INDONESIA’S DEMOCRATIC TRANSITION:
PLAYING BY THE RULES

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I. Introduction

In a process that began in July 1997, Indonesians have created but not yet consolidated a democracy. The turning point or defining moment of the transition was the June 7, 1999 election for Parliament (Dewan Perwakilan Rakyat, People’s Representative Council), the first democratic general election in Indonesia in nearly half a century. Subsequently, on October 21 and 22, 1999, a new president and vice-president, Abdurrahman Wahid and Megawati Sukarnoputri, were elected by the 695-member People’s Consultative Assembly (Majelis Permusyawaratan Rakyat), a body comprising 462 elected and 38 appointed members of Parliament from the armed forces plus 130 indirectly elected regional delegates and 65 appointed representatives of a variety of social groups.

The presence of appointed Parliament and Assembly members, particularly the 38 armed forces’ delegates, means according to most scholarly definitions that Indonesia is not yet a full democracy. However, the genuinely democratic quality of the parliamentary election, in which 79% of registered voters chose among 48 political parties after a well-publicized campaign largely free of authoritarian constraints, together with almost complete acceptance of the rules of the presidential/vice-presidential selection process, indicate that the threshold from democracy to authoritarianism has been crossed.

The transition was marked by three successive moments of decision, crises or challenges that were faced by elite actors, including civilian and military government officials plus party and societal leaders, that will be discussed in Part III of this paper. These were: (1) the challenge to Suharto’s personal leadership created by the economic
crisis that began in July 1997; (2) the regime legitimacy crisis following Suharto’s resignation on May 21, 1998; and (3) the challenge to elect a president in the People’s Consultative Assembly after the June 1999 general parliamentary election.

In 1997 the principal actors were President Suharto, top military officers, and the leaders of forces in society opposed to Suharto’s military authoritarian New Order, which had then been in power for more than three decades. In 1998 the actors were B. J. Habibie, Suharto’s vice-president who became president when Suharto stepped down, military officers, and leaders of the opposition forces that had just succeeded in overthrowing Suharto. In 1999 they were the leaders of the five electorally most successful political parties (three from the New Order, two newly created) and military officers.

The resolution of each of these crises had a positive impact, in the sense that Indonesia moved step by step toward democratization. Several factors undoubtedly played a role in resolving each of the crises and in determining the final democratic outcome. These included the democratic predisposition of many members of the elite (both inside and outside the government) and mass actors, the manifold weaknesses and tactical mistakes of Suharto, Habibie and their allies, and the actions of the United States and other foreign governments and international institutions.

In this paper, however, I want to focus on just one exceptional factor: the acceptance of and use made by elite actors of the Constitution of 1945, which has been in effect since 1959 and was skillfully employed by both Presidents Sukarno and Suharto to structure and legitimize their authoritarian regimes. The current elite’s use of the constitution served two positive transition-related ends, one more or less consciously in the minds of many of the actors and the other an unintended outcome of their interaction within its procedural and institutional framework. The conscious goal was manageability or reduction of uncertainty and fear through providing institutionalized “mutual guarantees” to government and opposition forces. By maintaining a set of familiar rules in a time of great turmoil, the contestants for power could more easily predict and therefore respond appropriately to each other’s behavior during the successive crises. They also were reasonably certain that they would not be arrested or killed.
The unintended outcome was the heightened probability of a powerful democratic executive, that is, an elite and popular acceptance of the presidency as the central governmental decision-making institution plus sufficient political support for the newly elected president to enable him or her to govern the country effectively. A strong, and if possible democratic, political center is a necessity for a huge archipelagic country as divided along as many lines—ethnic/regional, religious, and social class—as is Indonesia.

The 1950-57 parliamentary system, the country’s one previous attempt at democracy, provided representation across virtually the whole range of Indonesian political diversity, but was unable to create a strong and stable center. Prime ministers and cabinets rose and fell at the rate of more than one per year during this period. From 1959-1965, President Sukarno’s personalistic authoritarian Guided Democracy promised but did not deliver a strong center. President Suharto’s military authoritarian New Order regime, in power from 1966 to 1998, was the mirror image of the parliamentary democracy of the 1950s: a powerful and stable center capable of formulating and implementing policy but without democracy and with only limited and controlled representation of group interests outside the state.

In 1999, a new foundation for a strong but democratic center may have been laid. This was accomplished by a political elite acting through the mechanism of indirect election of the president by the Assembly, the great majority of whose members had been elected in Indonesia’s first genuinely democratic parliamentary election since 1955. This outcome increases the probability that the new government will be relatively more democratic, effective, and stable than its predecessors. It does not, however, by itself resolve several other daunting challenges, including the threat of national disintegration, economic stagnation or even decline, corruption, and religious conflict.

II. The Constitution of 1945 Under Sukarno and Suharto

The Constitution of 1945 is the predecessor and successor to the democratic Constitution of 1950, under which Indonesia was governed as a parliamentary democracy for most of the 1950s. It was written in the last few weeks of the 1942-45 Japanese occupation by the Preparatory Committee for Indonesian Independence, a Japanese-
sponsored body consisting mostly of older Indonesian nationalist leaders who were also collaborators.  

Though promulgated on August 18, 1945, one day after the declaration of independence, it was never fully implemented during the 1945-49 revolutionary period. Its original purpose was to provide Sukarno, Indonesia’s preeminent nationalist leader and about-to-become first president, with sufficient authority and maneuverability to defend the new nation-state against its enemies, particularly the returning Dutch colonial ruler. Within a few months, however, pressure from leftists and revolutionary youth groups forced its replacement by a de facto parliamentary system that constrained the powers of the president and allowed for more broadly-based power sharing.

Because of the haste with which it was composed, and the intention to create a strong presidency, the 1945 Constitution is incomplete and vague. There is no mention of how members of Parliament or the Assembly are to be chosen. The article on the Assembly says only that it “shall consist of members of [Parliament] augmented by delegates from the regions and groups in accordance with regulations prescribed by statute.” Indeed, seventeen articles or sub-articles (out of a total of 65), including that on “freedom of association and assembly, of expressing thoughts and of issuing writing and the like” say only that the subject “will be prescribed by statute.”

The Constitution of 1950, modelled on the Netherlands’ parliamentary constitution but with a president instead of a monarch as head of state, was intended to be temporary until a constitutional convention, elected in 1955, could write a new one. Despite the formal change, there was considerable continuity in practice between the new constitution and the de facto arrangement that had evolved after 1945. Parliamentarism, first de facto and then de jure, meant a multi-party system, cabinet government under a prime minister, and a ceremonial president.

In 1959, President Sukarno, with support from the armed forces, unceremoniously dissolved the constitutional convention, whose members had stalemated over the secular versus Islamic state issue, and decreed a return to the Constitution of 1945. He argued that Indonesia needed a strong executive, democracy with leadership or “guided democracy” (demokrasi terpimpin), to resolve deep conflicts of religion,
ethnicity/regionalism, and social class that had immobilized Parliament and the convention and were threatening to break up the country.  

