The political system in Indonesia was devised to centralize power in an authoritarian presidency. General Suharto’s resignation in May 1998 did not change that system. A noteworthy development, however, occurred in July 2001, when the People’s Constituent Assembly, without constitutional authority but with backing from the military, dismissed Abdurrahman Wahid and appointed Megawati Sukarnoputri as President. The move was not a step in the transition to democracy. Rather, it indicates the emergence of a new authoritarianism, based on political party bosses with military backing. A legislature that can be used by the military and other elements of Suharto’s New Order ensures a government that will be ineffective in dismantling the political institutions of authoritarianism and in promoting the transition to democracy. Through historical analysis, this Briefing Paper explains how the present political situation, dominated as it is by the President, is still significantly under the sway of the military.

Elected legislators in an authoritarian system
Since independence in 1945, the President has dominated the executive, legislative, and judicial powers of government. From 1966, with the imposition of General Suharto’s New Order, the President organized elections to the legislature so that he would be continuously re-elected. The system kept Suharto in power for 32 years. Although Suharto resigned in May 1998, in the face of escalating student protests, a new political system did not emerge overnight.

Golkar, the political organization created and controlled by Suharto, remains the strongest political party. Although Golkar severed its relationship to the President in preparation for the June 1999 general election, it continues to benefit from its access to state finances. Members of the National Election Commission alleged that the party illegally used money from government sources to finance its well-funded campaign. In March 2000, a court found that US$7.3 million was illegally transferred from Bank Bali into the accounts of senior Golkar officials, allegedly so that Golkar party members could buy seats from rival parties. The judge dropped the case on a technicality.2

Even after the formal end of Suharto’s New Order, the military continues to operate on the principle of Dual Functions. The military considers it its duty to defend the nation from both external military threats and internal political threats. Accordingly, it continues to hold a large block of seats in the People’s Constituent Council and the People’s Representative Council. Under the New Order, in 1995, the military’s seats in the MPR were reduced from 100 to 75. In January 1999, its seats were reduced to 38, to be phased out in 2009. While it holds little more than 5% of the seats in the MPR, the military’s presence in the legislature allows it to clearly convey its position to elected representatives.

The old system has seen one significant innovation. On 23 July 2001, the People’s Constituent Assembly, or MPR, obtained the authority to appoint and remove the president. President Wahid was replaced by then Vice President Megawati. The MPR’s dismissal of a controversial president might appear from afar as the courageous act of a fledgling democratic body. The MPR, however, did not obtain the authority to remove and appoint presidents in mid-term by legal means. Rather, it gained that authority through the backing of the military, which holds seats in the MPR. Thus, the move suggests that the MPR is beholden to the military and dismissive of constitutional processes.

A parliamentary–presidential system
Indonesia’s brutal four-year armed struggle for independence from the Dutch in the 1940s produced an exceptionally strong presidency. The Indonesian Constitution of 1945 does not include any serious limitations on the powers of the president. Under the New Order the President dominated political parties. Golkar served not as a representative political party but as the agent of the President. As the head of the Council of Founders, the President selected the leadership of Golkar.3 Further, in 1971 he forced all political parties to amalgamate into two, the Development Unity Party (PPP) and the Indonesian Democratic Party (PDI). Government officials and soldiers were asked to join Golkar. Practising Muslims were asked to join the PPP. All others were asked to join the PDI. The bureaucracy, in cooperation with the military, not only conducted background checks on all electoral candidates in these political parties,4 but also chose the leadership.5

While there is no provision in the Constitution for the MPR to remove the president during his or her term in office, there is no governmental body, other than the military, to settle conflicts between the MPR and the president. The post-27 July 2001 de facto system, in which the MPR, with the acquiescence of the military, may appoint a new president, ensures an unstable presidency and an ineffective government.

The instability and ineffectiveness of the current system derive from the combination of the least democratic elements of parliamentary and presidential systems of government. In a parliamentary system, like that in India or Thailand, a majority of the parliament may remove the prime minister but the parliament must then

face fresh elections. In a presidential system, as in Korea or the Philippines, the president holds power for a definite term and is not subject to mid-term recall, except when convicted of a crime. As the Indonesian legislature now has the power to unseat the president without itself having to face new elections, it is particularly vulnerable to interference from the military and Golkar. The political parties that formed after Suharto’s resignation, such as Wahid’s National Awakening Party, do not have the connections with the key military officers, especially in the army, that are necessary to hold civilian office. Suharto’s façade is again recognized abroad as a functioning democracy. 1

Under the Constitution, the MPR meets every five years to elect the president and to approve national policy guidelines. The MPR consists of all members of the People’s Representative Council, or DPR, and members of social groups, such as religious associations, non-governmental organizations and the military. In October 1999, the MPR appointed Abdurrahman Wahid as president for a five-year term. In accordance with the Constitution, the President appointed ministers without the approval of the DPR. However, Wahid’s replacement of New Order ministers with energetic reformers, such as the replacement of Golkar member Marzuki Darusman, who had been ineffective in prosecuting corruption, by Baharuddin Lopa as Attorney General, disturbed the military and Golkar factions within the DPR.

