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Economic crisis spells doom for Suharto

Since seizing power in 1965 after one of the bloodiest massacres this century, Suharto has succeeded in staying in power for more than thirty years thanks to a system of brutal repression. Economic development became the basis for the regime's claim to legitimacy, at the same time transforming the Suharto clan into one of the world's wealthiest families. But economic disaster has now brought the regime to the brink of collapse.

The man who should have been crushed by the weight of world opinion for presiding over the massacre of up to a million people in 1965/65, for the genocidal invasion and occupation of East Timor, for the 1984 Tanjung Priok massacre of Muslims and numerous other mass slayings and for brutal military operations in West Papua and Aceh, will after all be felled by the ignominious failure of his economic policies.

It seemed to some that the economic difficulties which began to engulf Indonesia last August following the crisis in Thailand could be resolved by a bailout from the International Monetary Fund. However, when the bailout of \$43 billion (not \$38 billion as we reported in our last issue) was announced, there was widespread scepticism. What the country needed was not a rescue packet to patch up the financial system but a complete overhaul of the authoritarian political system under which corruption and nepotism have thrived, concentrating untold riches into the hands of the Suharto family clique and cronies.

The role of the IMF

For the first time in more than half a century, the IMF, renowned for its crippling Structural Adjustment Programmes that have devastated so many economies in Africa, was called in to mount a major operation to save the 'Asian tigers' from collapse. The 'tigers' which had until only a few short months ago been praised to the skies as the path-setters for an ever-expanding global economy in the twenty-first century, turned out to be bubble economies. In Thailand where the affliction first struck, whole sectors of the economy had invested in prestige projects, hotels and high-rise office buildings financed by tens of billions of dollars borrowed from overseas bankers. Indonesia quickly followed suit, also overburdened by huge private sector debt. As the value of the currencies crum-

bled, the weight of debt denominated in dollars forced thousands of businesses into virtual bankruptcy, laying off hundreds of thousands of people. Malaysia was also severely hit but the next major victim was South Korea where the *chaebol* or conglomerates were also weighed down by a mountain of debt.

The IMF rode to the rescue, first pledging more than \$17bn to Thailand; then came the \$43bn bailout for Indonesia in October, followed in December by a record bailout of nearly \$60bn for South Korea. In Thailand, the crisis led

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to a change in government under public pressure; in South Korea, a presidential election in December resulted for the first time ever in victory for dissident Kim Dae Jung. Even with these political changes, the bailouts in those countries have confronted many difficulties and are far from being out of the woods. But in Indonesia, the chances of political change are out of the question as long as the Suharto regime is not fundamentally overhauled. This is what has made its economic crisis incomparably more difficult to resolve, notwithstanding the efforts of the IMF.



The US dominates the IMF as the largest contributor to its reserves with the biggest share of votes on its counsels. Washington initially held itself aloof from the Asian crisis, becoming involved only when it began to see that the US economy might be affected and that its regional security interests were at stake. During negotiations for the IMF bailout for Thailand, Clinton stayed on the sidelines. When Indonesia's turn came, the Clinton Administration, scared out of its wits by a sharp fall in share prices on Wall Street in October, did a U-turn, announcing that it would contribute \$3bn. US Treasury officials played an active behind-the-scenes role in negotiations for the South Korean bailout. But in January, as we shall see, when Indonesia's deal with the IMF was in a state of collapse, Washington pulled out all the stops to force Suharto to toe the line.

Asian values

However, in Indonesia, the prospects for political change are paralysed in a regime that allows no space for popular participation in the political system, let alone in government or Parliament. The economic crisis erupted at a time of growing pressure for Suharto to step down, with the March session of the MPR, the supreme legislative body which will 'elect' the country's next president, fast approaching. What makes the Indonesian crisis nothing short of a nightmare is that full-blown political and ec-

onomic crises are occurring at one and the same time. [For an analysis of the current political crisis, see separate item.]

More so in Indonesia than anywhere else, 'Asian values' have been used to argue that democracy must not be allowed 'get in the way' of economic progress. Only in Indonesia is there a powerful military force ready to handle all signs of dissent with its 'security approach', and a political system that prevents even the most basic democratic processes from impinging on a tightly controlled system presided over by a dictator who has even curbed the role of cabinet ministers so as to protect his family's wealth. In the absence of democratic processes, there is almost universal agreement that the system is in the grip of such paralysis that it is difficult to see how things can change without descending into the bloodshed that marked Suharto's own seizure of power in 1965. It is precisely the lack of democracy that has fuelled the lack of confidence in Indonesia's chances of resolving the economic crisis. So much for Asian values.

US/IMF in control

The IMF intervention in Indonesia has passed through two stages, the October 'rescue' followed two and a half months later by the 'rescue of the rescue'. In the process, the IMF has won for itself a position right at the heart of government, having been given a seat in an Economic and Financial Resilience Council set up on 15 January by Suharto, to be headed by the dictator himself. How did such a situation come about?

The IMF deal with Jakarta in October was supposed to curb the role of monopolies, put mega-projects worth billions of dollars on hold as a cost-saving measure, and clean up the banking system by liquidating unsound banks. But in all cases, vested interests intervened. After a government announcement to shelve 59 mega-projects, Suharto reprieved 15 of the projects a week later, most of them involving businesses of his sons and daughters. The dismantling of state monopolies of trade in basic commodities was half-hearted.

Two of the sixteen banks ordered to close belonged to members of the Suharto family. Although it was argued at the time that Suharto was not averse to inflicting damage on his own kith and kin, foster-brother Probosutedjo took the government to court to protect his bank, almost winning his case; the case is still pending. Bambang Tri, one of Suharto's sons, slipped through the net by giving his 'liquidated' bank a new name and carrying on as usual. The bank closures fuelled a run on other banks forcing Liem Sioe Liong, the owner of the country's biggest private bank, BCA, to dig deep into his own cash reserves to prevent the bank from running out of money. People's confidence in the banks had been profoundly shaken in the process.

Each of these jolts shook confidence in the rupiah which suffered sharp falls in value, accelerating to such a degree that it had lost sixty per cent of its value, falling from Rp2,460 in July to around Rp 6,000 at the end of the year. This did not bode well for the thousands of corporations and banks which hold millions of dollars of short-term debt, faced now with a huge increase in the rupiah equivalent needed to pay their creditors. Already hundreds of businesses were laying off workers, an estimated two million casual workers in the construction industry were without work, prices of imported goods including raw materials for industry were rising inexorably, while prices of staple goods like rice and sugar were also rising. Moreover,

the threat of a debt moratorium for the \$80 billion owed by the private sector began to rear its head, spreading panic among bankers in the US, Japan and western Europe who had lavished so much credit on Indonesia's 'booming' economy. But worse was still to come.

The budget fiasco

Under the deal with the IMF, Indonesia was required to introduce a contractionary state budget with a surplus of one per cent of GDP. This would require abolition of state subsidies on a range of commodities including gasoline, kerosene and electricity, pushing up the cost of living. For Suharto, facing a difficult few months in advance of the March session of the MPR, it was essential to delay this till after he was safely anointed head of state for another five years. The armed forces were also keen to avoid mass protests during such a 'sensitive' period.

The crunch came when Suharto announced the budget for 1998/1998 on 6 January. For the IMF, the budget was a disaster: government spending was substantially increased, there was no surplus, subsidies were not to be abolished and monopolies were still in place. By predicting an annual growth rate of 4 per cent, 9 per cent inflation and predicting an exchange rate of Rp4,000 to the dollar, the budget was received with universal alarm. [See separate item for an analysis of the budget.]

When the news broke that the IMF might cancel its second disbursement of \$3 billion in March, it only reinforced the sense of the alarm. Within hours, the rupiah went into free-fall, descending at one point to 11,000 to the dollar.

For three days, panic buying by the better-off in many cities across the country cleared the shelves in supermarkets, while poorer Indonesians formed long queues to buy rice, kerosene and other basic goods as prices were rising by the day, even by the hour. The regime's 'economic miracle' which had already turned sour had now become a nightmare for tens of millions of Indonesians. Worse still, it was *Ramadhan*, the fasting month, when late evening and early morning meals are special occasions for Muslim families in the world's most populous Muslim country.

Clinton takes charge

Within days of the budget speech, with the crisis deepening by the hour, Bill Clinton took the extraordinary step of announcing that he had phoned Suharto to warn him to stick to the IMF deal. Phone calls from other state leaders followed in quick succession, Ryutaro Hashimoto of Japan, John Howard of Australia and Helmut Kohl of Germany. Clinton also announced that two senior members of the administration, Lawrence Summers, Deputy Secretary at the Treasury, and Defence Secretary William Cohen would visit Jakarta without delay to impress upon Suharto the need to revise the budget and introduce reforms agreed three months earlier.

By now it was clear that the crisis in Indonesia was the worst headache for the West, even worse than South Korea, the world's eleventh largest economy which had had IMF and US officials rushing to Seoul over Christmas to prevent a debt moratorium. Two weeks later it was the crisis in Indonesia that was seen as the greatest threat to the global capitalist system, a systemic problem as many commentators put it.

While all this was happening, the IMF was being savagely criticised from all sides for its failure to resolve the

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Asian crisis. It was applying remedies to state budgets, insisting on tight money policies and sharp cuts in government spending whereas the crux of the Asian disease was the private sector debt which had grown out of all proportion as western financiers had eagerly provided credit to all and sundry. In truth, western banks would become the ultimate beneficiaries of the bailout while Asia's millions of impoverished peasants and workers would pay for the remedies in soaring prices, unemployment and falling living standards.



People queuing for rice in Jakarta

Underlying the panic was the fear that western and Japanese banks would lose billions of dollars because of defaults in Asia, while exports from countries whose currencies had been devalued would threaten markets in the west. Talk of worldwide 'recession', 'depression' and 'trade wars' was on everyone's lips.

The US/IMF blitzkrieg on Jakarta reached its climax with the visit to Jakarta of Michel Camdessus, Executive Director of the IMF, to sign a new agreement with Suharto.

US Treasury Secretary Robert Rubin has made no secret of the fact that the US is determined to play the key role in solving the crisis. In typically arrogant superpower language, he said: 'US leadership has been absolutely central to this effort. I think it makes the point that on issues of international economy, and international issues more generally, this is really the only country to provide the kind of leadership needed.' [AFX-Asia, 19 January]

IMF/Indonesia accord Mark II

By the time Camdessus arrived in Jakarta, a Letter of Intent had been drafted along with a fifty-point memorandum, under the guidance of IMF officials who had preceded him. The US and the IMF insisted on Suharto himself signing the document, hoping that this would force him to stick to his promises. Not even Finance Minister Ma'rie Muhammad was on hand for the ceremony. Camdessus also insisted on publication of the full text of the Letter of Intent which he himself delivered to the press.

Suharto, the all-powerful dictator, was now a pawn of his foreign paymasters. Some commentators argue that this mark of international confidence will strengthen Suharto's position to continue to lead the country into the twenty-first century. But conversely, it could be argued that confidence in Suharto is so shaky that he has been forced into humiliating submission to an agency that clearly does not trust him. Moreover, it has done incalculable damage to his standing in the eyes of the Indonesian people.

The IMF won a number of major concessions from Suharto.

- * Cancellation of twelve mega-projects that had recently been dropped from the suspension list or placed under review. These included projects of his sons and daughters which Suharto had been desperately trying to restore.