The 1945 Constitution does in fact place predominant authority in the hands of the president, who is elected for a five year term by the Assembly and is eligible for reelection. While the president must obtain the agreement of Parliament to proposed legislation, he or she is not responsible to that body as is a prime minister in a parliamentary system. The president, again with the agreement of Parliament, “declares war, makes peace, and concludes treaties.” The president has the sole right to appoint ministers, who are not responsible to Parliament, and “holds the highest authority over the Army, the Navy, and the Air Force.” He or she also appoints diplomatic representatives, grants titles, decorations, amnesty, and restoration of rights, and may declare a state of emergency.

A contemporary official *penjelasan* (explication or elucidation) of the constitution stresses at some length (and in a defensive or apologetic tone) that the president is not all-powerful, but is instead checked by Parliament and the Assembly, and even by his or her own ministers. Parliament can not be dissolved by the president. Its members are all concurrently members of the Assembly, which “exercises in full the sovereignty of the people.” All laws, including the annual state budget, must be approved by Parliament. While the president has the right to make government regulations on an emergency basis, these must be approved by Parliament at its next session. Ministers are “not ordinary high-ranking civil servants…. [but rather] Leaders of the State.”

Whatever the intention of the framers, the use to which Sukarno put the 1945 Constitution was as a scaffold for constructing a regime of personal authoritarianism. In fact, Sukarno did not succeed in becoming a full-fledged dictator. For the six years in which he ruled under the 1945 Constitution, 1959-1965, he was dependent for political support first on the national armed forces leadership and then on the communist party. The generals’ backing was crucial for dissolving the constitutional convention and for combatting regional rebels in the late 1950s; in the 1960s the communist party mobilized the masses in support of Sukarno’s campaigns against continued Dutch control of West Irian (then generally known as Netherlands New Guinea, now as Irian Jaya, perhaps soon
as West Papua) and against the formation of Malaysia out of the former British colonies of Malaya, Singapore, Sabah, and Sarawak.

Under General Suharto, who took power in March 1966, many things changed, but not the way in which the constitution was used. The armed forces, dominated by the army, became the principal base of political power in Suharto’s authoritarian New Order regime, which was at its peak of monolithic, hierarchical control from the mid-1970s to the mid-1990s. Sukarno was deposed and the communist party was banned. Other parties were shunted to the margins and ultimately forced to fuse into two new parties, the PDI (Partai Demokrasi Indonesia, Indonesian Democracy Party) for Muslim syncretists, secularists, and non-Muslims and the PPP (Partai Persatuan Pembangunan, Development Unity Party) for modernist and traditionalist Muslims.

A tightly controlled general election was held every five years. A new corporatist-style state party, Golkar (Golongan Karya, Functional Groups), backed by the civilian bureaucracy and the military establishment, won more than 60% of the vote in each of the six New Order elections. Suharto became a friend, both politically and economically, of the West and Japan, and Indonesia enjoyed an East Asian-style growth rate of over 6% per year for nearly three decades.

The legitimacy of Suharto’s New Order rested on many claimed achievements. These included saving the country from communism, developing the economy, providing stability against separatists and enemies—in the president’s vocabulary—of the left (underground communists), right (militant Muslims) and center (supporters of representative democracy), and—not least—upholding the 1945 Constitution.

The constitution provided an institutional and procedural framework for Suharto’s highly centralized and personal style of rule. At the same time it linked him to the almost sacred 1945-49 revolution for independence, when he had been a second-echelon player as a young army officer, and even to the deposed Sukarno as national founding father and constitutional restorer. Sacralization of the constitution itself began under Sukarno in the 1960s, and was deepened by Suharto, who required all school children to learn his version of national history.

Under Suharto, the Assembly met every five years as required by the constitution to choose the president and vice-president and “set the broad outlines of state policy” for
the coming term. The elected Parliament met annually, again as specified in the constitution, to pass the budget and other bills sent to it by the government. (Under Sukarno, an unorganized authoritarian and an economic illiterate, the government had operated for the most part without a formal budget and a general election for Parliament had never been held.) Government policies, especially those relating to the “development trilogy” of growth, equality, and stability, were also typically justified in terms of their fidelity to the constitution, especially to the famous Five Principles (Pancasila) articulated in its preamble.  

For most of the New Order period, public discussion of constitutional change was taboo, outside the “national consensus” on rules of the game imposed by the regime. Most educated Indonesians seemed to recognize that pro-government propagandists made the constitution mean whatever Suharto wanted it to mean. At the same time they appeared to accord legitimacy, even revolutionary sacredness, to the document itself. Only a few brave souls, such as the human rights lawyer Adnan Buyung Nasution, a perennial thorn in Suharto’s side, dared to suggest that the emperor had no clothes. Writing in 1992, he argued that the 1945 Constitution should be seen as “provisional, as a constitution not yet complete, with clear defects.”

With the growing challenge to Suharto’s power beginning in early 1998, support for the constitution deteriorated rapidly. Nasution’s fringe view became the norm. Many pro-democracy politicians and commentators pointed to the constitution’s weaknesses, including its lack of a bill of rights, its failure to specify general elections as the means for choosing members of Parliament and the Assembly, the odd relationship between Parliament and the Assembly as a kind of super-Parliament or permanent constitutional assembly consisting in part of members of Parliament, and the excessive and unchecked power given to the president. Most foreign observers and consultants agreed with these criticisms.

Among Indonesian elite actors, a new consensus quickly emerged that only the preamble to the constitution, which contains a statement of the most basic national values, including Pancasila, must be preserved intact. Everything else can in principle be replaced. No serious attempt was made, however, by the pro-democracy political elite either to amend or to replace the constitution. Instead, as I have asserted above and will
document in the next section, it became the institutional and procedural framework within which the transition took place.


1997. The first moment of decision was the challenge to Suharto’s leadership and ultimately to the political role of the armed forces, the organizational core of the New Order regime, produced by the East Asian economic crisis of 1997. The fall of the rupiah against the dollar and other foreign currencies, beginning slowly in July, was serious enough by October to bring an International Monetary Fund (IMF) team to Jakarta to offer President Suharto’s government a package of economic assistance in return for policy reforms.

To Indonesia-watchers, specifically to New Order-watchers, this was a familiar scenario. Since the mid-1960s, when he took power in the midst of a massive political and economic crisis, Suharto had repeatedly faced and overcome economic crises, usually with the assistance of international financial institutions and foreign governments. Some of the crises were of his and his cronies’ own making, like the $10 billion unpayable debt incurred by the national petroleum company Pertamina in the early 1970s.