Military trumps Constitution
The elections of June 1999, held on a proportional representation system, did not produce a clear victor or a likely coalition. The Indonesian Democratic Party-Struggle (PDI-P), led by Megawati, took the most seats. Golkar came second and the PPP third. Although Wahid’s National Awakening Party (PKB) came fourth, he was able to assemble a coalition of supporters who elected him to the presidency in October 1999. The coalition was united by its opposition to Megawati’s presidential bid. Golkar and the military, which had persecuted Megawati and murdered her party’s political activists, feared retaliation. Leaders of the conservative Muslim parties — including Amien Rais of the National Mandate Party (PAN), Hamzah Haz of the Development Unity Party, Yusri Isha

1 Harold Crouch, ‘No, the Military Isn’t Running Indonesia’, International Herald Tribune, 2 August 2001, p. 6.

Mahendra of the Star and Crescent Party, and Mahmudi Ismail of the Justice Party — opposed the idea of a female head of state. Wahid’s PKB and the traditional Muslims from which the party draws support do not.

In January 2001, leaders of major political parties and the military began to discuss with Megawati terms for their support of her presidency. She allegedly agreed to give them key ministries and to halt their prosecution for corruption and human rights abuses, in return for permission to occupy the presidential palace, where she had played as a child. 2 The conservative Muslim parties also hoped that she would not hinder their campaign to declare Indonesia an Islamic state, something that Wahid and his supporters strenuously resisted. Amien Rais, Speaker of the MPR and Chairperson of PAN, convened a Special Session of the MPR. In February, 2001, the MPR accused the President of poor leadership and involvement in two financial scandals. One of his advisers had absconded with US$4.1 million from Bulog, the state commodity board. Wahid was also accused of embezzling a US$2 million donation from the Sultan of Brunei in aid to displaced persons in Aceh.

Under the Constitution, the DPR has a right to ask for information from the President. Accordingly, Wahid appeared before the MPR, and offered a brief accounting and an apology. The MPR, not satisfied with the President’s answers to its allegations, requested him to return to the MPR to face impeachment. The police cleared Wahid of involvement in the Bulog and Brunei corruption scandals, and Attorney General Marzuki Darusman ruled that Wahid was not involved. Akbar Tanjung, the Speaker of the DPR and Chairperson of Golkar, accepted the decision of the Attorney General, a fellow Golkar member, but declared that the Special Session would continue to attempt to remove Wahid.

The military faction within the MPR originally abstained in the provisional vote to remove President Wahid, but on 21 July 2001 it backed the impeachment. Without this backing, the meeting of the July 2001 Special Session would not have taken place. Although the Constitution recognized President Wahid as Commander-in-Chief of the Indonesian Armed Forces, the military disobeyed his order that the Special Session be closed and refused to recognize his appointment of Chaeruddin Ismail as head of the National Police. Wahid dis-


missed Chaeruddin’s predecessor, Soerojo Bimantoro, who oversaw security arrangements for the Special Session, for allegedly taking bribes in a weapons purchase deal with Russia. Wahid was also displeased with Bimantoro for failing to stop the killing of PKB supporters in Pasuruan in May 2001. On the day before the Special Session removed President Wahid from office, bombs went off at Christian churches in Jakarta. The religious violence that might have resulted would have further discredited the President. Wahid declared that the bombs were military devices. 3

Living dangerously
A highly respected religious scholar and NGO activist, Wahid was an unlikely candidate for the Presidency. As Chairperson of the Nahdlatul Ulama [Awakening of Religious Scholars], or NU, the world’s largest Muslim association, he steered Indonesia’s traditional Muslims away from politics. When Wahid accepted leadership of the NU in 1984, he shifted the association’s mandate from political involvement back to community development. In the past, the Chairperson of the NU was automatically made Minister for Religious Affairs, a position with considerable financial resources. Wahid reversed this and removed the NU from three decades of involvement in government, most recently as the leading faction within the PPP, the amalgamation of Muslim parties created by Suharto in 1971. In January 1998, Wahid suffered a stroke that left him almost completely blind, but he continued to lead the NU. He founded the PKB, in preparation for the general election of June 1999.