- * State support and credit privileges granted to IPTN's aircraft projects would be discontinued, effectively immediately. (A major blow to Suharto's 'golden boy', B.J. Habibie.) In addition, all tax, customs and credit privileges for the 'national car' project (of youngest son, Tommy) would be revoked, effective immediately.

- * Monopolies held by the logistics board, BULOG, would be abolished for all commodities except rice, including its monopoly over the import and distribution of sugar and the distribution of wheat flour. (This could harm the ability of crony Liem Sioe Liong, the world's largest manufacturer of instant-noodles, to control the price of wheat flour.)

- * The Clove Marketing Board (run by Tommy) will be eliminated as of June 1998.

- * Firm measures to be taken to encourage foreign investment by removing all formal and informal barriers to investment in palm-oil production, while all restrictions on investment in the wholesale and retail trade will be lifted.

- * A major overhaul of the budget which Suharto had presented to Parliament a week earlier. The budget would now be based on predictions of nil growth, 20 per cent inflation for 1998 and a rupiah equivalent of 5,000 to the dollar.

- * Energy subsidies which according to the IMF had grown to 'unsustainable proportions' would be curbed. This will mean increasing fuel and electricity prices 'in steps', while increases in kerosene and some diesel fuel prices will be kept to a minimum, to protect the poor. However, although this sounds like a compromise to soften the blow, it is widely assumed that once the MPR session is over and Suharto is safely back in the saddle, the subsidies will be cut on 1 April, with disastrous effects on prices. But this would restore the IMF's sacred principle of a surplus budget.

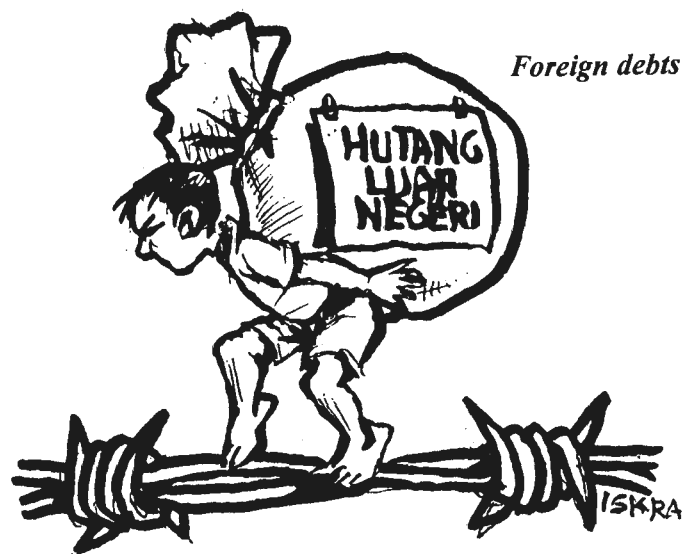
Suharto also complied with an IMF demand for Fund officials to exercise day-to-day supervision over implementation of the deal, setting up an Economic and Financial Resilience Council, chaired by Suharto, on which senior IMF officials will sit.

Can the bailout succeed?

In the opinion of US academic, Jeffrey Winters who knows more than most people about the foul state of the Indonesian economy, throwing even \$100 billion at the economy will not do the trick.

The Suharto regime is now basically under foreign tutelage. Already, commentators (including Suharto's son, Tommy) are describing this as neo-colonialism and calling

Indonesia the 'IMF Republic'. Nationalist sentiment runs deep in Indonesia. The irony is that the dictator who has placed so much stress on what he calls 'national resilience' has now been compelled by circumstances of his own making to surrender the country's sovereignty.



The attack on the business interests of the Suharto family and cronies threatens the very basis of the Suharto business empire. Why did the dictator agree? Largely because the economic crisis was already damaging their business interests and they themselves were in need of a bailout. Foreign businessmen who had until so recently regarded family connections as the safest way to do business now see this as the kiss of death. The shares of Suharto businesses listed on the stock exchange have fallen catastrophically.

Some analysts believe that Suharto agreed to surrender some family interests in the hope of protecting the rest. That may be so, but events are moving so fast and Suharto's own position is now so insecure that the time for such stratagems may have passed.

The assault on the Suharto business empire suggests that foreign investors now regard the family's grip on the economy as an obstacle to greater foreign capital penetration and are waiting to snap up some of these companies at bargain prices.

But what about the massive debts of the private sector, most of it short-term and unhedged? The IMF Memorandum is silent on this but for western bankers, the idea of a moratorium would be unthinkable. The creditors who have pulled in such huge profits for years from oiling creaking property businesses, golf-courses and shopping malls want their money back and with interest. This unresolved problem gets worse by the day as the currency rate continues to plunge (it was around 8,500 when we started to write this article - as we wrote the concluding paragraphs, it had fallen to 11,750).

Private sector debt is one of the main factors forcing the rupiah down, and with each fall, the cost of living rises. Ordinary people who have never seen a greenback in their lives are paying the price for years of profligacy. And as more and more companies go to the wall, more and more people are being laid off with no social security to turn to. Of the 282 companies listed on the stock exchange, more than ninety per cent are technically bankrupt because the value of their debts far exceeds their assets.

Restructuring the economy

This objective is the stated intention of the IMF, as revealed in its 50-point Memorandum. What this amounts to is complete liberalisation of trade and investment, including privatisation of the state sector. Central to the structural

Tutut and the Peregrine collapse

Indonesia's economic crisis has a way of pulling many others down with it. When Peregrine Investments Holdings Ltd, Asia's leading brokerage company based in Hong Kong with a staff of 1,700, announced that it was going into liquidation early this year, the effect on the Hong Kong economy was severe.

For weeks it had been in hot denial of reports that it was in trouble. It had after all recently secured the promise of an injection of \$200 million from a Swiss company in exchange for a 24 per cent stake in the company.

So what brought this company, whose chief executive boasted of his close ties with Beijing and who is on record as calling the Tien An Men massacre 'an opportunity', to its knees?

The fall came when a taxi company in Indonesia, Steady Safe, went bust, with an unpaid debt of \$260 million to Peregrine. The company belongs to Yopie Widjaja who had dreams of becoming a 'transportation czar' with a series of car ferries linking the Indonesian archipelago. Steady Safe was seen as a sound investment because it had good connections, enjoying the patronage of Suharto's eldest daughter, Siti Hardiyanti Rukmana, otherwise known as Tutut, who also controls a hugely profitable toll-road company in Jakarta.

The depreciation of the rupiah hit Yopie's outfit hard sending his shares plummeting from \$1.37 a year ago to 3 cents today. According to most commentators, no one knew where the borrowed money has gone, but when the Swiss backer realised what was going on, it pulled out of the deal with Peregrine, forcing it into bankruptcy. [International Herald Tribune, 13 January] *

adjustment programme are measures to further encourage foreign investment by opening up all sectors of the economy to foreign investors. With the ink hardly dry, the process is already underway. Four state banks which merged into one this week are seeking a 'foreign partner' to help them out. One of the country's largest conglomerates, Bakrie and Sons, which has the largest portfolio of debt, has called in Chase Manhattan for assistance.

Can Clinton pull it off?

In January, the Clinton Administration will be seeking Congressional approval for \$18 billion to back the IMF bailout in Asia. It will face strong opposition from Members on both the left and the right. On the left, Congressman Bernie Sanders has made it clear [see *TAPOL Bulletin* No 144, December 1997] that he will oppose the bailout for Indonesia because it is in breach of a law of which he was co-sponsor outlawing all loans that fail to support internationally recognised labour rights. The second-ranking Democrat in the House of Representatives, David Bonior said: 'We need to help. But this help should not be a bailout for bankers, speculators or repressive dictators.'

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[Reuters in the International Herald Tribune, 16 January] On the right, many Republican members resent taxpayers money being used to bail out foreign countries while others are critical of the IMF and are demanding basic structural changes to the agency.

But even if he gets his way with Congress, the Indonesian economy is sinking fast and the IMF 'rescue' already appears to be doomed. *

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When he was summoned to appear as a witness, he rejected the summons because he was meditating on Mount Lawu. In a letter addressed to the defence lawyers, Soebadio condemned the present model of development based on economic growth for having failed, bringing only misery to the people. *'We are surrounded by crises, all negatively affecting the people. Natural disasters, forest fires, buildings ablaze, riots, famine and a monetary crisis.'* He wrote about the erosion of democratic values and the arrogance of power. His need to meditate was a logical extension of his concern about the state of the nation and his position as one of the founders of the Indonesian republic in 1945.

In the meantime Buyung Rachmad needed hospital treatment, further postponing his trial. On 14 January, he was again dragged to court but remained silent, refusing to answer dozens of questions from the judges and prosecutors.

So why has the secretary been put on trial and not the author? One explanation is that Suharto, himself a great believer in the powers of mystics, believes that Soebadio in the dock would exert undue influence on his position as head of state.

Wimanjaya on trial

Wimanjaya K. Liotohe is a Protestant clergyman and author of many booklets and pamphlets, all attacking President Suharto. He is now on trial at the South Jakarta district court under Articles 134, 136 and 137 of the criminal code for insulting the President. The first session was held on 19 January but was postponed till the end of the month because the defence had not yet received a copy of the indictment.

Wimanjaya has had similar difficulties in the past but on those occasions, the authorities did not bring charges. Most of his books, including the most famous one, *Prima Dosa* (Cardinal Sin) have been banned by the authorities. He is a skilful orator but has no movement behind him.

Heavy sentences in Aceh

Two men in North Aceh, **Tengku Affan Diman**, 50, and **Ismail Ibrahim**, 30, received heavy sentences at the district court in Pireuen. They are both from Samalanga village in North Aceh; the authorities claim to have discovered dozens of AK 47 semi-automatic rifles in their homes. Press reports allege that the two defendants received the weapons from Daud Abubakar and Husaini, both members of the 'GPK', the term used by the authorities for people who rebel against the Jakarta government.

Tengku Affan Diman was sentenced to fourteen years while Ismail Ibrahim is to serve a sentence of nine years. *

'Balanced' budget propped up by foreign aid

The Suharto regime has always prided itself on its fiscal probity, claiming that it sticks rigidly to a balanced budget. An examination of the budget proposed by Suharto on 6 January shows this to be a fiction, concealing the regime's heavy dependence on foreign aid. Meanwhile, many in Indonesia are asking how the IMF could revise the budget while Parliament has never dared to do such a thing.

In all the reporting about Suharto's budget speech of 6 January which brought the Indonesian economy to the brink of disaster, little was said about Indonesia's public debt which now stands at around \$55 billion. The 1998/1999 budget reveals just how heavy this burden has become.

The claim that Indonesia's budget is balanced is pure fiction or, according to one Indonesian economist, a 'political definition'. Every year for the past two decades, routine and development spending has always massively exceeded state revenues, with the difference being covered by credits from the World Bank, other multilateral agencies and the member states of the Consultative Group on Indonesia (known until 1992 as the Inter-Governmental Group on Indonesia). On the expenditure side, the cost of servicing the debt has risen annually, comprising an ever increasing percentage. The item rose from 19.4 per cent in the 1997/98 budget to 24 per cent in the 1998/1999 budget.