Others were a consequence of openness to foreign commodity markets, such as the collapse of the world oil price in the early 1980s at a time when more than half of Indonesia’s foreign exchange earnings and budgetary revenues were derived from the sale of petroleum products. In each instance, after some initial hesitation, Suharto listened to the advice of foreign bankers, economists, and governments and his own economic advisers—professional economists mostly trained in the United States—and implemented required reforms.

The result was political longevity, because Suharto’s personal legitimacy and that of his regime were heavily dependent upon successful economic development. Development meant a high growth rate, based upon selling to foreign markets, which created the wealth that could be distributed to individuals and groups whose support he sought. Rice farmers, agricultural laborers, urban consumers of subsidized petroleum and foodstuffs, traders who used the new roads and bridges constructed by the government,
children across the archipelago for whom schools and universities were built, all had reason to be grateful to the Father of Development, a title bestowed mid-career on Suharto by the People’s Consultative Assembly. So did most business people, who could operate in a predictable market, and civil servants and military personnel, who enjoyed steady employment and rising incomes. Top bureaucrats and armed forces’ officers, the most loyal and valuable regime supporters, were given many additional opportunities to enrich themselves at the expense of the state and domestic or foreign business.

In 1997, however, Suharto was unable to repeat his earlier successes in overcoming economic crises. He signed agreements with the IMF in October and again in January 1998, but failed to implement them to the satisfaction either of economists or the international currency market. For several months, while the economy continued to erode, he toyed with the idea of creating a currency board, promoted by his daughter Tutut, a prominent businesswoman, but opposed by most knowledgeable professionals at home and abroad.

By March 1998 Suharto’s economic performance-based legitimacy had vanished. The rupiah was trading at more than Rp. 10,000 to the U.S. dollar (compared with Rp. 2,400 in July 1997), most banks and many modern sector businesses were technically bankrupt if not actually shut down; millions of people had lost their jobs; inflation was running at an annual rate of 150 percent; and there were shortages of basic commodities, including medical supplies as well as foodstuffs and common household items.

Despite the gravity of the economic situation, it was by no means clear even as late as March that the president would soon step down. The legitimacy of the New Order, and of Suharto’s personal leadership, was heavily but not entirely dependent on economic performance. Over many decades Suharto had carefully constructed a set of institutions and procedures, based on the 1945 Constitution, designed to provide democratic legitimation for his regime. A parliamentary election—the last of the New Order, as it turned out—had been held in May 1997, producing a massive Golkar victory. Golkar received 74%, while the Muslim PPP won 23% and the syncretist, secular, plus non-Muslim PDI only 3%.\textsuperscript{13}

The 1997 parliamentary election was the first event in a standard sequence, repeated six times over the course of the New Order, that culminated in a session of the
People’s Consultative Assembly in March 1998, at the point when the economy had reached its nadir. Suharto gave his quinquennial “accountability” speech, accounting for his implementation of the “broad outlines of state policy” adopted by the last Assembly session in March, 1993. Suharto and his choice for vice-president, B. J. Habibie, were elected by acclamation for the 1998-2003 term, and the new “broad outlines” were also passed without debate. In accepting the new term, Suharto said pointedly that he expected to be back in March 2003 to make his next accountability speech.

Although the New Order at its peak had been accorded considerable legitimacy both in economic performance and in democratic terms, it was in the final analysis a military authoritarian regime, dependent upon the willingness of its armed forces’ leaders, headed by General (retired) Suharto, to use coercion against its opponents. The regime was born in an anti-communist pogrom that resulted in at least half a million deaths and the incarceration for decades of tens of thousands of leftists. On many occasions thereafter Muslim, student, and other protesters were arrested and jailed, after unfair trials, for long periods. An urban crime wave in the 1980s was countered by special army units who tracked down and killed, vigilante-style, several thousand criminals.

From the mid-1990s religious- and ethnic-based violence escalated in many parts of the country, and so did the use of armed forces’ repression as the principal means of resolving conflict. In 1996, Suharto’s army forcibly ousted Megawati Sukarnoputri from her position as national chair of PDI, to which she had been elected in 1993. The party’s national headquarters in Jakarta was stormed by soldiers in mufti, resulting in several deaths and producing a counter-reaction in the form of rioting and looting in central Jakarta that lasted for several days. The 1997 parliamentary election campaign was also marked by considerable local-level violence among contestants that necessarily brought in the security forces, both police and army.

In 1997 and early 1998, after the economic crisis began, student demonstrators at dozens of universities across the country were met initially with a combination of negotiation and force. As the demonstrations escalated, however, force became the principal response. Several student activists were kidnapped and tortured, and some were apparently killed (that is, they have not reappeared) by army special forces. The shooting
(probably by police) of unarmed students in Jakarta precipitated the worst mass rioting in modern Indonesian history. During three terrible days, from May 13 to 15, hundreds of buildings burned and more than a thousand people were killed in the capital.

For most of the period I have been describing, from July 1997 to May 1998, the opposition did not have strong leaders. Activist student organizations proliferated, mostly along religious lines between self-consciously Islamic groups, themselves divided into modernist and traditional camps, and all others, including Javanist or syncretist Muslims, secularists, Christians, Hindu Balinese, and other non-Muslim religious groups. (See end note 8 for a discussion of different kinds of Indonesian Muslims.) These organizations did not throw up new leaders; their members instead deliberately chose to act collectively so that individual leaders would not be coopted by the government as had frequently happened in the past.

Senior opposition figures also did not play prominent roles at this stage in the transition. PDI’s Megawati Sukarnoputri, the main hope for anti-Suharto leadership since 1993 among most non-Muslim groups and even among many traditionalist Muslims, did virtually nothing to hasten or otherwise help effect Suharto’s departure. At the time other PDI leaders offered a variety of rationalizations for her behavior, but she seems in retrospect to have had neither a goal nor a plan of action.17 Abdurrahman Wahid, the head of Nahdlatul Ulama (NU), with more than thirty million claimed members the largest traditional Muslim organization in Indonesia, was incapacitated with a stroke in January 1998 and did not recover sufficiently to play a major role until well after Suharto’s resignation.

The one partial exception to the general rule was Amien Rais, head of Muhammadiyah, with more than twenty million claimed members the largest organization of modernist Muslims in Indonesia, and a professor of international relations at Gadjah Mada University in Yogyakarta.18 Amien had been an irritant to Suharto since his rise to national prominence in the early 1990s. He called earlier and more loudly than any other national politician for genuine democratization (prior to the 1997 parliamentary election) and for Suharto to step down (between the election and the Assembly session of March 1998). During the last weeks of Suharto’s presidency he was the most prominent elite amplifier of the students’ demand that Suharto resign. At the very end, however, as
the conflict escalated nearly out of control, Amien shifted gears, persuading the students to call off a major anti-Suharto demonstration that would almost certainly have led to great bloodshed.

