# INDONESIA

## THE SECURITY ENVIRONMENT

Indonesia is a multi-ethnic, pluralistic society still in the process of nation build-ing. As such, internal threats to unity and the social order have usually figured more prominently in its strategic and security calculations than for many of the other member countries of the ASEAN Regional Forum (ARF). Internal disorders can be visualized as occupying a spectrum of dangers, beginning with the most subtle and progressing to brutal direct threats to national survival. They may be entirely of domestic origin or linked to external sources of threat, either through the action of worldwide processes such as globalization or through the deter-mined actions of hostile states.

In recent years, there have been both positive and negative developments in the internal security picture. Separatist movements, such as East Timor's Fretilin, the Free Aceh Movement, and the Free Papua Movement are more isolated internationally and have lost momentum in the field. None today seriously en-dangers Indonesia's physical integrity. On the negative side, however, ideologi-cal cleavages within Indonesian society remain significant and, with economic development, there is greater social pluralism. Some Indonesians regard this as inevitable and healthy in the longer term, but others worry deeply that pluralism may lead to conflict and a rupture in national unity. President Suharto has made some efforts to democratize the country, but he and his government have be-come increasingly concerned about direction of the public debate these efforts have spawned.

Despite effective rule since 1966, political stability cannot be taken for granted and remains the greatest challenge for the Indonesian government. Its legitimacy rests heavily on a satisfactory pace of economic development. But as many Indonesians note, the very process of market-oriented economic development ensures that its gains are not uniformly spread either geographically across the archipelago or across the various social strata, placing stress on social stability. In recent years, Indonesia has experienced increasing violence in the cities, including a labor riot in Medan, fishermen running amok in Langkat, arson in Dili (East Timor), and ethno-religious conflict in Situbondo (East Java), Tasikmalaya (West Java) and Singkawang (West Kalimantan). This may indicate a lack of faith in peaceful means of solving social issues.

The Armed Forces (Angkatan Bersenjato Republik Indonesia or ABRI) traditionally regarded left and right extremists (communists and Islamic fundamentalists) as the principal internal enemies with outside sympathy and support. Today these forces continue to be considered as threats although with decreasing frequency. But new external threats have joined them, such as foreign (and domestic) media and the forces of economic globalization. These forces are often seen as magnifying and spotlighting the social stresses associated with development and weakening the people's traditional values and respect for authority, thus endangering national unity. The exact nature of such linkages are not always clearly demonstrable, but the notion of potential dangers from such sources does have a powerful impact on governmental thinking and actions.

Prominent in Indonesia's security response is the concept of national resilience, that is, a nation's overall capability to ensure internal stability and thus security of external interference in all aspects of national life. The philosophy is that deterrence does not necessarily depend upon the size of military forces, but on the knowledge that internal unity is strong and that the aggressor would face resistance from all of the Indonesian people.

Externally, Indonesia's perceptions of threat emphasize the danger of possible interference rather than direct attack or invasion. This could be invited by domestic instability and conflict or instability and conflict in Indonesia's region. As a result, Indonesia's vital national interests are immediately linked to those of its Southeast Asian neighbors. In Indonesian thinking, the nations of the region would be able to avoid external interference if they promote their individual national resilience and cooperate to promote collective regional resilience. Regional resilience is not simply the sum of national resilience efforts, but requires mutual trust and respect as well as adherence to commonly accepted rules or codes of conduct and behavior.

The primary specific external security concern for Indonesia is China. Like many others in Southeast Asia, Indonesians are uncertain about political developments in China, and China's longer-term role and intentions in Southeast Asia. That country's claims to the Spratlys and its improving relations with Myanmar are viewed as a reflection of deeper ambitions to exercise influence over the region. Nevertheless, China is not regarded as a likely source of a military threat for the foreseeable future. More likely, although certainly not inevitable, are limited conflicts within the Spratlys or border disputes with other Southeast Asian countries. The crucial challenge is whether China will behave according to the accepted regional and international rules of the game.

Increased attention has been given to other forms of domestic and external threats—the theft or spoilage of maritime resources by illegal poachers and commercial shipping, piracy, smuggling, and illegal immigration. These are hardly new, but Indonesia has had only limited capabilities to cope with them. As Indonesia develops, expectations are growing that it must effectively protect its resources and ensure compliance with its laws. Such issues can be anticipated to become of greater concern in the future.