While the foreign debt has risen annually, amounting to \$5.6 billion in 1997, debt-servicing has risen even faster. The budget figures show that servicing the foreign debt will cost 20 per cent *more* than what Indonesia expects to receive in foreign aid for the year. In other words, the benefits that accrue from CGI credit is more than wiped out by huge repayments and the payment of interest. Some press reports suggest that CGI commitments this year will continue to exceed \$5 billion. Added to this will be several billion dollars in IMF disbursements during the year which will more than double total public foreign debt.

Rescheduling the foreign debt

Besides upholding the principle of a balanced budget, Suharto has always insisted on repaying Indonesia's debts to foreign creditors in full and on time, earning for himself yet more plaudits from the country's western creditors. But many in Indonesia are now challenging this.

The overall budget for the coming financial year starting 1 April signals an increase of 33 per cent, to Rp 133,491 billion from Rp 101,806 billion for current the year. This in part reflects the lower value of the rupiah. Servicing the foreign debt accounted for a major share of the increase. According to economist Sri Mulyani Indrawati, the budget is 'very much dominated by debt servicing (with the result that) the budget can no longer be used as an effective fiscal instrument to control and manage the macroeconomy.' She called on the government to re-schedule its debt repayments. [*Jakarta Post*, 8 January]

Another economist calling for rescheduling is Faisal H. Basri, in order to release more funds for domestic needs.



Three main slogans: 'Reduce prices', 'Change the cabinet' and 'A new President'.

US economist Jeffrey Winters, a senior lecturer at Northwestern University, Illinois, goes much farther. He caused a stir in Jakarta last August when he blasted the World Bank, one of the country's leading creditors, for concealing the fact that up to one third of its financial assistance to Indonesia has been corrupted by the bureaucracy. He estimates that the Bank has lent Indonesia around \$20 billion since it first started pouring money into the

country in the late 1960s. His information comes from impeccable sources, former Bank directors in Jakarta. While the Bank's policy is 'Don't ask, don't tell', the fact is that most officials whom he met said that 30 to 33 per cent leakage was a conservative estimate.

Winters argues that the Bank must make a careful assessment of the leakage and forgive the country for that amount. 'If the average Indonesian received only two-thirds of the loan funds from the Bank, why should they be required to pay back 100 per cent with interest?' [*Jakarta Post*, 29 July 1997]

Nothing in the budget for the poor

Although the budget announced by Suharto has been revised under US and IMF pressure, new figures are not yet available. But it is clear that state subsidies which accounted for Rp 10 trillion in the original budget will be slashed; state subsidies are anathema to the Fund regardless of the impact on living standards. The deal with the IMF provides for some of the subsidies to be removed gradually. How gradually will clearly depend on political circumstances following Suharto's re-appointment as president on 11 March. The IMF was clearly under orders from Washington to allow some concessions on this so as not to provoke unrest that could disturb stability for the regime, a hollow aim with confidence collapsing on all fronts.

Fuel and electricity subsidies are set to be slashed soon which will increase transport costs by up to 30 per cent, effecting prices of basic commodities which are already sky-rocketing. The government has also announced a 5 per cent tax on these fuels. Subsidies on kerosene and cooking oils will be cut in stages, according to the IMF, in order not to hit the poor too harshly. For once, this institution whose main aim in life is to protect financiers and bankers has actually said something about 'the poor'.

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suffering of ordinary people caught up in the devastating fires raging throughout huge parts of the country.

In a statement made at the end of the Labour Party Conference in October, Short also said that she will no longer fund training for the Indonesian police force. This is very welcome, but seems to contradict a pledge by Foreign Secretary, Robin Cook, to fund lectures to the Indonesian police on modern policing methods and crowd control techniques [see *TAPOL Bulletin* no. 143, October 1997]. DFID's decision to train Ethiopian police suggests that it could easily change its policy regarding the Indonesian police.

Aid to East Timor

The Minister says she intends to support human rights projects in East Timor, and it is understood that DFID is currently devising an aid programme for the territory. The British Coalition for East Timor (BCET) is lobbying hard to ensure that the programme is appropriate, effective and independent of Indonesian Government agencies.

In a meeting with DFID officials, BCET emphasised that DFID must understand that East Timor's development problems are largely political and that the aid programme must not undermine the fundamental right to self-determination. It was stressed that the aid programme should be accompanied by wider British support for the

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For Indonesian economists, the budget also shows contempt for regional interests. While spending on foreign debt servicing has risen by 62.8 per cent, spending on regional subsidies has risen by a mere 6.5 per cent. Faisal Basri said in an interview that this was happening at a time of serious famine in Irian Jaya (West Papua), after many regions had been devastated by forest fires and drought had ravaged living conditions in the countryside. 'The ruling elite are only bothered about their political agenda ahead of the March MPR agenda and seemed to have forgotten pledges made in the past to strengthen regional autonomy.' [*TEMPO Interaktif*, Edition 46/02, 17 January]

Who's running the show anyway?

Anger is growing in Indonesia that the chief of the IMF could fly into Jakarta and compel the head of state to revise a budget that had just been announced in Parliament. That is supposed to be the job of Parliament which has never dared to alter budgets, always rubber-stamping them as truths set in concrete by the boss.

A week after the IMF deal, 19 researchers working at LIPI, the Indonesian Academy of Sciences put their names to a Statement of Concern by Civil Servants, complaining bitterly that Suharto had ignored every single proposal they had made for the reform of the economy, only to bow to the wishes of an outside force. [*Jawa Pos*, 21 January] Only recently, according to the Jakarta rumour mill, Suharto was reprimanding his top financial and economic ministers for 'taking orders from the IMF'. Even in the upper echelons of the regime, there must be despair at Suharto's total capitulation to the Fund and its masters in Washington. *

UK-INDONESIA TIES

efforts to break the deadlocked diplomatic negotiations.

As there are very few independent human rights organisations in East Timor, BCET asked DFID to help build up non-governmental organisations through training, scholarships and skills sharing, to include work outside as well as inside Timor. It also urged DFID to ensure that its work aims at the empowerment of women in view of their present marginalised position in society and their lack of involvement in the development process.

BCET asked DFID to review all its aid projects with Indonesia - and the projects of the multilateral institutions over which it has influence, such as the EU and the World Bank - to ensure that none of them affects East Timor in a way which implies recognition of integration or undermines the human rights of the East Timorese people, including their right to self-determination. *



Now for the Suharto succession

The announcement that Suharto would be seeking a seventh term came as no surprise. The Orde Baru or New Order has increasingly become personalised as the Suharto regime. He has reached the point of no return. The domestic and foreign press, and even more crucially at this moment, the markets, have written him off and hopes that the political and economic crisis will be overcome have evaporated.

The metaphor of Suharto riding a tiger is now a reality, with the probability that he will be devoured when he falls off. The tiger also symbolises the crisis of the tiger economies in Asia, coinciding with the Chinese Year of the Tiger. Prominent Javanese soothsayers predict that 1998 will be a year of destruction and a death after which the country will go into mourning for forty days. People are already writing Suharto's political obituary.

The economic meltdown quickly turned into a political crisis and the two IMF rescue operations [see separate article] have failed to help. Major business weeklies like *The Economist* and *Business Week* are saying that Suharto must stand down if confidence is to be restored.



Five-star General Suharto in a rare photo wearing his military uniform on Armed Forces Day, 5 October 1997.

Whatever Suharto says or does causes panic in the markets. His budget speech on 6 January caused the rupiah to plunge to 8,000 to the dollar. When the second IMF deal

was announced in an attempt to boost confidence, the currency plunged another ten per cent and when Suharto said he would seek another term, down went the rupiah again plumbing unprecedented depths.

Shattered Pembangunan credo

The main pillar of Suharto's rule has always been *Pembangunan*, development and economic growth. This credo has become mired in the collapse of Suharto's claim to legitimacy.

For many years Suharto was the darling of foreign investors and multilateral institutions, the IMF, the World Bank and western governments. He guaranteed political stability while opening up the country to foreign investments. Initially they gobbled up Indonesia's natural resources but then, Indonesia joined the ranks of the tigers, producing goods for export with cheap labour.

The fundamentals of the *Orde Baru* economy have always been rotten, regardless of the praise of the IMF, a *dirigiste* economy led by one man and a bunch of cronies. The brutal security approach was justified to protect the wealth of the happy few while the western powers lavished US\$5 billion a year on Indonesia. The greed of the Suharto clique was bound to end in catastrophe. The thirty-two years of Suharto rule is coming to an end, but the transition may be messy, even bloody.

Suharto called his new era a New Order to distinguish it from the Old Order. It is an order that has brought economic, political and ideological bankruptcy and misery for the impoverished masses.

Sukarno-Suharto comparison

Suharto says that he took over a bankrupt economy from his predecessor Sukarno. But just compare the Suharto heritage with Sukarno's. Indonesia's first president left an external debt of US\$2.5 billion while Suharto's foreign debt is at least US\$133 billion. Food shortages during the Sukarno period are nothing as compared with the food situation today. The concept of 'shared poverty' under Sukarno has been replaced by a society where the few live in luxury while the masses live in poverty. The food riots now happening were unheard of in Sukarno's day.

All the signs of a crisis are present. The rumour mill is running at top gear, from Suharto's declining health to shortages of basic goods. In mid January, such rumours sent people rushing to supermarkets for three days to buy up everything in sight and withdrawing deposits from banks to buy up dollars.

Suharto's cabinet hardly functions. Some ministers behave like ex-ministers, packing their bags and papers, ready to quit. Others are simply ignored by Suharto. Important decisions are taken by a small clique, mostly outside the cabinet. Suharto's kitchen cabinet has shrunk to two former ministers, Widjono Nitisastro and Radius Prawiro, who were called out of retirement to deal with the IMF and the private sector debt problem. Other decisions are taken in Cendana, Suharto's private residence. Even his closest cronies, Bob Hasan and Sudono Salim (Liem Sioe Liong) are wincing from the effects of the financial crisis and have been directly hit by the mark-II IMF agreement.

Washington worried stiff

While political crises have been largely resolved in South Korea and Thailand, Indonesia has had the White House spending nail-biting hours discussing the crisis and rushing envoys to Jakarta. For Washington, the stability of the region is at stake and clashes between food rioters or protesters and the security forces in Jakarta could jeopardise the region's stability.

The transition from Sukarno to Suharto in 1965 resulted in a bloodbath that left up to a million people dead, something which haunts many as they ponder over what will happen next.

When US Defence Secretary William Cohen rushed to Jakarta for talks with Suharto and top Indonesian generals, the agenda was clear, stability. He told the Indonesian Council of World Affairs that he had come to Jakarta to study ways of safeguarding stability in the Asia-Pacific region in which Indonesia was an important component. [*Kompas*, 14 January] He also told General Feisal Tanjung, armed forces commander in chief, that he would do everything possible to convince Congress to restore the US military training programme, IMET, for Indonesian officers, saying that relations between the armed forces of the two countries would be reinforced through officer training and joint exercises. [*Jawa Pos*, 15 January]

But Washington is giving conflicting signals. President Clinton phoned Megawati Sukarnoputri after she announced on 10 January that she would stand for president, while his national security advisor and defence secretary were trying to stanch the chaos that would erupt if Suharto collapses. Suharto's meek acceptance of the IMF's conditions at Clinton's urging gave Washington a breathing space, during which they would have to support Suharto in the short term while preparing for the post-Suharto era which cannot be far off.

