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## REFORM AND MODERNIZATION OF THE INDONESIAN FORCES

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Between 1966 and 1998 senior members of the Indonesian military were appointed to legislative and administrative bodies and occupied key positions in the bureaucracy as well as in state-owned corporations. They also held a number of legislative seats in the parliament and influenced the government-supported party GOLKAR. Since 1998, however, a process of democratization has led to a greater civilian control of the armed forces. The study focuses on this process as well as on the external challenges faced by the Indonesian armed forces.

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## The role of the armed forces

After 1998, when Suharto resigned from the presidency, the Republic of Indonesia enacted reforms aimed at making the country a democracy. This process involved the whole of society and the political system as well as the institutions and the organs of the state, and primarily the armed forces<sup>1</sup>.

As a matter of fact, the military played a very remarkable role during the so-called New Order regime (1966-1998), founded after the attempted coup of September 30, 1965 when the armed forces destroyed the Indonesian communist party and eliminated the influence of the old political organizations such as the nationalist and Islamic parties. In the second half of the Sixties the military, under the leadership of general Suharto, began to build a new authoritarian system grounded on the so-called “dwi-fungsi”, the double function: since then, and for three decades, the ABRI (*Angkatan Bersenjata Republik Indonesia*, the Indonesian Armed Forces), have been involved not only in defence matters but also in non-military activities.

Throughout this period senior members of the military – both retired and active – were appointed to legislative and administrative bodies and occupied key positions in the bureaucracy as well as in state-owned corporations. Thanks to the electoral laws of 1969, the armed forces held a number of the legislative seats in the Indonesian parliament (the *Dewan Perwakilan Rakyat*, People’s Representative Council) and were able to influence the government-supported GOLKAR party. Further more, the territorial command structure of the army paralleled the civil organization from cabinet down to village level, so the regime facilitated surveillance of the whole society by monitoring the activities of political parties, trade unions and ethnic or religious groups, including the control of paramilitary units useful as unofficial means to strike at and undermine all potential opposition. Last but not least, the strength of the armed forces as an institutional actor, and the lack of adequate budgetary

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<sup>1</sup>Emmerson, D. K. (Ed.), *Indonesia beyond Suharto. Polity, Economy, Society, Transition*, Armonk: Sharpe, 1999; Crouch, H., *Wiranto and Habibie: Civil-Military Relations since May 1998*, in Budiman, A., Hatley, B. and Kingsbury, D. (Eds.), *Reformasi: Crisis and Change in Indonesia*, Clayton: Monash Asia Institute, 1999, pp. 127-48; Shiraishi, T., *The Indonesian Military in Politics*, in Schwartz, A. and Paris, J. (Eds.), *The Politics of Post-Suharto Indonesia*, New York: Council on Foreign Relations, 1999, pp. 73-86; Alagappa, M. (Ed.), *Coercion and Governance: The Declining Political Role of the Military in Asia*, Stanford: Stanford U.P., 2001; Rabasa, A. and Haseman, J., *The Military and Democracy in Indonesia: Challenges, Politics and Power*, Santa Monica: RAND, 2002; Kingsbury, D., *Power Politics and the Indonesian Military*, London-New York: Routledge-Curzon, 2003; Mietzner, M., *Military Politics, Islam, and the State in Indonesia: From Turbulent Transition to Democratic Consolidation*, Singapore: ISEAS, 2009; Crouch, H., *Political Reform in Indonesia After Suharto*, Singapore: ISEAS, 2010.

support from the government, allowed the military to undertake business activities and defend the principle of unit self-sufficiency in terms of financial resources: the importance of these economic interests (typically in the logistics sector) often led the military to get involved in profiteering and embezzlement, in the context of typical crony capitalism<sup>2</sup>.

### Military reforms

In Indonesia after 1998 military reforms were implemented under intense pressure from human rights activists and the urban intellectual elite calling for a full democracy. Hence, the fall of Suharto and the beginning of a reformist phase led to creating new civil-military relations with the intent of establishing democratic and civilian control of the armed forces. In the summer of 1998, the military leadership was divided over policy to address the country's changing political scene and, in the difficult context of the regime's crisis, a group of officers who were bent on reforms aimed at disengaging the armed forces from a direct involvement in the social, economic and political sphere prevailed. In a seminar held in late September 1998 in Bandung the so-called "New Paradigm" was formulated according to which the military must be neither in the forefront of national politics nor seek to occupy political positions, but rather should influence the decision-making process.