At this point in the transition, adhering to or opposing the 1945 Constitution was not on the agenda of the students or of the opposition leaders. Their first and in most cases only priority was forcing Suharto to resign. Some of the more radical student leaders also called for Habibie to resign, the armed forces to go back to the barracks, and a revolutionary committee or triumvirate of opposition leaders to take power temporarily until elections could be held. Few members of the governing or opposition elite supported these demands.

Suharto resigned on May 21 in a brief ceremony at the presidential palace. He was succeeded by Vice-President Habibie, who had served as vice-president for a little more than two months. Armed Forces Commander General Wiranto, a former Suharto adjutant, like Habibie newly appointed to his post, participated in the ceremony. Wiranto appealed to the nation to support the new president and added that “the armed forces will continue to protect the safety and honor of former presidents, including Father Suharto and his family.”

In terms of the 1945 Constitution, this event set a pattern for the subsequent moments of decision to be discussed below. To foreign and domestic detractors concerned about a possible succession crisis, President Suharto had claimed repeatedly that there would be no crisis because Article 8 of the 1945 Constitution provided for an orderly succession. In his resignation speech he referred explicitly to the constitutional procedure. General Wiranto, as leader of the armed forces, also underlined that his institution was acting within the constitution by accepting Suharto’s resignation and Habibie’s accession.

Before moving on to the second moment of decision, it is important to point out that neither President Suharto nor General Wiranto had to act as they did on May 21. Suharto, perhaps for the first time befuddled by age (he was 76 on June 6, 1997), wavered and vacillated for months and either allowed or ordered the kidnapping of activist students by army special forces officers allied with his son-in-law, Lieutenant
General Prabowo Subianto, commander of the army’s strategic reserve. After the May 13-15 riots, Suharto is reported to have seriously considered declaring martial law.

General Wiranto’s actions throughout this period suggest that he saw himself and the armed forces as implementers of President Suharto’s policies, not as independent decision-makers. In a confidential interview, an assistant to General Wiranto stated unambiguously that “if the president had declared martial law, we would have implemented his command.”

On the other hand, the armed forces have since the 1950s regarded themselves as the saviors of the country, which implies an independent role. The same assistant admitted that he had asked General Wiranto, two days before Suharto resigned, if the armed forces should prevent a Habibie presidency. Wiranto answered no, “as I hoped he would,” but the very fact that the question was asked suggests that the generals believed that they had options.

1998. After May 21, President Habibie continued to act within the framework of the 1945 Constitution while making new choices designed to keep himself in power. Opposition groups, now beginning to move onto center stage after decades in the wings, responded positively to Habibie’s initiatives because they accorded with their own goals and offered hope of taking power and of democratization by peaceful means. The armed forces, still under the leadership of General Wiranto, reacted passively, allowing Habibie to set the policy and political agenda as long as he stayed, in their lights, within the constitution.

Habibie began as an extremely weak president, disliked personally and disdained politically by nearly every important group in Indonesian society, including significant elements of his own Golkar party. He inherited a regime whose strength and stability had depended upon its economic development success, its limited but to many Indonesians real political legitimacy, and its capacity to coerce its opponents with armed force. Moreover, the New Order had been led since its inception by its founder, who had seemed to grow in political strength over the decades until cumulative familism and cronyism and finally old age took their toll. Habibie had never been more than one of Suharto’s assistants.

Perhaps because he recognized that his initial position was so weak, Habibie almost immediately announced two surprising initiatives: he declared his full acceptance
of IMF discipline; and he promised genuinely democratic elections within a year. Moreover, he backed up his words with deeds. In the economy, for example, he continued the appointment of the incumbent coordinating minister for the economy, an old political enemy but one of the few Suharto officials trusted by the IMF at the time, and enlisted the services of the most respected Indonesian economists as his policy advisers.

In the polity, he directly freed the press and the party system by stating that his government would not ban publications or prohibit the formation of new parties as Suharto had done. He also promised to implement a four-step process that was procedurally within the frame of the 1945 Constitution, and thus familiar to all elite players, but substantively new, in that it would be genuinely instead of cosmetically democratic. The four steps were: calling a special session of the Assembly at the end of 1998 to set a new date for parliamentary and regional elections; passage by Parliament, sometime in early 1999, of new laws to enable free and fair elections and open party competition; holding elections in the middle of 1999; and calling a regular session of the Assembly at the end of 1999 to elect a new president and vice-president.

Habibie’s economic policy initiative was surprising because for a quarter century, as state enterprise head and Suharto’s research and technology czar, he had been a principal opponent of the economists who guided the government’s macro-economic policy. “They are the brake and I am the gas,” he often claimed in the 1970s and 1980s. In the 1990s he began to portray the economists’ pro-market approach as the policy of the past and his own state protectionism as the policy of the future. Politically, Habibie had never given any indication as minister or vice-president that he favored genuine democratization. “In politics, Suharto is my professor,” he had said many times, perhaps sycophantically but also indicating that he genuinely approved of the regime that Suharto had created and in which he had prospered.

Habibie’s economic and political rebirth was the direct result of a calculation that with these initiatives he had a chance to stay in power at least until the promised regular session of the Assembly at the end of 1999 and perhaps, if he played his cards well, for a five-year term after that. Radical student groups and even a few senior elite politicians were arguing on a variety of grounds, including the unsuitability of the 1945 Constitution
as an instrument of democratization, that Habibie should step down immediately. All opposition forces wanted genuinely democratic elections as soon as possible.

By framing his elections offer within the constitution, Habibie was staking the claim that his own succession from the vice-presidency to the presidency was legitimate. He should therefore be given at least a year and a half until elections and an Assembly session could be held. If by that time he could claim a double success—democratization plus restoring economic growth—then he might be able to secure his own five-year term. Restoring growth would of course require convincing the Sino-Indonesian and foreign investors who had fled in 1997-1998 to return. Acceptance of the IMF’s reform package, Habibie’s other major policy initiative, was he believed the key to achieving this goal.

Habibie’s calculation was accurate, at least in terms of achieving his short term goal of staying in office until democratic elections and an Assembly session to elect a new president and vice-president could be held. The mainstream opposition accepted his offer and shifted its focus from overthrowing Habibie via street politics to rewriting the election and related laws and then mobilizing for the elections. The opposition included Megawati’s PDI, now called PDI-P (Partai Demokrasi Indonesia-Perjuangan, Indonesian Democracy Party-Struggle) to differentiate it from the Suharto era PDI which still had legal possession of party offices (but little mass support) and PPP, the government-approved Muslim party of the New Order, plus dozens of new parties.