Wahid’s agenda during his 21 months in office, especially his investigations into political corruption and attempts to subordinate the military to civilian control, threatened the political system. In a significant victory for civilian governance, Wahid dismissed General Wiranto as head of the Armed Forces and Security Minister for his involvement in the army’s scorched earth campaign in East Timor. Many Suharto loyalists, such as former Golkar Chairperson Harmoko, took a low profile after Suharto’s resignation. Others, like Ginanjar Kartasasmita, the chief financial official in Suharto’s latest government, continue in leadership positions in the Golkar party. The attempted prosecution of Ginanjar provides an example of how difficult it was for President Wahid to prosecute New Order figures suspected of economic

3 SCTV, Liputan Enam [Six o’clock Report], broadcast at 18:00 on 22 July 2001.
crimes. Ginanjur, a Golkar member and Vice Chairperson of the MPR, was one of the main subjects of President Wahid's anti-corruption campaign. He was accused of accepting significant kickbacks when he approved a technical assistance contract between Pertamina, the state oil corporation, and a private company. Ginanjur successfully argued that the Attorney General had no authority to prosecute him because he was a military officer at the time of the alleged crime and is therefore immune from civilian prosecution.

Other major targets of Wahid’s anti-corruption campaign also escaped prosecution. The Suharto government placed Arifin Panigoro, a protégé of Ginanjur and former Golkar member, in a leadership position within the PDI-P. Panigoro is now the leader of Megawati’s PDI-P in the DPR. According to newspaper reports and a probe by the Attorney General’s office, Panigoro, who is also the Chairperson of one of Indonesia’s largest energy firms, failed to repay a US$55 million loan that he took from the government business promotion body. Panigoro claims that after Suharto’s visit to Kazakhstan, the Suharto government asked him to use the money to buy oil fields in the Central Asian republic. Akbar Tanjung, the Chairperson of Golkar and Speaker of the DPR, was implicated in illegal land dealings and campaign funding violations, but has not been prosecuted. Attorney General Lopa, who was to try him, died shortly after he took office. The cases against Panigoro and Tanjung are unlikely to proceed.

The only people convicted during the 21 months in office were Mohammad ‘Bob’ Hasan, a timber baron and golfing partner of Suharto, and Suharto’s son, Hutomo ‘Tommy’ Mandala Putra. At the time of Tommy’s conviction, the police hesitated to arrest him. When he was apprehended, they allowed him to escape. While Attorney General Marzuki Darusman reports that Tommy is still in the country, there is little confidence that the police will find him. The case against General Suharto himself was abandoned by the court, which heard evidence that he embezzled, through his family’s charities, US$570 million in state funds, a small fraction of the tens of billions of dollars he is thought to have illegally acquired in his three decades in office.

The New Authoritarianism

The parallel made between Joseph Estrada’s fall from the Philippine presidency and Wahid’s fall from the presidency in Indonesia is not well drawn. While the Philippine Senate did not ultimately vote to remove Estrada before Army Chief of Staff General Angelo Reyes escorted him from office, the evidence presented at his trial was overwhelming. Further, in the Philippines there was a constitutional transfer of power. Philippine Chief Justice Hilario Davide ruled that Estrada vacated the presidency. Under the Philippine constitution, when the office of the president is declared vacant, the vice president assumes the office.

In other respects, however, examining the transfer of power from Estrada to Vice President Gloria Macapagal Arroyo may help in understanding the future impact of the Wahid–Megawati transition. To avoid being unseated by the kind of protests that led to the removal of her predecessor, Arroyo declared a state of rebellion, restricted civil rights, banned protests, and arrested opposition leaders on suspicion of orchestrating protests against her. Further, the political crisis in the Philippines strengthened the military’s power to intervene in political outcomes. According to Philippine political analyst Nelson Navarro, ‘the military is being placed in the unique position of being the arbiter of our affairs’.

Another instructive comparison for Megawati’s presidency is Benazir Bhutto’s ascent to and fall from the prime minister’s office in Pakistan. Like Megawati, Bhutto was the daughter of a populist leader and head of a populist political party, the Pakistan People’s Party, which received the greatest number of votes in the first general elections after more than a decade of military rule. Bhutto’s rise to power, however, like her removal from office, was only made possible by the approval of the military. Bhutto’s husband, Asif Zardari, like Megawati’s husband, Taufiq Kiernan, was a wealthy and controversial business figure even before she took office.

The pawns of the new authoritarianism are the political party bosses in the DPR and the MPR. As Amien Rais himself stated before he began to cooperate with Golkar and the military to unseat President Wahid, if they [military personnel] become members of parliament while still possessing active ABRI [Angkatan Bersenjata Republik Indonesia – Armed Forces of the Republic of Indonesia] status, then they will tend to defend their unit and ignore outside [non-military] interests. ... All senior ABRI officers ... are former aides of Soeharto. ... And it seems that [Golkar party members] are seeking to use any method necessary to maintain power.