The elite of the armed forces then accepted to carry out internal reforms such as separating the police from the military's chain of command and liquidating political departments within the army structure. Equally important were the withdrawal of military representatives from the legislatures and the restriction of officers from appointments to civil offices. In more political terms the armed forces had to cut formal ties with GOLKAR (in the past, territorial commands had been used to protect the ruling party and boost its electoral gains), and adopt a more neutral stance during national elections. The high command itself also managed to depoliticise military officers and reinstitute professionalism within the establishment. The turning point was the decision on 1 April 1999 to

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<sup>2</sup> D.S. LEV, "The political role of the Army in Indonesia", in *Pacific Affairs*, XXXVI, no. 4, pp. 349-64; H. CROUCH, *The Army and politics in Indonesia*, Ithaca, Cornell U.P., 1978; U. SUNDHAUSSEN, *The Road to Power: Indonesian Military Politics, 1945-1967*, Oxford-Kuala Lumpur, Oxford U.P., 1982; D. JENKINS, *Suharto and His Generals. Indonesian Military Politics, 1975-1983*, Modern Indonesia Project, Ithaca, Cornell University, 1984; L. SURYADINATA, *Military Ascendancy and Political Culture: a Study of Indonesian Golkar*, Athens, Ohio University Center for International Studies, 1989; R. LOWRY, *The Armed Forces of Indonesia*, St. Leonards:Allen and Unwin, 1996; F. MONTESSORO, *The Rise of the Indonesian Armed Forces*, in A.C. Lavagnino, C. Molteni e F. Montessoro (Eds.), *Reflections on Asia. Essays in honour of Enrica CollottiPischel*, Milano, FancoAngeli, 2003, pp. 165-188.

create a police force (*Kepolisian Negara Republik Indonesia*, POLRI) separate from the other corps of the military, giving up direct control of internal security matters. At the same time, the ABRI was renamed *Tentara Nasional Indonesia*, TNI, Indonesian National Armed Forces<sup>3</sup>.

Further attempts at military reform were reflected in a document published in 2001 (*The Role of TNI in the 21st Century*) in which the commitment to national defence was stressed by developing an overall warfare doctrine aimed at defending state sovereignty and territorial integrity and leaving out the maintenance of public order. In 2002 an act was adopted about the purpose and core values of state defence. This document dealt among other things with the institutional relationship between the armed forces and the Ministry of Defence, and the authorisation of the use of force and the oversight of Parliament. In 2004 it was agreed that the military must be deployed in less stable areas and in border regions, avoiding a structure corresponding to civilian bureaucracy or tied to political interests. At last, in 2009, a law was approved concerning the take-over of military businesses by the government. In this process the first civilian Ministers of Defence have played a leading role: Juwono Sudarsono promoted the concept of “minimum essential forces” for the TNI’s development; Mahfud M.D. and Matori Abdul Djilil enacted the two main laws on national defence; Purnomo Yusgiantoro rebuilt Indonesia’s strategic industrial capacity.

The transition from authoritarian rule to democracy entailed civilian control over the armed forces in order to weaken the military’s influence on post-authoritarian institutions<sup>4</sup>. This process was difficult owing to, on the one hand, the lack of a democratic framework and an adequate system of checks and balances and, on the other, the political elite’s inability to implement its decisions through the military bureaucracy: in Indonesia the Defence Department, although staffed with civilian officials, was still dominated by the military, which was determined to hinder the reforms by taking advantage of a certain degree of bureaucratic inertia. Besides, at least from 1999 to 2004, some politicians did not refrain from appealing to

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<sup>3</sup> The two main documents on the separation of the Police from the armed forces are MPR-RI Decree no. VI/2000 on Institutional Separation of TNI and POLRI and MPR-RI Decree no. VII/2000 on the Role of TNI and POLRI. See also Y. CHRISNANDI, *Post-Suharto Civil-Military Relations in Indonesia*, RSIS Monograph no. 10, Singapore, S. Rajaratnam School of International Studies, 2007; T.S. Hafidz, *Fading Away: The Political Role of the Army in Indonesia’s Transition to Democracy, 1998–2001*, RSIS Monograph no. 8, Singapore, S. Rajaratnam School of International Studies, 2006; J. HONNA, *Military Politics and Democratization in Indonesia*, New York: Routledge, 2003.