The most important of the new parties were: PKB (Partai Kebangkitan Bangsa, National Awakening Party), created by Abdurrahman Wahid as the official party of the traditional Muslim organization NU but in principle open to all Indonesian citizens; and PAN (Partai Amanat Nasional, National Message Party), founded by Amien Rais, the head of the modernist organization Muhammadiyah, but with explicitly nationalist and populist rather than religious goals. Many nationally prominent non-Muslim intellectuals, political activists, and non-governmental organization leaders joined PAN, although its mass base was largely provided by Muhammadiyah. On the Islamic right, modernists founded several other parties, two of which gained modest support: PBB (Partai Bulan Bintang, Moon and Star Party); and PK (Partai Keadilan, Justice Party).

General Wiranto’s armed forces were minor players throughout the election period. Initially, however, their actions were a cause of some concern to democratizers.
After accepting the legitimacy of the Habibie succession, they then helped Habibie and his national Golkar chair, Akbar Tanjung, to gain control of the party organization by applying pressure to provincial level party officials, many of them retired officers, in a crucial party congress in July 1998. Habibie in turn allowed Wiranto to consolidate his personal control over the armed forces through a series of changes in key personnel, a process that had already begun with the reassignment in late May of Suharto’s son-in-law Lieutenant General Prabowo Subianto and several of his allies.

The intervention in Golkar was reminiscent of the New Order, when Suharto regularly ordered the high command or individual officers to interfere in the internal affairs of parties (as, most spectacularly, with Megawati’s PDI in 1996) and social organizations of all kinds, from churches and Muslim organizations to youth and women’s groups, labor unions, and sports associations. The military had been active in each of the six New Order elections, when its territorial command structure, which reaches (in principle, but not always in practice) into every village in the country, was mobilized together with the civilian government bureaucracy to persuade or pressure voters to choose Golkar.

Despite initial fears, however, the armed forces stayed out of the 1999 election, except perhaps in some remote areas where old habits are hardest to change. Habibie’s and Wiranto’s instructions to the territorial commanders and their subordinates in the districts, subdistricts, and villages not to support any party were clear. This included the former state party Golkar, which was now billing itself despite its many continuing state ties as just one party in a multiparty system. The new party leaders, foreign and domestic poll watchers, and newly unchained journalists made sure that the policy was enforced. At the local level, many individual officers felt relieved that they no longer had to side with one political group against others.

The armed forces’ principal political effort between the Golkar intervention in July 1998 and the parliamentary and regional elections in June 1999 had a more narrow focus. It was directed to ensuring that they would retain some representation in the new Parliament and Assembly. For most of the Suharto years the military held 100 appointed seats (of a total of 500) in Parliament, and were given a small number of additional seats in the 1,000 member Assembly (500 members of Parliament plus 500 additional
appointed members, most from the provinces). Suharto, for reasons he never made clear, had reduced their representation in the 1992-1997 Parliament to 75.

In the post-Suharto era, most civilian politicians wanted in principle to end armed forces representation entirely, in Parliament if not in the Assembly. In practice, however, many argued that in the short run it might be better to have the still politically powerful military inside the reformers’ tent rather than outside it. The armed forces proposed a reduction to 55, and finally accepted a figure of 38, but with the apparent understanding that the 2004-2009 Parliament will consist entirely of elected representatives.

What accounts for the low-key, almost diffident, political behavior of the armed forces in 1998-1999? The question is particularly puzzling when we recall that they have accumulated since the 1950s political, economic, and status interests that are now threatened by civilianization and democratization. For three decades under the leadership of Suharto they claimed a permanent right to intervene—the so-called “twin-functions” doctrine—and exercised this right on many occasions up through the mid-1990s.

Perhaps the most accurate proximate answer is that when Suharto resigned on May 21, 1998 General Wiranto and other senior generals chose to adhere to the 1945 Constitution, as they understand that document, and have seen no reason to change course since then. On May 21 they were faced with a simple question: should they accept a transfer of power from Suharto to Habibie? They answered yes, explaining their choice to others and partly to themselves on constitutional grounds. Subsequent political decisions have flowed naturally from this initial choice and been justified in the same way.

Behind the proximate answer are of course several factors shaping the initial decision to accept the Habibie presidency. One is the political inexperience of Wiranto’s generation of officers, none of whom were given significant opportunities to make decisions on their own as long as Suharto was in power. While the armed forces were certainly the main base of Suharto’s support, they were also the instrument of his power. In the 1990s, no individual officer was given much room to maneuver either inside the military or in its relations with society. When faced with Suharto’s departure, they were confused, unsure of what to do next.
Second, today’s officers are more sensitive to international opinion than were their predecessors as recently as the 1980s. During the Cold War, many sins of Third World authoritarians—like the murder of hundreds of thousands of communists in Indonesia in 1965-66 or Suharto’s 1975 invasion of Portuguese East Timor—were overlooked by First World governments, but this is no longer the case. In part, too, it is the result of globalization, especially the revolution in telecommunications, which has made it much more difficult for governments to hide their misdeeds.

In the Indonesian case, the turning point in sensitivity came in November 1991, when Indonesian troops ran amok, massacring more than 200 student protesters in Dili, East Timor. International reporting of this event—British television cameras and American reporters happened to be on the scene—led to the creation of a military honor commission and to trials of several lower ranking officers. The impact of this trauma can be seen in the subsequent reluctance of the military to use excessive force in the many outbreaks of local level violence that began in the mid-1990s and continued through the transition. Officers today are also aware of the world-wide trend to democratization and the difficulties that a military government would face in convincing Sino-Indonesian and foreign business to reinvest in the Indonesian economy.

The combination of leadership inexperience and sensitivity to international political and economic opinion has made Wiranto and his fellow generals timid and conservative political actors who have swallowed whole much of Suharto’s and their own political rhetoric. Suharto the master politician sacralized the 1945 Constitution partly for his personal political interests, but his words can be heard expressed much more straightforwardly and naively by his former adjutants and palace guard commanders. Similarly, the belief that one military coup will inevitably beget others has long been an unexamined cliché among officers, and almost certainly influenced their actions in the last days of Suharto. As these officers acquire more political experience, this behavior may change, but so far it has not.

**1999.** The principals in the final moment of decision were the leaders of the five parties with the largest number of seats in the Assembly plus the armed forces high command and Assembly delegation members. The focus of their political activity was the election of a president and vice-president by the Assembly, as specified in the 1945
Constitution. All of the actors, even those whose interests might have dictated otherwise, agreed that the Assembly process was legitimate. The party leaders—particularly Abdurrahman Wahid of PKB, Amien Rais of PAN, and Akbar Tanjung of Golkar—played the most important role in determining the outcome, which was the selection of Abdurrahman as president, Megawati as vice-president, Amien as chair of the Assembly, and Akbar as chair of Parliament for the 1999-2004 term. The armed forces officers’ goals were again modest: they did not try to shape the outcome but rather merely to ensure that when final votes were cast for each of the key positions they were on the winning side.