Suharto must go

Every day, demonstrators are out in the streets calling for Suharto to step down. An opinion poll at Gajah Mada University in Yogyakarta overwhelmingly rejected a seventh term for the dictator.

Many outstanding figures in the opposition are presenting themselves as candidates for president. The first was former MP Sri-Bintang Pamungkas, followed by Berar Fathia, a PDI member. Then, two high-profile leaders stepped forward.

Amien Rais, who chairs the second largest Muslim organisation Muhammadiyah, accepted the challenge during a meeting of his followers. On 10 January. Megawati Sukarnoputri, the ousted PDI leader, threw down a challenge, as panic gripped the country after Suharto's budget speech. Hers was the challenge that stirred most interest at home and abroad. Both leaders enjoy mass support but candidacies like these have an uphill struggle, being outside the system.

The armed forces have yet to declare their hand, although a group of retired officers announced that they want the present vice-president, General Try Sutrisno to be the next president.

The complicated road to succession

No one was surprised when Suharto announced that he would stand for a seventh term but strong hints that he had



Megawati supporters demonstrating in Jakarta, a daily scene in the main cities.

decided on B.J. Habibie, the minister for technology and research, as his running mate caused consternation. Nothing could have been worse for his other 'running mate', the IMF to whom Habibie's industrial policy is anathema. Habibie is also the *bete noire* of the armed forces.

What possibly attracts Suharto to Habibie is that he has no power base of his own and is totally loyal. Be that as it may, the markets were aghast and started ditching rupiahs faster than ever. As the *Los Angeles Times* wrote: 'Demonstrators can be shot down in the streets but Suharto and the military are defenceless against the markets.'

Throughout the Suharto era, he has been the sole candidate. The MPR, the supreme legislative body which is stacked with Suharto appointees, invariably 'elects' him. It is then up to him to choose his running mate though last time round, he was forced to make a deal with the armed forces and accept their preferred candidate, Try Sutrisno. In the past, the vice-presidency was little more than ceremonial but this time round, things are very different.



Two scenarios

There are two likely scenarios for the succession. The first accepts the premise that things will go on as usual, that Suharto will be re-elected, with uncertainty about the vice presidency. Suharto may not survive for another five years or he may hand over in a couple of years' time, leaving the vice president in charge.



The 'I love the Rupiah' campaign initiated by Tutut Suharto was stillborn.

Several names have emerged with varying degrees of loyalty to the dictator: B.J. Habibie; the present vice-president Try Sutrisno; retired General Hartono, Information Minister and close to daughter Tutut Suharto; Giandjar Kartasasmita, head of the National Planning Bureau; and General Wiranto, army Chief of Staff.

Habibie who at the moment of writing appears to be the favourite is a notorious big spender and archetypal of those responsible for the current economic mess.

But this scenario ignores the present economic and political meltdown. The imminent possibility of large scale unrest haunts Jakarta and this might reach a peak, forcing Suharto to quit. This scenario also ignores the fact that Suharto wants foolproof guarantee, should he have to step down, for his personal safety and his family wealth. There is no one in Indonesia who can give such guarantees.

New parameters

The other scenario lies outside existing structures. None of the serious political challengers, including dark horses who might emerge, function within the system, meaning that a new president can only be properly elected following the overhaul of the political system. A phoenix arising from the ashes.

There is virtually nothing that a post-Orde Baru political system will want to inherit from the bankrupt corporatist system Suharto will leave behind. New political insti-

tutions will have to be established and new political parties will have to emerge.

This new political climate is indeed emerging. The political demise of Suharto has given people new energy. Many others are leaving the sinking ship. New alliances are being born, new alternatives are being discussed and many mainstream groupings are preparing for the new era. Pro-democracy groups are demonstrating in the streets carrying three main slogans: "Reduce prices, a new cabinet and a new President".

The first steps

Things are now moving at unprecedented speed. Though many dictators have fallen in the last two decades, the nature and causes of Suharto's fall will have no precedent. The combination of political and economic crises with the markets setting the tone in the final stages will occupy a special chapter in the history books.

The proposal for a National Dialogue between all groups has attracted a lot of support. This could lead to the creation of a Presidium representing the majority of Indonesians which would face the daunting task of preparing for democratic general elections, following the emergence of new political parties and an overhaul of the *Orde Baru* institutions.

People's participation in this process will be essential, in economic decision-making as well as in politics. Suharto rule has resulted in the depoliticisation of society. The conglomerates will have to be broken down into smaller companies. Experience in South Africa shows that overhauling the political system will be easier than overhauling the economy *

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which are crucial to any investigation into Udin's murder have not been returned to Udin's wife.

Although the police officer will soon face charges for destroying evidence and perverting the course of justice, and the police are said to be considering re-opening investigations into the murder, there is little reason to believe that this will lead anywhere. General Dibyo Widodo, National Police Chief, said after Iwik's acquittal that the police force 'remain steadfast in our conviction based on evidence and testimonies, that Iwik is the one who caused Udin's death'. [*Jakarta Post*, 29 November 1997]

Two unresolved murders

The murders of Marsinah in May 1994 and Fuad M. Syafruddin in August 1996 have caused outrage in many sections of society, particularly among labour activists and workers and among journalists, as well as among lawyers and human rights activists. In both cases, innocent people were framed by the police in their eagerness to protect army officers. The true culprits are unlikely to be brought to justice until the police force is completely overhauled and is transformed into a civilian force no longer committed to serving the interests of the army. *

A wave of food riots and protests

The magnitude of the economic crisis has exceeded all predictions bringing in its trail grave social problems. Riots in West and East Java have reached unprecedented levels. The security forces have been deployed on a massive scale in big cities like Surabaya and Jakarta. Thousands of small industries have collapsed and the unemployment figures are explosive.

The second IMF agreement in January slashed some of the Suharto monopolies in an attempt to stem the rot but for many small businesses this came too late. Many sectors are at a stand-still and layoffs are mounting by the day. There is an atmosphere of panic and anger everywhere.

The rumour mill

The uncertainty fuelled rumours which spread rapidly among the middle classes with their access to mobile phones, pagers and the internet. On 8 January the panic reached a peak, with rumours flying about where milk was available or which supermarkets were running out of stocks. Supermarkets and wholesale businesses were overwhelmed with buyers. Photos of well-dressed gentlemen fighting over a jar of cooking oil and housewives pushing heavily-laden trolleys appeared in the world's press.

There were similar scenes in the open markets where poorer people do their shopping, rushing to purchase basic goods as prices rose. The Jakarta military command rushed out black-uniformed anti-riot units to strategic spots in the city. Elsewhere, food riots exploded.

Food riots in East Java

The first to be hit by food riots was East Java with the security forces recruiting extra personnel in an attempt to keep control. The trouble started in Surabaya, the provincial capital, where a huge crowd took off from the main campus, Universitas Airlangga, wanting to march to the city centre. Anti-riot squads blocked the way, prevented the crowd from moving. The angry crowd carried banners saying: *Reduce prices, people want deeds not promises* and *Smash the seat of power*. While most of the participants were students, later actions were different.

In the next few days, food riots engulfed four smaller cities, starting in Banyuwangi, a sleepy coastal town, on 12 January. Four hundred people started a demonstration calling for a reduction in prices of the nine basic foodstuffs. The situation soon became uncontrollable and the entire shopping centre as well as parked cars were targeted by the angry crowd. The security forces were unable to halt a wave of destruction which continued for many hours.

Then violence exploded on 14 and 15 January in Jember. On the first day, an angry

crowd attacked and destroyed the main shopping centre, looting many shops. Territorial troops, local police, Mobile Brigade units, *KOSTRAD* crack troops and police from nearby towns were called in.

The next day, food riots continued. The main shopping centre, Sumber Mas, was destroyed by fire. Hundreds of *KOSTRAD* troops, the best trained units, were used to restore order. On the same day the nearby town Pasuruan exploded when an angry crowd attacked shops in the city centre. Skimpy reports say that there was extensive looting during all these incidents.

The actions are spreading like wildfire, with action committees being set up in major cities, all making similar demands. In Jombang, Malang, Yogyakarta, Solo, Jakarta and Medan, people have started demanding that Suharto should step down.

Anger in Bandung

A week earlier a minor incident in Bandung between hundreds of street hawkers and the authorities erupted into a huge conflict. Local officials had launched a national discipline campaign. To keep the streets tidy during the day, they wanted to restrict trading hours for hawkers to late evening which would have ruined their business. In the main thoroughfare of Cicadas, angry hawkers attacked shops till sunset when the day's fast ended. More than



A demo at the DPR, the National Parliament.

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1,200 troops from various units were needed to cope with the unrest.

The huge informal sector is the only safety net for the unemployed, whose numbers have swelled, bringing more people onto the streets to eke out a living.



The Economist, 17 January 1998

Bankruptcies and layoffs everywhere

Accurate figures about the current level of unemployment are not available as layoffs are happening daily. The industrial belt of Indonesia which is spread throughout Sumatra and Java, is the worst hit but reports of massive layoffs in the forestry industry in Kalimantan have also been published.

Activists defending workers rights estimate that at least six million people have been given the sack since the beginning of the crisis six months ago. Many factories have closed down and others have cut production and sacked workers. In many sectors, the use of casual labour is widespread. Casual workers were the first to be hit, with many returning to their villages where things are not much better.

The following reports of redundancies have been published by NGOs:

- In the banking sector, sixteen banks closed and 8,000 were dismissed. (Many more will lose their jobs following a wave of bank mergers that is now underway)
- In the construction and real estate sector, 800,000 have been sacked and 950,000 work contracts have not been renewed.
- At least 500,000 workers are expected to return from Malaysia.
- In Jakarta, eight factories have sacked 3,478 workers.
- In Bekasi thirty factories have sacked 17,240 workers.
- In Tangerang, four factories have sacked 3,987 workers.
- In Bogor four factories have sacked 927 workers while telling 1,995 others to stay home for the time being.
- In Bandung forty-nine factories have sacked 43,938 workers.
- In Central Java forty-six factories have sacked 9,876 workers.
- In East Java, twelve factories have sacked 1,176 workers.
- In Medan, five factories have sacked 1,066 workers.

- In East Kalimantan, Central Kalimantan and Lampung, fifteen factories have laid off 19,346 workers.

With zero or even negative growth for the next few years instead of the 7 per cent growth achieved until the crisis struck, the economy will simply be unable to absorb the 2.5 million young people who enter the labour market each year.

Technically speaking, more than 90 per cent of companies listed on the stock exchange are bankrupt but so far none of the conglomerates have been taken to the slaughterhouse. There are no bankruptcy laws in Indonesia which makes it impossible for creditors to file for a share in assets of companies that close down.

Before the end of January, negotiations will start with foreign financial institutions on how the private sector debt will be tackled. It is expected that many conglomerates will be downsized or go out of business resulting in yet more layoffs in the coming months.

Explosion in food prices

It is estimated that the price of the nine basic foodstuffs have gone up from 15-55 per cent. A leading German bank Deutsche Morgan Grenfell estimated in a report published on 22 January that inflation was already running at 60 per cent. Some products like cooking oil have risen in price by 156 per cent. Medicines have gone up from 40 to 100 per cent. The slashing of subsidies on 1 April (see article on the economy) will push prices up even further.