## DEFENSE POLICIES AND ISSUES

**Basic Strategy.** In line with the emphasis on domestic stability at home and within its region, Indonesia has developed a concept of self-reliance ("national and regional resilience") based on a strategy of "stability in depth" or "layered stability." In practice, this is a strategy of concentric lines of defense in which the bastion of national resilience represents the inner layer and the regional and global security regimes represent outer layers. In the absence of multilateral regional defense arrangements, regional stability is to be sought through the development of a web of bilateral cooperative arrangements with neighboring states. This strategy is sometimes known as the "spider web" pattern of security.

The basic premise in implementing Indonesia's security strategy is not a balance of power but a balance of interest. This premise encourages the cultivation of dialogue among nations in maintaining regional peace. The experience of ASEAN, which has moved toward becoming a regional security community, may be applicable to the broader Asia Pacific region.

**Defense Doctrine.** Indonesia's defense doctrine in peacetime is aimed at securing a favorable national and global environment conducive to economic growth and prosperity. Indonesia pursues this outcome through its foreign and defense policies and through developing and maintaining the military capabilities deemed necessary to support foreign policy objectives, to deter aggression, and to defend the nation's sovereignty and interests if necessary.

Defense doctrine consists of three vital elements:

- The role of the people is foremost in the conduct of war; thus doctrine must be based on a concept of total people's defense or resistance in which guerrilla strategies complement conventional capabilities.

- Whatever the cost, the territorial unity and integrity of the Indonesian archipelago must be protected, and thus doctrine must conceive of Indonesia as a single political, socio-cultural, economic and defense entity.

- The armed forces (ABRI) have a dual leadership function as both a military and a socio-political force.

Developments in recent years, including the end of the Cold War, have not invalidated the total people's defense doctrine; this first element has been strongly reemphasized. However, there have been interesting changes with respect to the second element. Territorial integrity and unity have been given increasing prominence, as this concept embraces the national archipelagic outlook requiring protection of Indonesia's Exclusive Economic Zone (EEZ). This has implications for Indonesia's procurement programs.

The scope, as regards the third element, of the formal role of the Armed Forces in the socio-political sphere has also become a matter of debate in recent months although the principle of this role is not in question. Over the years, this role has been given a constitutional and legal basis through legislation. But recently ABRI itself seems to be redefining its position, more as a motivating force than as a leading and guiding one in socio-political development. Symptomatic of this new direction, the President announced that the number of ABRI in the Parliament and Consultative Assembly would be reduced from 100 to 75 seats, the same number it had prior to 1987.

Two factors may be behind this new direction: the increased pressure for the development of civil society, and the rise of a younger generation in ABRI who emphasize the professional military role rather than the political role. Some in ABRI regard it as quite natural that ABRI's socio-political activities would be reduced, with its demonstrable success in promoting the institutionalization and smooth functioning of the political system. This gradual shift of emphasis in the dual leadership function of the ABRI will have no significant consequence for Indonesia's external defense posture nor for the regional balance of power.

**Military Modernization.** Even during the Cold War, Indonesia's military spending was very low considering the size of the country. It ranks 121st in military personnel per capita, by far the lowest in the ASEAN region. In the past five years, military spending has been less than 1.6 percent of Gross Domestic Product. Active military personnel number only 275,000 (excluding 174,000 police), down from 365,000 in the mid 1970s. Indonesia's relatively secure external environment, accompanied by the decreased internal threat, help account for this lack of emphasis on the military. However, in 1995, the military budget increased from $2.3 billion to $2.6 billion with procurement rising from $530 million to $600 million.

The new challenges for Indonesia are to defend its vast maritime area and increase its ability to control illegal activities in its territory. Indonesia's security

establishment may also regard the future Chinese security role in the region, above all its nuclear modernization program, as another important challenge. These emerging challenges make it quite logical that Indonesia should shift toward a more conventional military posture. Future arms acquisitions will be designed to strengthen conventional capabilities, especially in naval and air defense, to strengthen Indonesia's ability to deny access by hostile forces.

This is reflected in Indonesia's acquisition of arms and weapons systems, which included the purchase of 39 German corvettes and commitments to buy 50 British–designed Scorpion tanks and former East German troop transport and other vehicles. The government is also considering a purchase of 30 or 40 F–16s from the United States. These purchases, however, are moderate compared to the sophisticated air defense systems being purchased by ASEAN neighbors Malaysia and Singapore. In comparison to these countries, Indonesia's geography and attention to people's defense gives it greater strategic depth and less need of a preemptive defensive capability.