This decision period began with the successful conclusion of the parliamentary and regional elections on June 7. Five large and medium-sized parties emerged from the elections as significant players in democratic Indonesia: PDI-P, with 34% of the national vote and 151 seats in Parliament; Golkar, 22% and 120 seats; PKB, 12% and 49 seats; PPP, 10% and 60 seats; and PAN, with 7% of the vote and 34 seats. PBB received 2% and 12 seats and PK 1% and 8 seats. Fourteen additional parties won at least one seat each for a total of 28. The armed forces were given 38 seats, for a grand total of 500. Because of discrepancies in the proportion of population to seats among provinces, which constituted electoral districts, Golkar and PPP received slightly more seats and PDI-P and PKB slightly fewer than would have been the case if the whole country had been a single district.

The percentage of seats held by each party in the Assembly, which elected the president and vice-president, was similar to the distribution in Parliament. The 195 additional Assembly seats were occupied by 160 regional delegates (five per province times 26 provinces) and 35 representatives of a range of social groups, as mandated by the constitution. The regional delegates were picked by the newly elected members of the provincial legislatures, and followed the partisan distribution of the provincial vote. This gave a slight advantage to Golkar and PPP, whose vote was more widely distributed in the less-populous provinces outside Java than that of other parties.

The non-partisan group representatives were picked by the respected General Election Commission (Komisi Pemilihan Umum), comprised mostly of delegates of the parties plus a few government representatives chosen for their autonomy. In the end, the
group delegation was also reported to have a Golkar bias, largely due to the corporatist pattern of interest representation in the New Order rather than to deliberate government policy. From the mid-1960s to the late 1990s, most prominent social organizations were either created by the government, forced to affiliate with Golkar, or had their leaders approved by the government.

Why did all of the players so readily accept the Assembly process as the frame for the post-election continuation of their struggle for power? Several could have claimed with some justification that a different system, either straight parliamentary or presidential, would have been fairer. For example, Abdurrahman’s PKB, because of its concentration of voters in east and central Java, received fewer Parliament and Assembly seats per vote than any other party. Because of its better distribution, PPP, with only 10% of the vote, won 60 seats in Parliament while PKB, with 12%, won only 49.

All of the parties could have claimed that Golkar had an unfair advantage due both to characteristics of the electoral system, especially its greater strength in less populous districts, and to the legacy of the New Order. In addition to the corporatism described above, Golkar was widely believed to have superior access to financial resources, including Sino-Indonesian business interests, state enterprise profits, and political slush funds once controlled by Suharto and other prominent New Order figures. The major concern of both players and observers for much of the period between June and October was that Habibie’s group in Golkar would buy enough Assembly votes to win the presidency.28

Megawati’s PDI-P was the most obviously disadvantaged of the major parties by the Assembly process, but raised no objections either before or after the October session. It was the clear parliamentary election winner, with a vote margin 12% above Golkar, its nearest competitor. Megawati expected to be the next president, an outcome also fervently desired by many millions of Indonesians who had voted for her.29 “The president should be the candidate of the party that won the election,” became her and the PDI-P’s mantra between June and October. In a straight popular election, or one based on districts and municipalities rather than provinces as the electoral units, she almost certainly would have won the presidency outright. To win in the Assembly, however, she
had to put together a coalition of several parties, which required the use of negotiating skills that, as it turned out, were a scarce resource in PDI-P.

Prior commitment to a planned and familiar course of events was perhaps the most important reason why all the principals, including the military, accepted the Assembly process of electing the president and vice-president. This was after all the last stage in the four stage process that Habibie had offered shortly after becoming president more than a year before, and that they had accepted at that time. All parties had been able to make their calculations at each stage, with the stages yet to come clear in their minds because they had experienced the Suharto version of these same events many times before.

With the exception of Megawati, who expected to the end to become president because her party had won the parliamentary election, all of the leaders seem to have worked out fairly complex strategies well before the Assembly session. These strategies, like the more general commitment to the Assembly process and to the 1945 Constitution, relied heavily on precedent, on making use of old procedures and institutions for new purposes.

For example, it was realized early on by anti-Habibie politicians that if Habibie could be required to deliver an accountability speech, as Suharto had done at each New Order Assembly session, there was a good chance that a majority of the Assembly would vote to reject his stewardship of the previous year. The precedent they had in mind was the Sukarno accountability speech staged by Suharto thirty-two years earlier. In that event, Habibie would have to withdraw from the presidential election, which is in fact what happened.

A second reason why the principal players, again with the possible and partial exception of Megawati and other PDI-P leaders, accepted the discipline of the Assembly process so readily in this third moment of decision was that from the beginning of the transition they had seen their commitment to the institutions and procedures of the 1945 Constitution as temporary and provisional. They were pragmatic politicians who saw the 1945 Constitution not as sacral, as both Sukarno and Suharto had done, but as a human creation containing flaws that needed correction. But they made a conscious decision to postpone consideration of those flaws and corrections to the post-transition period, after
the constitution had served as a bridge between the authoritarian past and the democratic future. I will return to the implications of this strategic decision in the conclusion.

Finally, it is in watching the unfolding of this third moment of decision that one can see most clearly the positive impact of the 1945 Constitution in producing a heightened probability of a powerful democratic executive. The five major, two minor, and fourteen tiny parties represented in the Assembly, plus the armed forces, were required by the rules of the game to produce a majority of at least 348 votes to choose a president to serve for a five-year term. They did so, electing Abdurrahman president by a vote of 373 to 313 for Megawati, the only other candidate.

President Abdurrahman moved quickly to take up the reins of power, choosing his vice-president, appointing his cabinet and setting out a bold domestic and foreign policy agenda. If he was in some respects reminiscent of Suharto at his confident peak in the 1970s and 1980s, this time it was a democratic Suharto, with the uncoerced, authentic support of a majority of the members of the Assembly, themselves chosen (except for the armed forces and group members) in a democratic general election.

Of course there is a down side to Abdurrahman’s government, the possibility of immobilism or fragmentation because his net has been cast so broad. His presidential bid was supported by the large majority of Golkar, PPP, PKB, PAN, PBB, PK, and tiny party members, plus the armed forces delegation. To win those votes, as he frankly admitted soon afterwards, he made promises of cabinet seats. Megawati’s acceptance of the vice-presidency meant that his governing coalition expanded to include virtually the whole of the Assembly. His cabinet formation team—General Wiranto (armed forces), Megawati (PDI-P), Akbar Tanjung (Golkar), Amien Rais (PAN), and himself (PKB)—reflected that diversity. So did the actual cabinet, which contains representatives of all seven large, medium, and small parties and the military, and is also balanced in terms of religion and region.

Optimists dubbed the cabinet, following the New Order practice of naming each new cabinet, the kabinet persatuan nasional (cabinet of national unity) while pessimistic observers wondered if there was a policy center and how long the government could hold together. Indeed, within weeks a PPP cabinet member, the coordinating minister for
social welfare, was forced to resign. His party then threatened to withdraw its sixty seats from the coalition and form a shadow government.