In the meantime the falling rate against the dollar means that per capita income has fallen from around \$1,000 to US\$300, ranking Indonesia with countries like Mozambique. No more talk of Indonesia being a middle-income country. *

Anti-IMF demo at US embassy

Dozens of activists gathered in front of the US embassy in Jakarta to protest against Suharto's deal with the IMF. The demonstrators represented a new group called FKGMIT, Communication Forum of Youth from Eastern Indonesia.

Franky Langoday, one of the spokespersons said: 'The economic recession here has been caused by an accumulation of political problems. Political institutions are supposed to govern the country but corruption, collusion, monopolies and the violations of human rights have continued unchecked'.

The demonstrators were especially angry at the way the IMF interfered in Indonesia's internal affairs by taking control of the state budget. It is likely that anti-IMF demonstrations will become more frequent in Jakarta. *

A rash of political trials

In the midst of economic and political upheavals, the regime is still pursuing its opponents in the courts. Some of Indonesia's best known leaders like trade union leader Muchtar Pakpahan, the Catholic priest Romo Sandyawan and opposition politician Bintang Pamungkas are on trial. Everyone who has dared to challenge Suharto in the past few years is being charged. The trials are being rushed through in advance of Suharto's possible appointment as President in March.

Former MP **Sri Bintang Pamungkas** is now facing charges under the anti-subversion law, which carries a maximum penalty of death. He stands accused of distorting, undermining and violating the state ideology Pancasila.

In 1997, Bintang and others founded an opposition political party called *PUDI* and he was nominated by his party as presidential candidate. He is now being indicted for this 'crime', his other 'crime' being to send out a Lebaran greetings card calling for a new President. These days such actions have become quite normal and Sri-Bintang can take pride in the fact that he was the first of a line of courageous men and women to challenge Suharto.



Happier days, time when Bintang founded the PUDI.

Bintang has emerged as one of the most vocal opponents of the Suharto regime and his trial is attracting widespread interest. More than twenty lawyers have joined his defence team, including top lawyers like Luhut Pangaribuan, Buyung Nasution, Bambang Widjoyanto and R.O. Tambunan. The trial which started in mid December quickly became bogged down in procedural controversies. The defendant had not received a copy of the interrogation report; still worse, he complained about the way he had been interrogated. He informed the court that the chief prosecutor in his trial, Silangit, was the same man who had conducted the interrogations, using force against him on

two occasions. At one point Silangit even tried to remove Bintang from prison for further interrogations which is in breach of procedures. In view of these malpractices, Bintang asked the court to replace Silangit and start the trial all over again. His request was rejected.

Walk-out and a small victory

The first session on 22 December in the South Jakarta district court was suspended after a heated argument between the defendant and the judges. His wife and four children sat in the front row holding a poster saying: "Revoke the anti-subversion law". The court was packed with Bintang supporters cheering him along the way.

When the presiding-judge refused to comply with Bintang's demand for the prosecutor to be replaced, he walked out of the second session, followed by his defence team. The session continued in their absence. Bintang later told the press that he had filed an official complaint to the police regarding Silangit's use of violence against him.

Bintang's refusal to attend court hearings unless the prosecutor was replaced put the proceedings on hold for several weeks. Then on 16 January Attorney General Singgih announced that Silangit would be replaced so that the trial could continue. Silangit did not attend the following session; Bintang was also absent for reasons of health.

Concurrently, Bintang has filed a complaint in the State Administrative Court against the Minister of Education Wardiman Djojonegoro for his dishonourable dismissal by the University of Indonesia after he was sentenced at an earlier trial. His lawyers' request to the court to summon key witnesses including the rector of the university and the education minister were refused on the grounds that their testimony was 'irrelevant'. This led to a walk-out by defence lawyers Muhammad Munir and Suhana Natawilhana.

The background

This is the second time for Bintang to go on trial in two years. In December 1995 he faced charges of insulting the

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President in lectures he gave in Germany earlier that year. [see also *TAPOL* Bulletin Nos. 129, 132, 133 and 134]. The trial was a farce; it was widely acknowledged that President Suharto bears deep grudges against Bintang. Suharto was furious at the many protests he faced during his state visit to Germany which coincided with Bintang's speaking tour. Bintang was alleged to have been the mastermind behind the demonstrations but these allegations did not appear in the indictment. Bintang was sentenced to 34 months and is now serving this sentence in Cipinang Prison.

Sri Bintang Pamungkas is founder and chair of *PUDI*, the Indonesian United Democratic Party, a political party that is regarded as illegal by the authorities. Until December 1995 Bintang was an elected member of the Indonesian Parliament for *PPP*, the Muslim party, but was dismissed as an MP because of his outspoken criticism.

He is the best example of someone who thought he could change the system from within but soon discovered its limitations. Bintang has been a consistent critic of Suharto's *Orde Baru* and has developed many sound ideas about an alternative political and economic framework. Before becoming a politician Bintang was a university lecturer and holds degrees in technical engineering and economics. He continued to lecture at the University of Indonesia until his dismissal after being found guilty in 1996.

Jesuit priest goes on trial

Romo Sandyawan's trial started in October [see also *TAPOL* Bulletin No. 144, December 1997]. In mid January the court was still hearing witnesses from both sides. Both Romo Sandy and his brother Benny Sumardi are charged with giving sanctuary to four key members of PRD, the radical political party that became the main target of the military after the crackdown in July 1996.

The court agreed to allow six witnesses to testify for the defence, including Dr Said Agil Siradj, Prof. Loebby Luqman and the popular priest Romo Manguwijaya. Other witnesses were members of the Team Relawan, the team of volunteers set up after the bloodbath of 27 July 1996. Four PRD leaders now serving sentences also appeared as witnesses.

Traumatic experiences

All the witnesses were full of praise for Romo Sandy's pastoral work. while his role as a social activist was also described at length.

During the testimony of one of the PRD activists, a new fact emerged. Jacobus Eko Kurniawan, known to his friends as Iwan, is now serving an eight-year sentence. He insisted on the removal from the court of the many military intelligence agents present. He said that he would not be able to testify in their presence as they were the ones who had arrested and tortured him. *"I was tortured, beaten up, pushed and shoved until my head hit the sharp edge of a table. I was forced to confess to a lie that we kept ammunition and firearms. They showed me a document allegedly signed by Suroso [another PRD political prisoner] con-*

taining confessions about the possession of weapons. I knew his signature was forged. Three members of the military intelligence were actively involved in interrogating me, including someone called Candra.

Because Iwan refused to make a false confession, the torture continued. In the end, he needed medical treatment and was taken to hospital with broken ribs.

Romo Sandy, the priest

Romo Manguwijaya and Professor Loebby Luqman, testifying for the defence, explained why Romo Sandy was duty bound to help the four PRD activists by giving them shelter. Speaking as a Catholic priest, Romo Mangu told the court that it was part of the pastoral duties of a priest to give help to anyone, regardless of religious or political beliefs. A medical doctor would never ask a wounded person whether he/she was a criminal. He said that sanctuary has a long tradition in the Roman Catholic church.

Loebby Luqman, a legal expert, said that Romo Sandy's act should be seen in the context of his loyalty towards his faith. He appealed to the judges to consider the unblemished reputations of both defendants.

The Pakpahan trial

Muchtar Pakpahan has arguably become Indonesia's most famous political prisoner; whenever Suharto pays a foreign visit, most recently to Vancouver and Pretoria, the issue of Muchtar Pakpahan continues to haunt him. During Suharto's visit last year to North America, the Pakpahan issue became quite an embarrassment. As soon as they shook hands, President Clinton immediately asked Suharto about Pakpahan's health. The Canadian government went even further by sending a specialist medical team to Jakarta to check on Pakpahan's medical condition. As a guest in Canada, Suharto could hardly have rejected the offer. Pre-



US trade unionists demonstrating for the release of Muchtar Pakpahan at the Indonesian embassy in Washington

vious requests from abroad for Pakpahan to be allowed to travel abroad for treatment have been rejected by the Indonesian government.

Political platform

An experienced man like Muchtar Pakpahan knows very well that there is no such thing as justice in the kangaroo courts of the *Orde Baru* so his strategy is to use the

courtroom as effectively as possible to create more awareness, at home and abroad. Although he has been a political prisoner since July 1996, Pakpahan still plays a leading role in running the independent trade union *SBSI* which he chairs and receives frequent visits from foreign delegations and journalists.

He is well aware of the power of international pressure and frequently gives interviews to the international media, the most recent being in *Business Week* in early January. In a number of countries Pakpahan has become a household name for unionists and human rights activists.

Pakpahan's trial has been delayed for a number of reasons. On the one hand he is often too unwell to attend; he has been under treatment in a private hospital in Jakarta since last March. His defence team have consistently complained about the lack of co-operation from the prosecution or the court on matters of procedure. For example, they have been obstructed in their efforts to cross-examine prosecution witnesses.

The defendant has frequently used the court as a political platform. On 8 January he asked for permission to read out a letter of concern about his health as well as about the political and economic crisis in Indonesia. Judge Djazuli rejected the request, saying only that the document should become part of the trial documents.

Agustiana gets eight years

The trial of **Agustiana**, a social activist in Garut, West Java, ended with a verdict of eight years. Agustiana is a well known informal leader as was evident from the many young people who flocked into the courtroom to support him. Sidney Jones from the Asia division of Human Rights Watch comments: *"This verdict is evidence of both a search for an easy scapegoat for Indonesia's increasing communal tensions and a vindictiveness on the part of the government toward the activist community. It also represents an increase in the use of the draconian anti-subversion law after a period when we thought it was going into decline"*.

Agus has long been a target of the authorities because of his leading role in support of protests against land convictions. He also joined *PUDI* and became deputy secretary general, another act of defiance. When the verdict was announced, the atmosphere in court became very tense. Dozens of military intelligence filled the courtroom and outside the court-house, there were four truckloads of police and military. In front of hundreds of supporters inside and outside the courtroom, Agustiana stood up and shouted: "Long Live Democracy".

The Tasikmalaya riot is one of many riots that erupted in 1997. It followed an incident in which religious teachers punished a pupil who happened to be the son of a local police officer. The officer responded by summoning the teachers and maltreating them. When news of this injustice spread, thousands of Muslims flocked into the streets, burning down hundreds of buildings, including eleven churches; four people died in the tragedy.

Thirty people wounded

A new group was set up in West Java, the Front of Youth and Students in Support of People's Rights, and Agustiana's trial became one of the rallying points. In a session on 27 November security forces brutally attacked many youngsters who were present. During an interval, the

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crowds in the public gallery went to the courtyard to say afternoon prayers. But without provocation, they were attacked, kicked and beaten by the security forces. About thirty people had to be treated for injuries.

In a separate trial **Asep Ilyas bin Yusuf Sidiq** was sentenced to one year and ten months because of his alleged involvement in the riots although the judges admitted in their summing up that the defendant had not master-minded the unrest.



Buyung Rachmad on trial

The case against **Buyung Rachmad** is one of the weirdest political trials of all. [See also *TAPOL Bulletin*, No.144, December 1997] It revolves around a banned book called *New Era, New Leadership*, written by Soebadio Sastrosatomo, a senior politician and former chair of the banned *PSI*, the Indonesian Socialist Party. Buyung Rachmad is Soebadio's private secretary and allegedly was instrumental in publishing the book. But the author, Soebadio, has not been charged and so far has only been summoned as a witness.

