

Social unrest undermines Suharto regime

Peter Symonds
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The Indonesian junta last weekend staged a huge military parade in the center of Jakarta in a bid to intimidate opposition groups and prevent further demonstrations against Suharto prior to the presidential election set for March 11.

Armed Forces Chief General Faisal Tanjung warned of "disturbances to national stability" in the form of "demonstrations, mass unrest and radicalism." Jakarta military commander, Major-General Syarie Syamsudin, insisted there would be no demonstrations or riots in the capital prior to the poll.

The display was the culmination of three days of military exercises in Jakarta involving an estimated 25,000 police and army troops, armed personnel carriers, squads of motorcycle riot troops and helicopter drops into the city center.

The outcome of the March 11 election is largely a foregone conclusion—the rubber-stamping of 76-year-old Suharto for a seventh five-year term of office. Half of the delegates to the 1,000-member electoral body are handpicked government appointees; the majority of the rest, elected in last year's government-controlled poll, are members of the ruling Golkar party.

But the collapse of the rupiah and share values in the last six months, leading to rising prices, worsening poverty and growing unemployment, is fueling social unrest and opposition to the 32-year-old military regime. Rioting has recently broken out in at least 11 towns and cities, mainly in east Java. The latest outbreak was in the town of Bima, on the island of Sumbawa, to the east of Bali, where residents looted and burned nine shops in protest of soaring food prices.

Last week police fired warning shots at a crowd of about 300 youth who had attacked shops in Ujung Pandang. The city of about 700,000 people on the large island of Sulawesi is the first substantial urban center to be hit by riots. Another 1,000 people went on a rampage in the central Sulawesi town of Banawa last

weekend.

The chief targets have been stores owned by ethnic Chinese, a result of the anti-Chinese racism being encouraged by leading figures within the Suharto regime and by various local and national Muslim leaders. Chinese businessmen, large and small, are being made the scapegoat for the crisis of Indonesian capitalism.

Social tensions are certain to intensify this week when millions of Indonesians pour back into the cities after the end of the Muslim Eid Islamic festival. Prices that were subject to a voluntary government freeze for the duration of the festival will again rise, leading to further hardship.

The major wholesaler, Goro, predicted that prices of basic foods would rise by 10 to 15 percent by midweek, prices of soap and detergent by 75 percent, and imported goods by as much as 300 percent. Prices will continue to rise as the Suharto regime imposes the dictates of the IMF. In July, price subsidies on all types of fuel except kerosene are to be abolished.

Basic medicines are already beyond the reach of ordinary people. Most drug manufacturers use imported raw materials that must be paid for in US dollars. As a result, prices have trebled and quadrupled in recent months. On the island of Bali four patients died after failing to receive kidney dialysis, the cost of which has soared by nearly 400 percent.

High import costs have closed half of Indonesia's 240 pharmaceutical producers and severely cut the output of the balance. Pharmacists and hospitals in Jakarta report shortages of common drugs, such as amoxycillin and paracetamol, as well as basic medical items like disposable syringes and x-ray developing solutions. Wisnu Katim, director general of Indonesia's Drug and Food Control Authority, warned that the supply of many medicines could run out by April if no action is taken.

A statement by 40 community groups presented to visiting World Bank President James Wolfensohn said per capita income had declined from \$1,100 in 1996 to \$600 in 1997, and would fall to \$300 this year. The number of people living in poverty would increase by 90 percent, close to the level of 30 years ago.

According to Manpower Minister Abdul Latief, the number of unemployed will almost double this year from 4.4 million to more than 8 million. The government-run All-Indonesian Workers Federation puts the jobless figure much higher, at 13.5 million. It warns that "disguised unemployment"—having less work than needed to provide basic needs—might reach 40 million this year, or 45 percent of the work force.

The Suharto regime is desperate to defuse social tensions. Not only troops, but also supplies of fuel and food have been ferried into key trouble spots to dispel local anger. In the major cities unemployed workers and small traders have been offered cheap tickets to return to their villages.

International finance capital, which has backed the military dictatorship for decades, is increasingly concerned that Suharto will be unable to implement the IMF's austerity measures and prevent a social explosion. One of the IMF's conditions for a new rescue package is that the aging Suharto appoint a vice-president acceptable to international investors.

At the same time, figures such as opposition leader Megawati Sukarnoputri, daughter of former Indonesian president Sukarno, are being groomed as political lightning rods in the event of widespread social unrest. None of the opposition leaders have called for mass demonstrations to bring down the Suharto regime.

In a statement early this month, Megawati urged her supporters to remain calm and not be provoked. She also urged them to live modestly during the economic crisis and not flaunt their wealth in ways that would trigger "jealousy and social unrest." Megawati represents those sections of big business which have been frustrated by the overwhelming dominance of the Indonesian economy by the Suharto family and its cronies.

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