Indonesia: A Security and Stability Analysis – Part One

Stewart Patterson
FDI Associate

Key Points

- Indonesia’s rapid economic growth, underpinned by a period of relative stability, could be slowed by a number of factors in the near future.
- Extremist attacks, such as that in Jakarta in January 2016, while rare, do have the potential to increase in frequency and severity, particularly if IS were to come under increasing pressure in the Middle East.
- The difficult relationship between the President and the Legislature, including with members of his own party, if unresolved, have the potential to block progress on reform and fracture government unity in addressing key national challenges.
- Incidents of what might broadly be termed ethno-religious violence have increased, but the Widodo Government has identified the achievement of greater religious and ethnic unity as a core focus.

Summary

Over the last 15 years, Indonesia has experienced rapid economic growth and grown to be one of the more vibrant economies in South-East Asia. Its ongoing prosperity and stability could, however, be challenged by a number of factors in the coming years. This paper will examine the prospects for political stability and the outlook for security in the context of countering extremism and ethnic and religious violence. The security implications of economic inequalities, food insecurity, natural disasters and the circumstances of Papua and Aceh provinces, along with possible external security threats, will be addressed in Part Two.
Analysis

Political Stability

Indonesia continues to forge ahead as the world’s largest Islamic democracy but tensions within the existing political power structures are likely to impede significant reforms and economic growth. Following the ten-year administration of Susilo Bambang Yudhoyono, Joko Widodo was elected to office in July 2014 with a voter turnout of 70.6 per cent. Significantly, this was one of the largest turnout rates to date and showed an increased participation by Indonesian citizens in the process, suggesting a strengthening of the legitimacy of the system.

Widodo was elected to office on the back of high expectations. Signature policies included a commitment to infrastructure development, fuel-subsidy reform, a tough stance on domestic crime and a commitment to food self-sufficiency. While significant progress has been made on fuel-subsidy reform and the 2015 budget allowed for significant infrastructure spending, Widodo has struggled to live up to expectations. GDP growth has slowed to below five per cent, the infrastructure budget has struggled to be disbursed and he has upset Indonesia’s neighbours with his tough stance on drug trafficking and illegal fishing.

While those issues are short-term policy problems, they are manifestations of significant political challenges that will impede Widodo’s ability to govern effectively in the future. His Indonesian Democratic Party Struggle (PDI-P) does not currently have a majority in the House of Representatives (DPR). DPR elections in April 2014 saw the ten parties that secured seats coalesce into two loose coalitions, the Great Indonesia Coalition (KIP) behind Jokowi and the Red-White Coalition (KMP), which is loyal to Widodo’s rival for the presidency, Prabowo Subianto. Another member of the KMP is the Democratic Party, the party of former President Susilo Bambang Yudhoyono, who is expected to take a non-confrontational stance when it comes to reform policy.

The PDI-P’s lack of a majority in the DPR matters little, however, as many of the issues that prevent Widodo from meeting electoral expectations stem from within his own party. Leader of the PDI-P, Megawati Sukarnoputri, a conservative, nationalist influence, has played an obstructionist role in Widodo’s policy agenda. This was likely initiated by Widodo’s rejection of Sukarnoputri’s nominated candidate for the position of national police chief earlier in the year. Widodo reshuffled his cabinet in August 2015, appointing a number of technocrats to key government roles but drew the majority of appointees from within PDI-P circles. Also in August 2015, Widodo made reference to a “web of egos” frustrating his reform efforts, likely targeted at Sukarnoputri and her allies within the PDI-P. It is also expected that Jusuf Kalla, Widodo’s vice-president and an economic conservative, will seek to expand his own influence as Widodo experiences a period, and possibly a full term, of weak influence.

In the short term, Widodo will struggle to implement policies of any significance, particularly those related to labour market reform, corruption and reforms to attract foreign direct investment. As a result, and over the longer term, it is possible that Widodo may seek to
form his own coalition in the DPR over the years leading up to the next elections. In 2019, the DPR and presidential elections will occur simultaneously for the first time. These elections will have a degree of uncertainty about them as politicians vie for power without firmly entrenched elected patrons in the legislature or executive and the stakes will be higher for all parties involved, with a strong potential for volatility and unrest.

**Extremism**

An area of ongoing and growing concern for Indonesia’s domestic stability and security is the potential emergence of militant extremists who could become violent. Particular concerns exist around those who may be linked to Islamic State (IS) or returned fighters from the various conflicts in the Middle East, who bring back skills and networks that may facilitate violent attacks. While this is a concern for many countries around the world, Indonesia’s recent history of violence perpetrated by Islamic extremists is particularly concerning.

Estimates suggest that there are anywhere between 300 and 700 Indonesians fighting with Islamic State in Iraq and Syria, with another 300 estimated to be ready to depart. These recruits are drawn from a range of professions and Indonesia’s growing middle class and not necessarily from impoverished backgrounds. (Recent reports suggest recruits are being drawn from the military, police and civil service.) It is also thought that Indonesians living abroad may be assisting with logistics and fund-raising through social media.

IS claimed responsibility for the 14 January 2016 terrorist attack in central Jakarta, which took the lives of four civilians and four terrorists, but the extent to which known IS networks facilitated the attack remains unclear. Early reports suggest that Indonesian computer expert Baihrun Naim, thought to be based in Syria as part of IS operations, may have been responsible for organisation and funding. Naim previously spent a year in prison for the illegal possession of weapons in 2011.