From the start, the trial was in trouble with the defiant Buyung demanding that President Suharto should appear as the 'injured party'. After suggesting that this 'party' would be called, the judges eventually failed to comply with the defendant's request whereupon Buyung refused to appear in court. When the authorities dragged him physically to court, he took a vow of silence after saying that until President Suharto took the witness stand, he would not open his mouth or say a word.

Soebadio meditates

Soebadio is an experienced politician, with political views that have brought him into conflict with the authorities under Sukarno and now under Suharto. His flamboyant style is unique, fusing rational and metaphysical arguments. He adheres to a socialist line of thought combining it with Javanese mysticism.

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The censors are at it again

The decision by police in several cities to ban the performance of a play about the murdered labour activist, Marsinah, has drawn attention one again to the unresolved murder of this labour heroine. Open defiance by the playwright scored a victory in Lampung. Meanwhile, censors at the Attorney-General's Office were also at it again, banning thirteen books during 1997

Marsinah disappeared in May 1994 after visiting the local military command to complain about fellow labour activists who had been fired on army instructions following a strike at a watch-making factory in Surabaya, East Java. Her badly mutilated body was discovered several days later. Police investigations failed to focus on local military officers and led to the trial of company officials whose guilty verdicts were subsequently quashed by a higher court as a gross miscarriage of justice. The murder remains unsolved.

The playwright, Ratna Sarumpaet, decided to write a monologue entitled *Marsinah Accuses*, after chief-of-police, General Dibyo Widido was reported as saying that the case was now closed because the blood samples of the victim had been tampered with. 'Who does he think he is, a god who has the power to determine the fate of another human being?' she told *TEMPO Interaktif* [Edition 45/02, 10 January 1998]



Ratna Sarumpaet on a visit to TAPOL's office in London.

Late last year, a theatrical team, *Satu Merah Panggung*, conducted a tour of eleven cities in Java and Sumatra to give performances. In most places, things proceeded according to plan but in Surabaya, as the team was making

preparations for the performance in a cultural centre on 26 November, dozens of police forced their way into the building and ordered the preparations to stop, alleging that a licence was needed. Instead of entering into negotiations with the organisers who insisted that no licence was required, the police brought in reinforcements, forcing the team, including Ratna, to leave the building which was then surrounded by heavily armed police.

Ten days later, a performance was scheduled at the French Cultural Centre in Bandung, West Java. On this occasion, more than a hundred police, transported in trucks accompanied by a tank, blocked roads leading to the Centre and prevented anyone from entering the building. Despite protests by Jean-Michel Phelline, director of the Centre who is also French consul in Bandung, the police maintained their blockade and ordered everyone connected with the performance to disperse. The French embassy in Jakarta later protested to the Indonesian government over the incident.

In fact, no licence is required for theatrical performances following a decision of the chief of police in 1995 that cultural performances do not require police permission nor do police need to be notified.

Defiant performance in Lampung

When the team arrived in Lampung, South Sumatra the director of the city's theatre announced that the decision to stage a performance had been reversed after coming under pressure from the local authorities. However, a very determined Ratna Sarumpaet persuaded another theatre to stage her play, got the support of the local legal aid institute and took up a position inside the theatre. She refused to budge when ordered by leave by security forces, insisting on receiving a written order to quit and saying they would have to remove her by force.

Hundreds turned up for the performance and forced their way in despite intimidation by the police. The play was then staged for an audience of about 350 people who greeted the playwright with great enthusiasm for her courage in defying authority. She later said that they had shown that it was possible to resist arbitrary measures by the authorities in a spirit of unity in favour of change.

The play was staged to packed houses in Tegal, Tasikmalaya, Solo, Jember and Malang, in some cases with hundreds of people unable to get seats. Dozens of writers and artists later issued a statement strongly condemning remarks by an official of the Department of Culture accusing the producers of the play of 'trial by artists'.

The police bans were widely reported in the press, drawing attention to the Marsinah tragedy after the issue had been neglected for several years. In an editorial on 10 December, *The Jakarta Post* commented: 'Nobody surely would have expected that, suddenly, the (Marsinah) case would be so strongly revived. Ironically, it was the police that triggered the renewed debate by banning the play on Marsinah in Surabaya and Bandung in a bid to prevent the controversy from cropping up again.'



Thirteen books banned in 1997

In an end of year report, the Attorney-General's Office announced that thirteen books were banned during the course of 1997. Announcing this, an official refused to list the books in question, because this would encourage people to start looking for them.

The thirteen books are:

The People Accuse, by Muchtar Pakpahan.

Three books by Wimandjaya, *Indonesia in the Spotlight*, *Primadona* and *Primaduka*.

The 27 July Affair, published by ISAI, the Institute for the Free Flow of Information.

Catastrophe in Sumatra (author not known).

Mobutu, Suharto a Sese Seko Phenomenon (author not known).

Child of All Nations by Pramodya Ananta Toer

East Timor for Beginners by PIJAR

Bloody Footsteps, Tragedy and Treachery in East Timor by Aboepriyadi Santoso, published by PIJAR-Yogyakarta. (The author is an Indonesian journalist working for Radio Netherlands *Wereld Omroep*).

I am an Enemy of Suharto by Sri-Bintang Pamungkas, published by PIJAR Indonesia

Crackdown on the Pro-Democracy Movement by Asiawatch

New Era, New Leadership by Soebadio Sastrasatomo

Three of the authors are now on trial, Sri-Bintang Pamungkas, Muchtar Pakpahan and Wimandjaya, as well as the private secretary of Soebadio Sastrasatomo [see article on political trials].

CENSORSHIP

Fifteen newspapers warned

Minister of Information Hartono announced last December that he has warned fifteen newspaper to stay within the law, hinting that they could be in trouble if they continue as at present. He refused to name the fifteen papers but said that they were 'misbehaving' (*nakal*). 'As long as they stay within the law, everything will be alright, but if they don't, the law will take its course.' He said that discussions had been held at the Department with editors to give them guidelines about news reporting in the next few months as the March session of the MPR approaches.

Hartono was speaking to the press during a visit to Surabaya, East Java. A senior Department official said: 'We are carrying out a rigorous investigation of all the country's newspapers. We don't want to take harsh measures but other objective factors need to be taken into account.' [*Jawa Pos*, 21 December 1998]

General Hartono was appointed Minister of Information immediately after retiring as army chief of staff last July in a sudden cabinet reshuffle, replacing Harmoko who had held the post for nearly three five-year terms. Hartono has kept a much lower profile than his predecessor. Statements such as this are a scarcely-veiled warning to all newspapers to toe the government line or else.... *

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at his trial, Ibu ('Mother') Meity. Imagine his consternation when she turned up one day, offered him a box of goodies (which he refused), saying: 'Forgive me, 'Nang. Of course you should never have been sentenced. You did nothing wrong. It was all a big mistake.'

With her ingratiating smile, this elderly woman tried to smother him with motherly concern. 'I know how you feel. I have a son your age,' she said. Her attempts to win his favour brought back bitter memories of how, before his trial, she had tried to coax him to 'tell the court everything he knew' about the AJI activists with whom he had been arrested, in exchange for which she could 'get him off'. He was left in no doubt that monetary inducements would have worked even better. 'A betrayal of motherly love,' writes Danang in a stinging rebuke, as he recalls how she asked the judge to sentence him to two and a half years.

The book's title is inspired by the behaviour of prison guards who are in the habit of ordering prisoners to cook them a plate of super-mie one day and stealing their paraffin-stoves on the next day.

Prison experiences are always good material for a memoir but Danang's book must rank as one of the best in the genre. It is richly illustrated with photographs, press clippings and documents. Even Indonesia's heavily censored press made no secret of the disgust felt at his appalling treatment. Like so many others, though in a way even worse, Danang's arrest, trial and imprisonment is an unforgivable travesty of justice. But he has made the most of his bitter experiences by producing a book that is frank, revealing and written with confidence and freshness. For anyone who reads Indonesian, this is a must. *

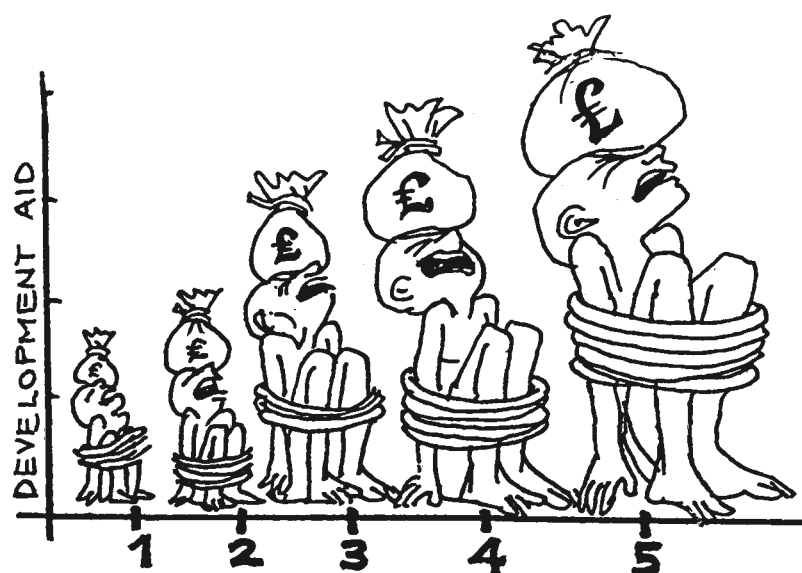
Carmel Budiardjo

New focus for British aid?

The Government's White Paper on International Development, 'Eliminating World Poverty: A Challenge for the 21st Century', published on 5 November, proved disappointing for those hoping for a radical new approach to development and poverty eradication, but there may be significant and welcome changes to the British aid programmes in Indonesia and East Timor.

The White Paper (a document which sets out new Government policy initiatives), is long on words but short on action to attack the root causes of poverty. The importance of 'pro-poor' economic growth is highlighted, but there is no reference to redistribution and the need to address relative as well as absolute poverty. There is no real attempt to curb the power of transnational corporations and the politics of poverty elimination; the need for community mobilisation against vested interests are largely ignored. In encouraging 'participatory approaches', the Department for International Development (DFID) pledges to do no more than 'take into account' the views and needs of the poor.

There is no timetable for DFID's commitment to raise the level of Britain's aid budget to the UN target of 0.7 per cent. of GNP. Secretary of State, Clare Short, has denied that the Government is committed to reaching the target during this parliament. Although the Aid and Trade Provision (ATP) programme is to be closed - very welcome in terms of Indonesia where ATP has accounted for one half of aid expenditure and financed several notoriously unsound projects in recent years - other categories of aid tied to British business interests will continue (even the *Financial Times* argued against this).



There is no indication that DFID intends to give priority to confronting the arms trade and its negative impact on development. Although DFID has pledged to discourage excessive military expenditure, it says nothing about discouraging excessive military exports. It does not stress the need to stop the sale of arms to dictatorial regimes such as Indonesia, which use them to suppress civil society organi-

sations involved in the promotion of democratic development.

There is no commitment to a new International Development Act, only a proposal to consider the case for such an Act. Coincidentally, on the day that *The Guardian* reported on the White Paper, it also reported that DFID was planning to resume a programme to train Ethiopian police officers responsible for torture and extra-judicial executions. A more effective Development Act is essential to ensure that poverty elimination is the primary focus of development assistance and to avoid unsound future projects such as the training of repressive police forces.