<sup>4</sup> J.P. ATE, *The Reform of the Indonesian Armed Forces in the Context of Indonesia’s Democratisation*, Shedden Papers, Canberra: Centre for Defence and Strategic Studies, 2010, pp. 7-9.

the leadership of the armed forces in order to get the support of a still powerful institution (or of the military's conservative factions). In the turmoil of the transition, the militias of some political parties and radical groups, often linked to the military, were mobilized against their opponents to attain specific goals. After the fall of the Suharto regime, these militias, sometimes directed by opposing factions of the armed forces, became a characteristic of Indonesian politics, contributing to the violence and the instability of that period.

Although this process was not completed 'till 2009 – owing to many legal and institutional loopholes –, the transition went on with the calling of national elections in 1999 and the successive institutional reforms of 2001-2004, allowing for greater democratic control of the military and the transformation of the whole security sector to ensure better inner and external safety conditions.

### **Outline of Indonesia's strategic modernization**

Besides democratic and civilian control, another problem of the Indonesian armed forces has been its modernization. It is doubtful that actually the TNI could carry out its missions as its force posture is deemed far below the minimum necessary to defend state sovereignty and territorial integrity, especially in Indonesia's surrounding seas: the Indonesian archipelago includes more than 13,000 islands stretching over two million square kilometres.

The Indonesian armed forces – for a long time involved mainly in domestic security to quell communal and religious violence as well as armed insurgencies in Aceh province and in West Papua, and to counter Islamic terrorism – remain ill prepared to face external threats and now have a pressing need to replace many old military platforms and improve the standard of readiness and professionalism in all services. Indeed, the weakness of Indonesia's strategic modernization is perhaps rooted in the “total people war” doctrine of the earlier struggle for independence from the Netherlands (1946-49), which implies the supremacy of the army and concern for territorial control.

The possibility of conflicts with some neighbours, such as Papua New Guinea, Malaysia or China, is currently low because a land invasion is unlikely at least for the next ten to fifteen years, but Indonesia has begun to express a certain uneasiness about the security of its territorial waters and the safety of vital sea lanes, mainly the Straits of Malacca, Sunda and Lombok. So this issue remains a high priority task for Indonesian armed forces, which have difficulty in controlling littoral approaches and air space. Beijing's claims in the South China Sea, for instance, are a real concern for Indonesia, which in 2010 was involved in an incident with

Chinese patrol boats off the Natuna islands. Jakarta also has territorial disputes with Singapore, the Philippines and Kuala Lumpur over some islands claimed by Malaysia. Moreover, Indonesia faces new maritime security challenges such as piracy, smuggling and other forms of illegal trafficking that are growing in the region.

Indonesia needs military capabilities such as sea and air combat forces, missile defence, and above all modern systems of command, intelligence, surveillance and reconnaissance that are lacking or seriously inadequate<sup>5</sup>. It seems that present defence procurements do not boost the TNI's capacity to deter and respond to military aggression. Indonesia's ability to link its foreign policy objectives and the armed forces' strategic role has so far been limited. But, since Jakarta's potential power is expected to increase thanks to coherent economic growth in the last ten years, it is necessary to think about what role in the near future the military should play in relation to country's regional and global policy. As Indonesia is without an expansionist foreign policy, the TNI must develop a sound maritime strategy in connexion with control of Indonesian territorial waters and its 200-nautical-mile "Exclusive Economic Zone"<sup>6</sup>.

### **The financial basis of modernization**

An important challenge for the modernization of the Indonesian military is budget's policy. The government has always provided insufficient funding to its military, which as a consequence lacks satisfactory resources for equipment, armament and personnel welfare. Besides, much of the defence budget consists of personnel costs and expenditure for maintaining armaments and military facilities, while the proportion of defence procurements only amounts to a third of total spending. Moreover, the leadership of the armed forces has shown no particular interest to either soldier welfare or in increasing investments in modern equipment. In the past ten years, Indonesia has increased the size of its defence budget but still suffers from an economic gap between actual expenditure and parliamentary budget proposals, and from a latent inefficiency in its defence spending patterns<sup>7</sup>. It is relevant that in the years from 2003 to 2012 the Indonesian defence budget has remained below one per cent of Gross Domestic Product, from 0.99% in 2003 to 0.86% in 2012<sup>8</sup>.