The Abdurrahman government is likely to fare better, however, than the parliamentary governments of the 1950s, the last time Indonesia was a democracy. One reason for this is formal-institutional, that is, that the 1945 Constitution is more like a presidential system than it is like a parliamentary one. Simply put, the president and vice-president, and the chairs of Parliament and the Assembly as well, were elected for five year terms, from 1999-2004.

Of course it is also true that a determined Assembly majority could at any time demand an accountability speech from the president. Article 7 of the constitution says that “The President and Vice-President shall hold office for a term of five years and shall be eligible for reelection.” The official explication, however, adds that if Parliament “considers that the President has in fact transgressed against the policy of the State determined by the Constitution or by [the Assembly]…. [the Assembly] can be called for a special sitting to ask the President to account for his responsibility.”

A second reason to expect the Abdurrahman government to endure is more political. Between June and October 1999, the party leaders of democratic Indonesia (with the military playing only a passive role), following the rules of the constitutional game, forged a governing coalition. At the outset, each party had goals and priorities and something of a plan for achieving them. In the ensuing struggle for power, some of each party’s goals were achieved, some were not, and still others emerged out of the negotiating process. The result—the Abdurrahman government—is of course a human creation and thus subject to change. But it has already undergone a tempering process, a working out of relative positions and relations among its key constituent members, that now constitutes a source of internal unity and a political resource in meeting the challenges ahead.

IV. Challenges to Consolidation

The positive role played by the 1945 Constitution in Indonesia’s democratic transition is an extraordinary irony of history, a striking instance of the way in which authoritarian institutions and ideologies can be turned against politicians who have spent
decades fashioning them as instruments of autocratic power. But, in a further irony, it now looms as a major obstacle to democratic consolidation.

The new power holders—President Abdurrahman Wahid, Assembly Chair Amien Rais, and Parliament Chair Akbar Tanjung in particular—appear to believe that for Indonesia to become a full democracy the constitution must be substantially amended, if not virtually replaced. In other words, they believe that they no longer have the luxury of “muddling through” with incremental or “strategic” changes to a well-established framework of rules, to borrow the terminology of Charles E. Lindblom.  

Indonesia’s new leaders have in fact already embarked on the course of large-scale or “synoptic” constitutional reform. An Assembly session to approve a package of major constitutional changes is scheduled for late 2000. Early evidence from the debate suggests that few Indonesians have a clear understanding of the relationship between proposed changes and probable outcomes.

There are several reasons for this, including the country’s lack of experience with alternative democratic institutions and procedures, the leaders’ own diverse political interests and lack of cause-and-effect knowledge, and deficiencies in democratization theory. The most fundamental reason, however, is the ubiquity of unexpected consequences of political and social action, the dangers of which—as Lindblom argues persuasively—are increased by larger, more complete and comprehensive synoptic changes and decreased by smaller, partial and more incremental strategic ones.

Moreover, constitutional reform is not taking place in a vacuum. President Abdurrahman and his team confront several other daunting challenges, some of which could derail the democratization process and indeed destroy the country. The most pressing is undoubtedly Aceh’s demand to secede, which if successful will lead to the exit of Irian Jaya and then possibly the breakup of the country. Economic growth, despite former President Habibie’s best efforts, has not yet restarted. If it does not, Indonesian democracy will soon take the lion’s share of the blame.

In response to student demands, President Abdurrahman has promised to tackle the massive problem of official corruption, including the case of former President Suharto. If he does not, and he is conflicted on this issue, campus and street politics will likely once again distract the nation’s attention and destabilize its politics. Finally,
religious tension, especially the long-standing conflict between modernist Muslims and all others, including traditionalist, syncretist, and secular Muslims and non-Muslims like Christians and Hindu Balinese, is for the moment quiet because there is a *modus vivendi* after a decade of growing animosity and violence. That is, a Muslim traditionalist is president, a syncretist is vice-president, and modernists head both Parliament and the Assembly. It is both a democratic and a peculiarly Indonesian solution that may or may not help to resolve the country’s other pressing problems.

In the Indonesian case, the regional delegates, five per province for each of the twenty-six provinces (excluding East Timor, which voted on August 30, 1999 for independence), qualify as democratically-elected members of the Assembly. They were selected by members of the provincial legislatures, who had themselves just been chosen in a provincial election held at the same time as the national parliamentary election. Continuing a format established in the New Order period, voters were given three ballots, one each for parliament, their provincial legislature, and their district or municipal (kabupaten or kotamadya) legislature.


Department of Information, Republic of Indonesia, The 1945 Constitution of the Republic of Indonesia, Jakarta: Department of Information, Republic of Indonesia, n.d. [but Suharto era].


Eighty-six percent of Indonesia’s 210 million people are Sunni Muslims (there are no Syi’a), but are divided politically into modernists, traditionalists, Javanese syncretists, and secularists. Modernists, a new group in the early twentieth century with roots in the Middle Eastern reformism of Mohammad Abduh, look directly to the Qur’an for their understanding of their religious obligations. Sociologically they tend to be urban traders, professionals such as school teachers, or (increasingly today) civil servants.

Traditionalist Muslims adhere to the classical Syafi’i school of Qur’anic jurisprudence. They have tended historically to be small farmers or rural landlords, although today younger traditionalists can be found everywhere in urban middle class Indonesia. For hundreds of years a majority of ethnic Javanese, who make up about half
of the total population and live mainly in the eastern two thirds of the island of Java, have been syncretists, mixing ancient animistic and Hindu beliefs and practices with Muslim ones. There is evidence that for the last half century or so the syncretists have been becoming more orthodox, either as traditionalists or modernists. Finally, the tiny group of urbane secularists tend to be better educated and to live in Jakarta and a few other large cities.

Politically, modernists tend to see themselves as the only true Muslims and regard both traditionalists and syncretists as misguided or weak Muslims. In the 1955 parliamentary election, Indonesia’s only genuinely democratic election before 1999, they supported the Masyumi political party, which received 21% of the vote and favored an Islamic state.

Traditionalists, especially on Java, are mostly affiliated with the social and educational organization Nahdlatul Ulama or NU (The Awakening of the Traditional Religious Teachers/Scholars). In 1955 NU was also a political party that received 18% of the vote. Its leaders were lukewarm toward the Islamic state idea. Javanese syncretists are fearful of political Islam, especially as represented by the modernists. In 1955 they divided their vote between PNI (Partai Nasional Indonesia, Indonesian National Party), at 23% the largest party in the country, and PKI (Partai Komunis Indonesia, Indonesian Communist Party), the fourth largest party with 16%.