Other than Wahid’s PKB, only one party boycotted the Special Session of the MPR. The Love of Nation Democratic Party agreed with the President that the Special Session was unconstitutional. According to the General Chairperson of the party, Professor Manasse Malo, our problem is that one or two people in top leadership are being changed, while the bureaucracy still exists as it did in the New Order. And now there are many signs that the New Order has succeeded in returning to the political field. It is difficult to hold them back because the entire bureaucracy from the lowest levels to the highest levels still possesses the autonomy they had during the New Order.

The New Order

The new government and the military are already showing signs of intolerance of democratic dissent. Wahid’s supporters have been prevented from assembling. In Lampung, university students on a hunger strike, demanding that Golkar be dismissed
and new elections be held, suffered near-fatal first-degree burns when the tent they were staying in was torched.\textsuperscript{18} Within days of Megawati’s accession, people began to be arrested and jailed for distributing anti-Golkar, anti-military, or anti-Megawati material. At the end of July, the Supreme Court ruled against a petition, filed by an alliance of non-governmental organizations called Victims of the New Order, asking that Golkar be banned for fraud and illegal fund-raising for the June 1999 elections.\textsuperscript{19} Police beat those who protested against the verdict. Golkar members accuse organizations that have petitioned courts to prosecute New Order leaders or to ban Golkar of being communist front organizations – a serious charge in Indonesia, where the Communist Party is illegal. Some non-governmental organization offices have been ransacked by Golkar youth organizations. The military presence in Aceh has been increased. Separatists there allege that since Megawati’s rise to the Presidency, the military has forced residents to raise the Indonesian flag on pain of death and has launched fresh assaults that have claimed civilian lives.

Three days after Wahid’s removal, Indonesia’s second-highest-ranking judge, Syaifuddin Kartasasmita, who had sentenced both Tommy Suharto and Bob Hasan to prison for their part in an illegal land deal, was shot dead. Syaifuddin had a reputation as one of the few judges who were beyond the reach of corrupt politicians. He reported to police two days before his murder that he had been offered more than US$2 million to let Bob Hasan win his appeal.\textsuperscript{20} The Pindad 9mm bullets used in his murder were manufactured by a central government enterprise for the exclusive use of the army.\textsuperscript{21} The quality of democracy in Indonesia’s present de facto political system can only be as good as the ability of the political parties to confront the military and the other tenacious elements of Suharto’s regime that prefer to preserve the authoritarian institutions of the past. The MPR was not elected to remove or appoint presidents in midterm. Its removal of Wahid and appointment of Megawati as president was not democratic and does not strengthen the independence of political parties; rather, it promotes authoritarianism and opportunism within them. Many of the leaders of the larger political parties, as Suharto’s collaborators and supporters, benefited richly from the collusion, corruption, and nepotism of the New Order. These leaders have a strong interest in preventing the investigations and accountability campaigns that President Wahid’s government was pursuing. Dependent on backing by those New Order elements, Megawati is unlikely to investigate corruption allegations and human rights abuses with any conviction.

The de facto political system inaugurated on 23 July 2001 strengthens the military and other elements of the New Order. This was indicated two days later, in the MPR’s initial round of voting for a new vice president. Three of the five candidates – Agum Gumelar, Susilo Bambang Yudhoyono and Siswono Yudhoso – were military officers. Together they received 194 of the 613 votes cast, a total several times greater than the number of seats held by the military in the MPR. The eventual winner was the PPP’s Hamzah Haz who had opposed Megawati’s presidential aspirations on the questionable claim that Islam forbids a woman from being the head of a Muslim state.\textsuperscript{22} In one of his first public comments as Vice President, Hamzah praised the New Order and the military for dealing firmly with communists. Military officers hold key ministries in Megawati’s cabinet, including political and social security, internal affairs, regional autonomy, intelligence and transportation. Political party bosses and military leaders spent months negotiating deals before unseating Wahid. The military has successfully tested a seemingly democratic way to ensure a weak and dependent president. The murder and intimidation of judges and the violent treatment of democratic dissent since Megawati’s accession suggest that the New Order continues.

\textsuperscript{18} SCTV Liputan Enam [Six o’clock Report], broadcast at 18:00 on 23 July 2001.

\textsuperscript{19} ‘MA Tolak Bubarkan Golkar’ [Supreme Court Refuses to Disband Golkar], Surabaya Post, 31 July 2001.

\textsuperscript{20} ‘Hakim Agung Tewas Ditembak’ [Chief Prosecutor Shot to Death], Surabaya Post, 27 July 2001.


\textsuperscript{22} While Islam is the majority religion, Indonesia is not an Islamic state.

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