The White Paper does, however, contain some welcome policy commitments on human rights, and in relation to East Timor, DFID may be able to fund a discrete human rights-based programme untainted by commercial concerns.

Promotion of human rights

The White Paper reaffirms the importance of human rights: 'Sustainable development...is not possible unless human rights are protected for all, including the poorest and the most disadvantaged'. The realisation of human rights is stated to be one of the specific objectives of DFID policy. Gender inequalities and the 'goal of achieving equality between women and men...based on principles of human rights and social justice' are also highlighted.

DFID intends to base its development policies on partnerships with developing countries committed to poverty elimination, to include consultations with civil society (individuals and non-governmental organisations). In the case of countries ruled by governments not committed to human rights, DFID 'will help...through alternative channels'. These will include 'the institutions of civil society, voluntary agencies and local government'. In such cases DFID's assistance 'will be tightly focused on the victims of neglect and oppression'.

Aid to Indonesia

TAPOL continues to demand an end to all government to government assistance to Indonesia, and the closure of the ATP programme goes some way to meeting that demand. Clare Short has indicated that DFID's support for 'sustainable forestry' in Indonesia will continue, with 'increased emphasis on benefits to poor people living in forest areas' and that she is looking to support trade unions [see *TAPOL Bulletin* No 142, August 1997]. Questions about what is meant by 'sustainable forestry' and how the poor will benefit are particularly pertinent in view of the

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Journalist's murder trial collapses

The trial of a man accused of murdering the journalist Fuad M. Syarifuddin in August 1996 collapsed when the prosecutor withdrew the charges after failing to produce a single witness to back the charge. The collapse of the trial has led to a bitter feud between the police and public prosecutors.

This is the second time that the police have failed to conduct investigations leading to the killers in what were clearly politically-motivated murders. The first was the murder of woman labour leader, Marsinah in May 1994



A happy Iwik after his acquittal, together with his defence team.

(see item on censorship). In both cases, there is strong evidence of a police frame-up to protect army officers on active service or holding civilian posts who clearly played a role in the crimes.

A blatant frame-up

Before his death, Fuad Muhammad Syafruddin, known to his friends as Udin, an investigative journalist who worked for the Yogyakarta daily paper, *Bernas*, had for weeks been investigating a scandal involving the district chief of Bantul, Colonel Sri Roso Sudarmo, an army officer. After receiving a number of threatening phone-calls warning him not to proceed, he was visited at home by one or several men who savagely attacked him and left him for dead. When his wife heard him crash to the floor, she went to see what had happened and discovered him unconscious on the floor. His assailants had fled. He was rushed to hospital but never regained consciousness.

His wife Marsiyem later told a team of journalists investigating his murder that when she expressed concern about the risks he was taking, Udin replied:

'I write the truth and if I have to die for it, well, so be it.' [Investigation of the Murder, by AJI]

His reports focused on allegations that the Bantul district chief bribed an official of the Dharmais Foundation to help secure his reappointment as district chief in 1996.

However, the police quickly ruled out any political motive for the murder, focusing instead on the fiction that Udin was killed by a jealous husband, because of an al-

leged affair with his wife. The chosen victim of the police frame-up was Dwi Sumaji, also known as Iwik, who worked as a driver for an advertising firm. He was arrested by a police officer, Sergeant-Major Edy Wuryanto, who used every trick in the trade, including getting him drunk, having him seduced by a prostitute and promising him a quick release, if he confessed to the murder.

The direction taken by the police was strongly criticised by the National Human Rights Commission and a number of lawyers. The independent journalists' association, AJI, undertook an investigation of its own which came to the conclusion that the Bantul district administration was involved. The officially-recognised journalists' organisation, the PWI, also rejected the police line of inquiry, convinced that Udin had been killed because of his journalistic activities.

Gross irregularities

The police investigations were throughout riddled with serious malpractices. Early on, his wife handed them a blood sample from the clothes Udin was wearing when he was attacked. When she asked for the sample to be returned, she was aghast to learn that the sample had been thrown into the sea. Marsiyem was repeatedly questioned by the police, who tried to get her to admit that her husband had been having an adulterous affair. For months after the murder, Marsiyem suffered severe psychological disorders because of the pressures to which she was subjected by the police.

In response to public outrage, the police decided to release Iwik on bail but persisted in pursuing their case against him. The public prosecutor's office rejected the police documents four times before agreeing to go ahead with the trial. When the trial opened on 29 July 1997, Iwik told the court: *'I have been sacrificed to protect a political mafia.'* [Jakarta Post, 6 August 1997]

As the trial proceeded, it became increasingly obvious that the prosecution case was totally without substance. None of the prosecution witnesses supported the charge nor was any circumstantial evidence produced. In the end, the prosecutor had no option but to drop the charges..

Police officer stands accused

In her summing up on 27 November acquitting Iwik, Judge Endang Sri Murwati turned the spotlight on Sergeant-Major Edi Wuryanto for using unlawful means to force the accused to confess to a crime he had not committed, for falsifying evidence and for producing a murder weapon that could not have been the cause of death.

Shortly after the murder, Wuryanto confiscated notebooks kept by the murdered journalist. These notebooks

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New organisation set up in East Timor

A number of East Timorese who until recently collaborated with the Indonesian administration have joined together to set up a new organisation which calls for national unity and reconciliation of the people of East Timor as the way to work for a solution the question. The initiative comes at a time when the army of occupation has had to devise a new strategy against the armed resistance.



A demo in Semarang, Central Java on Human Rights Day, 10-12-1997, to support the East Timorese demand for self-determination and the withdrawal of Indonesian troops.

The emergence of the *Movement for Reconciliation and Unity of the People of East Timor* known as GRPRTT, the initials of its name in Indonesian, represents a new stage in resistance to the Indonesian occupation. It aims to establish itself as a legitimate political organisation, insisting on its right to exist in the territory.

A shift in loyalties

This courageous initiative is chaired by Manuel Carrascalao, a former member of the provincial legislative assembly, whose brother Mario served for two terms as governor of East Timor. He comes from a wealthy family of coffee plantation owners. The Carrascalao brothers in East Timor along with their brother, Joao, now in exile in Australia, were all prominent figures in the UDT. Manuel was a member of the provincial assembly under the Portuguese and in the 1980s served two terms as a member of the Indonesian provincial assembly.

In 1975, he helped the invading forces to gain control of Baucau. Since the Santa Cruz massacre in November 1991, however, he has become increasingly outspoken against human rights violations and made some bold statements at the time of the massacre about the horrific bloodshed. His own daughter is understood to have been among the crowds demonstrating at the cemetery. The GRPRTT goes

much farther than focusing on human rights violations and represents an open political challenge to the Indonesian occupation.

The general secretary is Francis Lopes de Carvalho, until recently the private secretary of Governor Abilio Soares. He resigned in March 1997 after coming being reprimanded by his boss for arguing, during a seminar at the university in Dili, that development would never succeed until the inhabitants had expressed their opinion on the status of the territory. Another leading figure is Mrs Maria Quintao, a member until last year of the provincial assembly, who took the initiative in opposing the appointment of Abilio Soares for a second term as governor. The central council includes people who have worked for the bureaucracy, and members of several aristocratic families associated with the pro-Indonesia party, Apodeti, the same party from which governor Soares hails.

The collaboration between UDT and Apodeti leaders in setting up the GRPRTT has won it sympathy from many older generation East Timorese who had thrown in their lot with the occupiers but have become deeply disillusioned about the situation.

GRPRTT's programme

In a letter to Governor Abilio Soares last November, the Movement sets out its aims as being to re-unite the East Timorese people's vision, perceptions and political actions towards seeking a solution to the problem of East Timor and to strive for a solution by means of dialogue with all sides, including the Indonesian government.

The document asserts that the East Timorese question is a political one involving the right to self-determination which until now has been handled with war and violence. It laments the death of almost 300,000 East Timorese and the exile of thousands more. Many Indonesian soldiers have also lost their lives in the tragedy.

It strongly criticises the Indonesian government for preventing articulate leaders of the community from attending the All Intra-East Timorese Dialogue which has been convened three times already by the UN, sending instead peo-

ple who act as mouthpieces of Indonesia, and for refusing to allow the Dialogue to discuss matters of substance, namely the status of East Timor.

Dilemma

The forces of occupation face a dilemma about how to treat this initiative. When news first appeared in the Indonesian press about the GRPRTT, Major-General Syahrir, commander of Udayana military command which includes East Timor, said it could not be tolerated and would be treated 'in accordance with the law'. Governor Abilio Osorio Soares then banned the organisation. In mid January, eighteen members of the Movement were summoned for questioning by the police.

However, Manuel has no intention of lying low, saying he knows the risks he is taking and is ready to take the consequences, including being arrested. He and others from the Movement were contacted for their views by the UN Secretary-General's special envoy, Jamsheed Marker, when he visited Dili in December. Manuel has been interviewed frequently by Portuguese radio and submitted a report to the UN Secretary-General about human rights violations in East Timor.

He has gone public in the Indonesian press, criticising the governor for failing to answer his 9 November letter and told the press that the organisation has been inundated with messages of support from inside and outside the country, while Konis Santana, leader of the armed resis-



A recent picture of a genuine Falintil unit, somewhere in the bush.

tance has been in touch, supporting the idea of dialogue. But Major-General Syahrir MS now says that care will have to be taken in handling the GRPRTT, 'otherwise new problems could emerge'. [Surya, 6 January]

New strategy against the resistance

But this is not the only dilemma facing the forces of occupation. According to the *MateBEAN* News Agency, failure to crush the FALINTIL armed resistance has compelled the army of occupation to focus on branding the resistance as terrorist. In pursuance of this strategy, the army has set up fake guerrilla units by recruiting young East Timorese into their service. Special counter-insurgency units have been formed to conduct operations as fake guer-

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rillas, the Rajawali Team, the Alfa-Alfa Team, the Saka Team and the Ramelau Team.

The recruits, who are required to assume the life-style and dress of FALINTIL members, enter the bush and stage attacks on civilian targets, pinning the blame on the armed resistance. There were a number of such incidents in 1997, leading human rights organisations like the US-based Human Rights Watch-Asia to allege that the resistance has been guilty of killing civilians. It would, in our opinion, be better to insist on all army claims being thoroughly investigated before making such allegations.