9 The principles were conceived by Sukarno in June 1945, before the declaration of independence on August 17 at the end of the Pacific War, as a way of resolving ideological tensions among Indonesian nationalists, especially between proponents of a secular and an Islamic state. They are, as inscribed in the preamble to the 1945 Constitution: “Belief in the One, Supreme God, just and civilized Humanity, the unity of Indonesia, and democracy which is guided by the inner wisdom in the unanimity arising out of deliberation amongst representatives, meanwhile creating a condition of social justice for the whole of the People of Indonesia.” The formulation of the first principle, monotheism but no Islamic law, was a compromise designed to keep both pious Muslims and others in the polity.


11 The origins of this arrangement were apparently in the Dutch colonial Volksraad (People’s Council), a quasi-legislative body like the Assembly “whose day to day business was handled by a smaller representative College of Delegates” like the Parliament. Cribb and Brown, Modern Indonesia, p. 49, fn. 2.

PDI had received 15% in the 1992 election, and had been expected to increase its vote as the premier party of the opposition in 1997. But PDI voters left in droves after President Suharto’s forced expulsion in 1996 of PDI national chair Megawati Sukarnoputri.

Article 3 of the 1945 Constitution states that the Assembly “shall determine the Constitution and the guidelines of the policy of the State.” The official explication adds that “the President must execute the policy of the State according to the guidelines which have been determined by the [Assembly]. The President, who is appointed by the [Assembly], is subordinate to and responsible to the [Assembly]. He is the ‘mandatary’ of the [Assembly], he is obliged to execute the decisions of the [Assembly].”

In March 1967, President Sukarno was called to account, under Article 3, to the Assembly for his stewardship as president by the Suharto forces, who were already in de facto control of the government. His speech was rejected by an Assembly whose pro-Sukarno members had been expelled and replaced with Suharto supporters. Suharto was elected president by the Assembly in March 1968, and subsequently gave accountability speeches to the Assembly in March of 1973, 1978, 1983, 1988, 1993, and 1998. Parliamentary elections were held in 1971, 1977, 1982, 1987, and 1997. The 500 elected members of Parliament constituted half of the 1,000 members of the New Order era Assembly. The other 500 members were appointed from the regions and social groups in processes tightly controlled by Suharto himself.


Interviews, Kwik Kian Gie, PDI leader, August 1998; Sabam Sirait, PDI leader, August 1999.

Amien has an M.A. from the University of Notre Dame and a Ph.D. from the University of Chicago, where he wrote a dissertation on the Egyptian Islamic Brotherhood.


“Should the President die, cease from executing or be unable to execute his duties during his term of office, his office shall be taken by the Vice-President until the expiry of that term.”

Confidential interview, Jakarta, July 1998.
Habibie was generally disliked by officers, largely because strategic industries such as munitions, aircraft manufacturing, and ship repair, that had once been sources of armed forces patronage, were given by Suharto to Habibie when he served as minister of research and industry from the 1970s to the 1990s. For this reason it was widely believed for many years that the armed forces would never accept a Habibie presidency.

For more detailed analysis of this period, see R. William Liddle, “Indonesia’s Democratic Opening,” Government and Opposition 34:1 (January 1999), pp. 94-116.


A powerful counter example, however, is the brutal treatment of pro-independence East Timorese in 1999, which was not stopped by the outside world until well after the independence referendum on August 30. General Wiranto and other high-ranking officers deny mobilizing the anti-independence East Timor militia groups, who were responsible for much of the violence, but United States and Australian government officials claim to have clear evidence that they did. It is also not clear to what extent President Habibie knew and/or approved of the officers’ actions.

The principal explanation offered for the lack of sensitivity to international opinion of the Indonesian armed forces in this instance is that they had too much at stake, in two senses. First, the top brass feared that letting East Timor become independent might start a chain reaction that would end in national disintegration. (Subsequent events in Aceh tend to support this view.) Second, many individual officers, including senior officers in Jakarta, had served long tours in East Timor. They therefore had personal ties there and an emotional commitment to keeping the region part of Indonesia. General Wiranto himself referred to this problem in explaining his difficulties in controlling the militia after August 30.

It is also true that what happens in East Timor is not of great concern to most Indonesians, for whom it is a small, distant, and backward region. Because its population is almost entirely Catholic, many Indonesian Muslims care even less about what happens there. The officers may have therefore felt freer to act autonomously in East Timor than in Jakarta, where an attempt to influence the parliamentary election in the old New Order way would have ignited a fire storm of popular protest.

Data on Parliament are available from its web site: www.dpr.go.id.

A bank scandal involving close associates of President Habibie, including the Golkar treasurer, who were alleged to have skimmed about US$80 million from a central bank
loan repayment to a private bank convinced observers that they were right to be concerned. The IMF froze its relations with Indonesia until after the Assembly session in October, which probably ended whatever chance Habibie had had to be elected.

29 A nationwide survey of nearly 2500 citizens conducted soon after the elections asked respondents if they had a favorite party leader. The 1694 who said yes were further asked: “Which of the party leaders do you like most?” By far the largest percentage, 38%, chose Megawati. R. William Liddle and Saiful Mujani, in progress.

30 Confidential interviews, national Golkar leaders, August 1999.

31 In *A Strategy of Decision*, New York: Free Press, 1963, Lindblom and David Braybrooke elaborate a distinction between two methods of policy making, strategic and synoptic, that is similar to the contrast I am drawing between the behavior of Indonesian politicians during (strategic) and after (synoptic) the transition. Strategic policy making is incremental, trial and error, based on incomplete analysis, makes use of rules of thumb and habitual responses, and is concerned more with making an advance than solving a problem. Synoptic policy making has larger aspirations, is concerned with developing broad-gauge analytical tools and identifying and solving problems “correctly.” The two methods derive from a more fundamental distinction between two models of human intellectual capacity, one which stresses fallibility and the other competence. See also Charles E. Lindblom, *Politics and Markets*, New York: Basic Books, 1977.
Indonesia's democratic transition was society-initiated. However, it was certainly not a society-dominated transition. Scholars such as Hadiz and Robison are correct in highlighting the organizational fragmentation and co-optation of large parts of civil society and the effects this had on the nature of the transition. The interests of those who had been suppressed in the first place under authoritarian rule can now thrive. Although a certain amount of euphoria accompanied the fall of the New Order, workers and peasants have found that the institutions of decentralization and democracy continue to be inhabited by the kinds of powerful interests with few organic links to peasant or labor movements. Indonesia's democratic transition: Playing by the rules. R. William Liddle. The Ohio State University. The transition was marked by three successive moments of decision, crises or challenges that were faced by elite actors, including civilian and military government officials plus party and societal leaders, that will be discussed in Part III of this paper. These were: (1) the challenge to Suharto's personal leadership created by the economic crisis that began in July 1997; (2) the regime legitimacy crisis following Suharto's resignation on May 21, 1998; and (3) the challenge to elect a president in the People's Consultative Assembly after the June 1999 general parliamentary election.