Threat perceptions are not the only factor affecting military purchases. Other influences include support for local defense industries and financial capabilities. After the collapse of oil prices in the early 1980s, Indonesia's defense modernization was severely curtailed, and despite a current growth rate of 6.5 percent per annum, economic constraints will continue to operate to slow military modernization. While Indonesia will support the development of its local defense industry, for the foreseeable future this will not result in the acquisition of weapons destabilizing to the regional environment. Despite considerable effort to develop an aircraft industry, only a civil airplane, the CN 235, has so far been produced.

The next round of purchases and/or domestic production will focus on air defense equipment and more combat-capable ships and maritime aircraft. This is a part of the longer-term plan to establish an archipelagic sea denial capability and become a regulator of the Southeast Asian maritime crossroads. So far, ABRI defense acquisitions have been very pragmatic. With its emphasis on internal security, the Wawasan Nusantara (Archipelagic Outlook) is more important as a doctrine for unifying the country than as a doctrine underpinning a blue-water strategy.

## CONTRIBUTIONS TO REGIONAL AND GLOBAL SECURITY

There is a strong belief in Indonesia that in the post-Cold War environment the countries of various regional and subregions should bear the primary responsibility for the peace, security and stability of their respective regions. As explained above, Indonesia's primary interest and responsibilities lie in ASEAN

and Southeast Asia more generally. Indonesia has promoted regional resilience through a deepening of relationships among the ASEAN members on economic and social issues, producing dense and durable ties that have significantly lowered the chances of armed conflict in Southeast Asia. Over the years, Indonesia has sought to defuse potential conflicts within ASEAN, such as the Malaysia-Philippine dispute over Sabah. Indonesia's commitment to a good neighbor policy has special significance for Malaysia, Singapore and Brunei, once all targets of Indonesia's aggressive confrontation policy. Indonesian membership in ASEAN remains a form of reassurance to these neighbors.

In the past several years, stability at home has encouraged Jakarta to become more interested in security relations beyond ASEAN. Having worked hard during the past six years to strengthen their once turbulent relations, Indonesia and Australia signed a security agreement on December 18, 1995. This agreement, having treaty status, commits the two countries to consult if either or both is adversely challenged and to consider joint responses. It promotes security cooperation and establishes ministerial consultations on common security interests. Both Jakarta and Canberra agree that the agreement is not a military alliance. Since the two countries were already cooperating in joint military exercises and military exchange programs, many see the agreement mainly symbolic.

In the past, Indonesia played a role in ending the Cambodian conflict. Current priorities are the South China Sea and the Korean peninsula. In the South China Sea, Indonesia is a broker, having established a dialogue involving rival claimants to the small islands there. In the last two years, it appeared that Indonesia might itself become a party to the disputes in this region as Chinese descriptions of their claims in the South China Sea appeared to infringe upon Indonesia's Natuna gas field, the subject of a $40 billion deal between the Indonesian state oil company and Exxon Corporation. Indonesia queried China about the maritime boundaries of its claims (there are no land forms in the area of potential overlap) and received a "verbal" guarantee that the field does not figure in the Chinese claim.

While the Korean peninsula is much farther afield, Indonesia has maintained relations for many years with both Korean governments. South Korea is now the fourth largest source of foreign investment for Indonesia as well as an important trading partner. As a signatory of the Nuclear Non-Proliferation Treaty, Indonesia has been concerned about the effects on regional stability should a breach of that regime occur. It also sees in the Korean peninsula the potential for a destabilizing arms race and augmented large power tensions in an area that has historically been a bone of contention among the larger Northeast Asian powers.

Both could spread and envelop Southeast Asia, damaging Indonesia's currently quite benign external security environment. To contribute to stability and non-proliferation in the Korean peninsula, Indonesia became the first ASEAN member of the Korean Peninsula Energy Development Organization (KEDO) and donated heavy fuel oil to the organization.

Indonesia's sponsorship and leadership of the ASEAN Regional Forum reflect the general support within the foreign policy establishment of increased regional security consultation and cooperation. It is recognized that global and regional cooperation are required to identify military build-ups, the proliferation of weapons of mass destruction, and other serious threats to peace and stability. Preventive diplomacy requires confidence or trust–building measures. Arms registers and other forms of transparency are practical means of implementing these concepts.

In 1995, the Department of Defense published a White Paper that assesses the changing strategic environment and outlines defense and security policy, defense posture, development programs, and the role of the military in national development. This is an important step, as the military historically favored secrecy as an important element of strategy. Despite some reservations about a regional arms register, Indonesia also supports the United Nations Register of Conventional Arms. It can be expected to support regional security consultations and the gradual implementation of enhanced confidence-building measures.