 25 percent after Suharto unveiled the proposal.

Having supported the Suharto dictatorship for years, international business now regards the regime as an obstacle to the free flow of global investment and its exploitation of the Indonesian working class. The IMF is insisting on the dismantling of state economic regulation, including monopolies, lucrative tax breaks and special deals through which Suharto, his family and close business associates have amassed fortunes. When Suharto balked at the IMF terms in January, Indonesian currency and share values went into freefall, forcing him into a humiliating retreat.

Official repression

It is unlikely that Suharto will be deposed when the 1,000-member MPR meets. Over half of the delegates are hand-picked by the government or the military. The rest stood in last year's national elections — a stage-managed affair in which candidates, parties, speeches and rallies all required government approval. The bulk of those elected are members of the ruling Golkar party.

Many political opponents are either in jail or standing trial under Indonesia's draconian anti-subversion laws. Muchtar Pakpahan, head of the banned Indonesian Prosperity Trade Union (SBSI), has been detained since mid-1996 for the crime of insulting Suharto. If convicted, he faces the death penalty.

In January, security forces raided the offices of the Indonesian United Democratic Party (PUDI) in Malang, East Java and arrested five of its leading members. Its leader, Sri Bintang Pamungkas, a critic of Suharto, is already on trial in Jakarta for the crime of having set up an unofficial party.

The only permitted opposition parties — the Islamic PPP and the Indonesian Democratic Party (PDI), formed in 1973 through the forced amalgamation of existing parties — are little more than adjuncts of the government apparatus.

In July 1996, Suharto orchestrated the ousting of Megawati Sukarnoputri from the PDI leadership, fearing that, as the daughter of former president Sukarno, she may become a focus for popular opposition to his rule. When protests erupted over the violent ejection

of Megawati supporters from the PDI headquarters in Jakarta, the government made scapegoats of the Peoples Democratic Party (PRD) — a party formed by student radicals and other activists in 1996. PRD leaders were arrested and jailed.

Open calls for Suharto's removal

Yet Suharto's grip on power is tenuous. Opposition figures such as Megawati, Pakpahan and Amien Rais, head of Muhammadiyah, an Islamic organisation with over 20 million members, have all publicly called for Suharto to go. Both Rais and Megawati, who have formed a political coalition, have announced themselves as candidates for president. The international media is giving their criticisms increasing coverage.

Megawati, in particular, is being promoted as the “democratic” alternative to Suharto. She has received support from the US administration as far back as 1992, when she was invited to attend Clinton's presidential inauguration.

On February 9, in a clear display of no confidence in the Indonesian government, US ambassador J. Stapleton Roy attended a political gathering in Megawati's home during which she accused Suharto of being responsible for the economic crisis and demanded that he give a public accounting of his enormous private wealth, estimated by Forbes magazine to be \$16 billion.

Megawati does not represent the aspirations of the millions of workers, peasants and the urban and rural poor in Indonesia. She speaks for a layer of the Indonesian capitalist class which has been excluded from political and economic power by the Suharto family and its cronies.

US imperialism and other sections of international finance capital back Megawati precisely because she offers a means for opening up the economy to foreign investors. Her economic adviser Kwik Kian Gie supports IMF demands for the dismantling of monopolies.

Megawati's political ally Rais is no different. In a recent interview, he said “the [IMF] economic reforms will not likely succeed without political reforms” — a code word for the replacement of Suharto.

Both Rais and Megawati have close ties with Indonesia's ruling circles. Rais told the Australian ABC Background Briefing program that he had been holding discussions with the country's most senior military officers — Armed Forces Chief General Faisal Tanjung and Special Forces Commander Major General Prabowo, who is also Suharto's son-in-law.

Social and ethnic unrest

These elements fear the intervention of the Indonesian masses onto the political stage. For more than six months, while the junta has been tottering politically and workers and peasants have been plunged into poverty, neither Rais nor Megawati has called for mass demonstrations to bring down Suharto.

Rais summed up his attitude when he told his ABC interviewer that “mobilising people is easy, but controlling them is difficult.” If Rais and Megawati are now threatening to use “people's power,” it is only

because they are concerned that a social movement will erupt outside their control.

Already riots over rising prices have erupted in at least 25 towns in east and central Java, Sumatra, Sulawesi and Flores. On February 18, embassies in Jakarta warned foreign nationals against the prospect of violent unrest. The American Embassy warned of “increased tension and criminal activity resulting from economic uncertainty.”

The Suharto dictatorship and right-wing Muslim groups have sought to divert the growing discontent into attacks on stores owned by ethnic Chinese — a minority forming around 3 percent of the Indonesia population — who are being scapegoated for the price rises compelled by the collapse of rupiah.

According to a report published on the web site, Indonesian Daily News Online, by journalist Andreas Harsono: “Meanwhile, other Muslim figures also stepped up the campaign against Sofyan and other Chinese tycoons at a meeting at the huge Sunda Kelapa mosque on Tuesday [January 27] during which outspoken speakers... blasted Chinese Indonesians in a manner strongly reminiscent of the wave of anti-Semitic feeling that swept Germany before World War II.”

Anti-Chinese racism and other ethnic and religious divisions are being used to divide the working class and the poor right at the point when the Indonesian bourgeoisie is faced with its deepest crisis in decades.

The great danger is that the Indonesian working class does not have a party to defend its interests. Organisations such as the PRD and the KNPd, comprising various student radicals and other activists, are shamelessly subordinating working people to Megawati, just as the Stalinist Communist Party of Indonesia (PKI) boosted her father prior to the 1965 coup.

The PKI shut down strikes and factory and plantation occupations by workers and peasants and insisted that the struggle for socialism had to be suppressed to maintain Sukarno's regime. It also claimed that the Indonesian military could play a democratic role. With the backing of the CIA, the generals seized power and organised the massacre of at least one million workers and peasants.

Since attaining formal independence in 1949, the Indonesian bourgeoisie, whether led by Sukarno or Suharto, has proven itself to be completely incapable of addressing the most fundamental needs and democratic rights of the Indonesian masses. Megawati and Rais are no exceptions. The experience of the last 50 years demonstrates the necessity for building a mass socialist party of the working class.



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