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<sup>5</sup> J. BRADFORD, *The Indonesian Military as a Professional Organization: Criteria and Ramifications for Reform*, Singapore: Institute of Defence and Strategic Studies, 2005.

<sup>6</sup> B. SINGH, *Civil-Military Relations in Democratizing Indonesia: The Potentials and Limits to Change*, Canberra Papers on Strategy and Defence, no. 141, Canberra, Strategic and Defence Studies Centre, Australian National University, 2001.

<sup>7</sup> J.P. ATE, *The Reform of the Indonesian Armed Forces*, cit., pp. 10-11.

<sup>8</sup> International Institute for Strategic Studies, *The Military Balance*, London, Routledge, 2005 to 2010.

Indonesia's defence spending (7.74 billion dollars in 2012) is particularly low when the size of the armed forces is compared to that of other regional actors<sup>9</sup>.

Even the maritime and air sectors, reputed to be of primary importance for defence purposes in the strategic discourse, are not well funded. Indeed, in the last ten years there has been no change in the capabilities of the Indonesian navy and air force compared to Indonesia's more assertive partners in Southeast Asia (and to China, Japan, Australia and South Korea). The so-called "green water" navy project, with its planned 274 new ships by 2024, is probably too ambitious in light of the real data of only 65,000 personnel, poor expertise and permanent financial constraints that make this modernization program unreliable<sup>10</sup>. The upgrading of the Indonesian air fleet appears equally unlikely due to insufficient funding<sup>11</sup>. In recent years, both the navy and air force got a lesser share of the defence budget, with an average of 15% and 11% respectively, compared to the army, by far the larger service with manpower of 233,000 (more than 75% of the three services)<sup>12</sup>. In any case, the funds available to the army cannot really boost its modernization, owing to its size and its large territorial troop deployment into 12 regional commands spread across the country. The existent modernization projects concerning the army are aimed at developing rapidly deployable units equipped with tanks and combat vehicles; this would require airborne capability and good logistics to protect the so-called "outer islands" off Java, and the archipelago's broad periphery<sup>13</sup>.

By and large, it could be argued that the success of Indonesia's military modernization is linked to government's ability to ensure well-equipped and more professional armed forces, to strengthen the industrial national defence base so as to reduce heavy reliance on more than twenty different countries – a dependence that has made Indonesia extremely vulnerable to arms embargoes. In addition, the success of modernization lies in the civilian control of the armed forces (and in solving the issue of its business activities), though this is unlikely due to the inertia that prevails within. Indonesia's new parliamentary institutions and their indifference to develop expertise in defence matters.

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<sup>9</sup> B. SCHREER, *Moving Beyond Ambitions? Indonesia's Military Modernisation*, Barton: Australia Strategic Policy Institute, 2013, p. 16.

<sup>10</sup> *Ibid.*, pp. 18-22.

<sup>11</sup> *Ibid.*, pp. 22-23.

<sup>12</sup> R. SUKMA, *Indonesia's Security Outlook, Defence Policy and Regional Cooperation*, Tokyo: National Institute for Defense Studies, NIDS Joint Research Series no. 5, 2010, pp. 12-16.

<sup>13</sup> L.C. SEBASTIAN, and IISGINDARSAH, *Assessing 12-year Military Reform in Indonesia: Major Strategic Gaps for the Next Stage of Reform*, RSIS Monograph no. 227, Singapore, S. Rajaratnam School of International Studies, 2011.

Reform has brought about the transformation of the Indonesian armed forces from a military corps with a political function into a military institution accountable to a democratic society. The TNI has adapted well to democracy and, while still far from being marginalised from the political arena, its prerogatives have been considerably reduced and it has lost its direct influence on society. Yet, there remain some issues that could hamper reform, such as the inadequate relations between the armed forces and other institutions and the slow pace of Indonesia's democratic reform programme.