Broadly, support for IS has previously appeared in a number of mosques and, notably, become evident in a handful of central Jakarta mosques. The Al-Fatta mosque, located in the upmarket Menteng district of Jakarta, is reported to have had visits by radical cleric Syamsuddin Uba and an IS flag flown outside it. The mosque is a short distance from the US Embassy. It is thought that former jailed militant clerics, including former Jemaah Islamiyah (JI) leader Abu Bakar Bashir and Aman Abduurrahman, are actively involved in recruiting militant Islamic extremists. Much of this is carried out through social media. The growth of social media as a form of recruiting in Indonesia is increasingly seen as a major issue that is not being addressed. The high penetration rates of communication technologies provide wide-scale coverage for such recruiting and, while clerics such as Bashir and Abduurrahman are well-known, there is increasing concern that this trend is boosting the numbers of unconnected but radicalised recruits for IS and who security agencies will find difficult to track. Concern also exists that while the 14 January attacks were of relatively low sophistication and impact, media coverage was significant and may lend further support to online recruiters.

“Lone wolf” attacks and the more organised bombings and violence that plagued Indonesia in the first decade of this century continue to be of concern to Indonesian security forces.
Previously, analysis has suggested that IS has focussed on recruiting personnel for its battles in Syria and Iraq, with little attention given to planning raids in Indonesia beyond calls in social media. The 14 January Jakarta attacks may represent a shift towards Indonesia as an active area of focus for IS attacks. Additionally, should there be a more concerted effort from opposing countries to combat IS forces abroad and which place pressure on the group’s operations there, the organisation’s domestic operations in places such as Indonesia may increase.

Indonesia’s ability to tackle extremism effectively is unclear. It achieved reasonable success combating home-grown extremism following the 2002 Bali bombings, which claimed the lives of 95 Australians and was effective in curbing the threat of JI and its splinter organisations (with international assistance). While SBY announced a ban on IS in August 2014, it was not backed up by any substantive legislation and was little more than a political announcement. No legal framework exists today that prohibits Indonesians from joining or fighting with IS and the main legal recourse for the authorities combating IS extremism is generic to terrorist activities and violent offences, rather than specifically targeted to proscribed organisations. Indonesian politics, long characterised by a split between secular and religious factions, also continues to send out complex and often contradictory messages to fundamentalist and extremist organisations, with various political factions and personalities lending vocal support to dubious causes. Going forward, it is highly possible that Indonesia will see a return of Islamist-based violence perpetrated against its own citizens and foreign interests. Such violence may test political unity and the capability of the state to react.

Ethnic and Religious Violence

Violence between religious groups has seen an increase in recent years; the Jakarta-based Setara Institute, for instance, noted 202 attacks on religious minorities in 2013, up from 91 in 2007. In October 2015, in Aceh, the only province governed by Sharia Law, Protestant churches were destroyed by Muslim vigilantes over building permit disputes and thousands of Christians fled to a nearby province. Widodo declared the attacks, which were the latest in a series of building destructions and attacks in the province, an ‘assault on Indonesia’s religious diversity’.

This represents a trend in gradually increasing violence after a brief lull late in the last decade. Prior to this, the most high-profile clashes occurred in the Maluku islands over the period 1999-2004 between Muslim and Christian residents of the islands. Militias were involved on both sides and extremist group Laskar Jihad contributed support. The Indonesian Army (TNI) was also thought to have lent support to the Muslim cause.

For the most part, religious violence has predominantly occurred in the eastern parts of the country, where there are significant numbers of Christians. Often, this violence is a legacy of the transmigration policy, supported by successive governments, under which predominantly Muslim, Java-based Indonesians are relocated to other parts of the archipelago and come into conflict with established local populations. A recent survey of the most intolerant cities in the country found all of them were in West Java and most of the violence committed against Christians occurred in them.
Increasingly, however, violence is also occurring along religious divides. Within Islam, it has been particularly directed against Shiites and Ahmadiyya, who make up only 0.5 per cent and 0.2 per cent respectively, of the total population, the bulk of which – around 87 per cent – is Sunni. One of the more high-profile groups is the Islamic Defenders Front, a group that has been particularly active in violence against these groups. IDF also received a degree of support among various sectors of government and at a local level.

While the violence is couched in religious and ethnic terms, it often masks driving factors other than religion. Often, the disputes are over land rights and approvals from local authorities, which are often perceived to disadvantage local indigenous interests over more recent migrants from Java and elsewhere. Broader trends can also spark local violence; the Asian Financial Crisis, for instance, which resulted in a devaluation of the rupiah, had detrimental effects on the economics of local communities and resulted in competition for resources, often resulted in violence. Disputes around the redrawing of political administrative divisions were one of the drivers of the Maluku conflict and were the result of political shifts and decisions made in Jakarta.

Religious and ethnic unity, perceived to have been neglected by the Yudhoyono Administration, has also been raised as a core focus by the Widodo Administration, in line with a more conciliatory stance on Papuan issues. Slowing economic growth in the coming years may have the potential to fan possible ethno-religious conflicts at a provincial and local level, with the eastern part of the country likely to be a focal point.

Meeting the challenges posed by extremism and sectarian violence will not always be easy, particularly for a president who is constrained by both his own party and external factors, but Indonesia has overcome turmoil in the past and, despite many imperfections, democracy is securely embedded. Part Two of this paper will discuss the security implications of economic inequalities, food insecurity, natural disasters, Papua and Aceh provinces and possible external security threats.

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About the Author: Mr Patterson has written extensively on the Asia-Pacific region for a number of publications. Mr Patterson has taught Political Science and Security Studies at a number of universities and is currently completing a PhD in International Relations.

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