One case in point is the discovery of the badly mutilated bodies of four young men in Maubara. The circumstances in which they were killed have not yet been investigated, but Bishop Belo flatly denied the official version that they were members of a Catholic organisation, Mudika, who had come to the area from Ermera for Holy Mary Day on 8 December to assist with security during the Bishop's visit and had been murdered by FALINTIL. The Bishop said no Mudika members had come to the area for the occasion as security was in the hands of local groups. [Surya, 8 December 1997]

A month later, the bodies of four men were discovered days after they had been abducted by unidentified armed men. They were seized in Coilima village, west of Dili, along with four others. One of the other four has since returned to his village while the other three are still missing. The bodies were found floating in a river; two had been shot and the other two bore injuries inflicted by sharp objects. According to *Reuters*, villagers believe the abductors were militia groups linked with military-backed counter-insurgency units conducting operations against the resistance. [Reuters, 14 January]

This has all the hall-marks of an operation that went wrong because villagers were able to point to links between the killers and the army. *

New titles recently received

Amuk Banjarmasin, YLBHI, Jakarta 1997
Evaluasi Keadaan Hak Asasi Manusia 1997, PBHI 1997
Badan Perjuangan Rakyat Penunggu Indonesia Vs PTPN II, WIM & Akatiga, 1997
Penjualan Senjata Kepada Rejim Militer Indonesia, ENAAT & Pijar, 1997
Timor Timur untuk Pemula, Pijar, 1997
Jakarta Crackdown, AJI, Forum-Asia & ISAI, 1997
Pers Memihak Golkar?, Yuni Krisnawan, ISAI 1997
Pemilu 1997, ISAI 1997
Indonesia and the 'Third Wave of Democratization', Anders Uhlin, Curzon 1997
East Timor, West Papua/Irian and Indonesia, Keith Suter, Minority Rights Group, 1997

Two Timorese sentenced to death

Two death sentences and three seventeen-year sentences have been passed against East Timorese in Baucau. Six others face serious charges in Dili and Semarang. In East Java, an East Timorese lecturer was abducted and held incommunicado for nearly four weeks. Several others were abducted and terrorised.

Two East Timorese, **Luis Maria da Silva**, 57, and **Francisco da Costa**, 36, were sentenced to death by a court in Baucau, East Timor on 11 December 1997, on charges of having taken part in an ambush of trucks that were carrying members of the police force home from an operation. The ambush took place on 28 May last year, the day before the Indonesian general election, and was part of a series of actions by the armed resistance against the forces of occupation aimed at destabilising the situation in the territory at a time when unlawful elections were about to take place.

This is the first time a court in East Timor has passed death sentences. According to Amnesty International, [Document No ASA 21/90/97], the men were represented by court-appointed lawyers because the families of the two men were too afraid to appoint their own lawyers. Nothing is known about how long the trials lasted or how they were conducted. The two men are reported to have lodged appeals against their sentences.

A few days later, three men, **Muhammad Amin**, 19, **Fortunato Ximenes**, 31, and **Alvino Freitas**, 19, were sentenced to seventeen years each on similar charges. After sentences were passed, the three men lodged appeals.

According to *Kompas* [22 December], altogether eighteen men have been tried or are on trial in connection with the ambush and other incidents that occurred at the time of the elections. In some trials, the prosecution have already asked the court to pass down twenty-year sentences.

Explosives trial opens in Dili

Constancio Chantal dos Santos, 21, one of two East Timorese students who were arrested on their arrival in Dili on 15 September, two days after an explosives incident in a house in Demak, Central Java, has now gone on trial on charges of illegal possession of explo-

sives under Law 12/1951 which carries a maximum sentence of death. In the indictment, he was said to have been found to be in possession of a number of bombs and ammunition, envelopes containing cash and several letters from imprisoned resistance leader, Xanana Gusmao.

According to sketchy press reports about the proceedings, the defendant responded to the indictment by demanding that resistance leader, Xanana Gusmao, should be brought to Dili to attend the trial. He argued that Xanana had taken responsibility for the explosives in Demak and that it was he who devised the strategy. He told the court he would not be willing to attend further court hearings unless Xanana Gusmao was present. The accused is defended by two lawyers from HAK Foundation, a Dili-based legal aid institute, assisted by a lawyer from the Jakarta-based PBHI.

As reported in our last issue [*TAPOL Bulletin*, No 144, December 1998] Xanana did indeed take full responsibility for the explosives affair when he was interrogated last November, and said he had told Constancio as much when they met some time ago. Although the resistance leader was interrogated at the time as a witness it is not clear whether he will be called to testify at the trial in Dili.



Timorese demonstrators after an encounter with the security forces.

Xanana is currently under treatment for a painful kidney ailment in Cipinang Prison, Jakarta.

Four East Timorese, **Salvador Miranda**, 20, **Domingos Natalino Coelho da Silva**, 18, **Fernando Pedro M Correia**, 19 and **Joaquim Santana**, 23, who were also arrested in connection with the explosives case, are due to go on trial in Semarang very shortly. They will face the same charges as Constancio. A fifth student, Gil Paulo da Silva, was released without charge.

In a meeting with their lawyers, the four men vigorously denied that they had any connection with the explosives and said they were at the house where the explosion took place purely by chance because they were looking for alternative accommodation.

Six East Timorese, including a family of four, who took refuge in the Austrian embassy in Jakarta shortly after the Demak explosion are still inside the embassy. The Indonesian authorities will not concede to a request that they leave the embassy and travel to Portugal on the grounds that two of the men are wanted for questioning.

Abductions in East Java

Abductions have become part of a campaign by the security forces to terrorise the East Timorese community in Java, most of whom are students. East Timorese students are all required to join an organisation, IMPETTU, through which the authorities have sought to prevent them from engaging in anti-integration activities. This worked for many years but in the past year or so, IMPETTU has become very outspoken on behalf of the East Timorese cause.

Following an explosion in a house in Demak, Central Java, East Timorese students have faced intimidation by security forces in many university cities, allegedly on the lookout for 'bombers'.

Dr Lucas da Costa, 49, a well-respected lecturer in business management who teaches at a number of universities in Surabaya, East Java disappeared on 23 December, while he was on his way to give a lecture at a Catholic university. His wife, friends and lawyers made repeated inquiries with the military authorities but were unable to find out anything about his whereabouts.

Two days before his disappearance, five East Timorese students were abducted from their home in Surabaya and subjected to assault and intimidation by a number of masked men. After ten hours of being terrorised, they were dumped on a road outside the city and told to go home.

Several branches of IMPETTU made strong representations to the local authorities in East and Central Java, protesting about the lecturer's disappearance as well as the abduction and maltreatment of the students. Forty students from branches in Yogyakarta, Surakarta, Semarang and Salatiga presented a seven-page document to members of the Central Java legislature on 5 January giving details of the violations. They managed to extract promises from armed forces representatives and from the local police to look into the complaints.

East Timorese students in Java are stepping up their efforts to publicise their activities. As a result, their protests were widely reported in the regional press. See for instance a report in *Bernas* of 6 January.

Academics in Britain, Canada and elsewhere also lobbied their governments to press the Indonesian authorities to explain what had happened to Lucas da Costa and to

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seek his release. About three weeks after his disappearance, his family received a threatening call from someone claiming to be from army intelligence. The family were told that a representative of the East Timorese students' organisation, RENETIL, should make contact with the authorities to discuss events surrounding the lecturer's disappearance. They never did so of course, but the approach suggests that the group holding Lucas da Costa knew that they were under pressure to let him go. Four days later, Dr Lucas returned home.



TAPOL has learnt that he has been badly traumatised by his experiences and is unwilling to speak to anyone by phone. We therefore know nothing yet about what happened to him during his weeks in incommunicado custody.

Justice and Peace Commission report

The Justice and Peace Commission which was set up in Dili three years ago issued its first annual report on 10 December 1997. The report which was jointly drafted by the Commission and the HAK Foundation (Foundation for Law, Rights and Justice) states that altogether 451 complaints were received from members of the public, of which 339 were related to human rights violations such as disappearances, arbitrary executions, trials and torture, while eighty were complaints about social, economic and cultural rights.

The Commission recorded a number of disappearances and killings, though it had not been possible to establish the circumstances of these violations nor identify the perpetrators. More than eighty-five per cent of the human rights cases reported to the Commission involved arrest and detention without warrant. Interrogators frequently used violence such as beatings, kicks, electricity and stabbing with sharp implements. There were also instances of the use of violence against people who were not under arrest, one example being the case of the Hatolia village chief, Belisior Soares, who was beaten up on 19 June 1997.

Accusations like 'GPK', 'clandestine', 'bush people', and more recently, 'terrorist', were used against people in custody. Those in charge behaved as if such labels were justification for treating the detainees with brutality, the report said. *

BOOK REVIEW

Danang Kukuh Wardoyo, *Dari Celah Bui: Tidurlah Akal Sehat (From Behind Bars: When Common Sense Must Take a Rest)*, published by AJI, the Alliance of Independent Journalists, 1997, 208 pp.



'Here is a man to be envied. For others it takes years and years, with all kinds of plans, high ideals, resolution of purpose, making sacrifices galore, before they can earn the title of political prisoner. But all he had to do was to stand in front of a door and be accused of selling an unregistered magazine called Independen.'

The parody of justice neatly captured by Arswendo Atmowiloto in his introduction is a fitting opening salvo to this splendid prison memoir. Arswendo himself is no stranger to quirks of fate that can land someone in clink in Suharto's Indonesia; he spent five years in prison for nothing more than publishing the results of a public opinion poll in his tabloid weekly which placed the Prophet Mohammad and Suharto well down on the list of popular figures among his readers.

Danang's arrest in March 1995 and his conviction five months later under Indonesia's vicious 'hate-sewing law', a legacy from Dutch colonial times, to twenty months shocked activists, journalists and lawyers alike. At 19, he soon became known as Indonesia's youngest political prisoner.

After failing to gain entry to *Universitas Indonesia* in 1994, Danang decided not to return to his village in Kediri, East Java but to hang around in Jakarta till he could have another try at the university entrance exam. A relative found him a job as an office boy at the office of the recently-established independent journalists' organisation, AJI. As he relates in the first of several dozen vignettes in this book, his task on the fateful day of his arrest was to look after a pile of books on sale at a table at a well-attended AJI event in a hotel in downtown Jakarta. Yes, he saw plenty of *intel* agents lurking around but it never occurred to him that he personally was in any danger.

Danang may have entered prison an innocent young man with plenty of youthful aspirations, a 'dreamer' as some have called him, unashamedly thrilled at meeting famous personalities - all of them dissidents - who attended the event on 16 March 1995. But he has emerged from his experience with such a wealth and depth of understanding about the iniquities of imprisonment that he resolved to get his memoirs out in record time.

His first confrontation with authority came at the local police headquarters where he was subjected for days on end to interrogation. He describes the relief he felt when each session ended, followed by hours of anguish, knowing that he would have to face the same brutalising questions on the morrow. At one point, suddenly realising that he had the keys of the AJI office in his pocket, he was overcome by fear that the police would discover them and rush to search the premises. After warning Eko Maryadi, an AJI activist who was also arrested at the same time, Eko told him to stop worrying because the police had already broken into the office, turned the place upside down and stolen all the discs on their computer.

Danang pulls no punches about the widespread sexual abuse among his fellow prisoners, almost all of whom were serving sentences on criminal charges. This was at its worst in *Pondok Bambu*, a detention centre for boys under twenty where youngsters who received no food from outside were at the mercy of their 'cell boss'. Conditions were so disgusting that he could hardly bear to eat. A septic tank just outside the cell was constantly overflowing with excrement, causing an unbearable stench. It was a positive relief for him to be transferred from there to the heavily-fortressed Salemba Prison.

Danang was nothing if not resourceful. While in Salemba, he began to lend newspapers that he received from outside to co-prisoners. Soon he found himself in charge of a lending library and gained a sense of exhilaration when he realised that his small enterprise was helping a number of prisoners begin to enjoy the pleasures of reading.

He describes many encounters with warders, prisoners, police officers, interrogators, revealing the warped attitudes of those into whose charge he had been thrown. But worst of all was his meeting in prison with the woman prosecutor

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