

East Timor and the Crisis of the Indonesian Intelligence State¹

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Hours before the People's Consultative Assembly (MPR) elected Abdurrahman Wahid as Indonesia's fourth president on October 20, 1999, it voted to revoke East Timor's constitutional status as the 27th province of Indonesia. The coincidence of these two events -- the formal acknowledgment of the end of the murderous folly of Indonesia's colonial project in East Timor, and the formal end of the New Order after the first fair elections in more than four decades -- provides a fitting symbol of the close connection between East Timor and the crisis of the Indonesian state.

The two events were closely related: B. J. Habibie's responsibility for the "loss" of East Timor in the eyes of most MPR members rendered him finally unelectable, whatever other liabilities may have made him unpalatable to Indonesian power brokers and voters. Habibie's extraordinary decision in January 1999 to recognize the possibility of self-determination was the turning point in the gathering momentum propelling East Timor toward independence. Whether Habibie believed a ballot would safely yield a clear majority for Indonesia, whether he bowed to the pressures of Indonesia's international financial donors, or whether he believed it was time to cut the country's losses in a hopeless and debilitating cause and allow the East Timorese a path to independence, is not clear. What is clear is that Habibie's use of his limited personal authority broke the stalemate that had long prevailed in East Timor. Indonesia could not defeat Timorese nationalism, but neither had the East Timorese resistance found means to defeat the colonial invaders.

Indonesia's colonization of East Timor, throughout its quarter century history, was always an expression of the fundamental character of New Order Indonesia under President Suharto. Three aspects of the regime's character are particularly important in explaining Indonesia's long hold on East Timor.

* the dominance of the militarized Indonesian state by intelligence organizations whose normal operating procedures included planned terror, murder, and intimidation of differing population groups, large and small, and political surveillance of virtually the entire population.

* a rentier-political economy in which the bulk of state revenues for three decades derived from oil tax revenues and foreign aid.

* the legitimation, together with financial and military support for the regime, by the United States and other powers.

This chapter begins by asking how Indonesia was able to sustain its illegal invasion of East Timor for almost a quarter of a century in the face of a multitude of United Nations condemnations; and how Suharto was able to rule Indonesia for more three decades without significant domestic legitimacy and relying on massive state violence towards the Indonesian citizenry. This discussion concentrates on the political-economic characteristics of the Indonesian rentier-militarist state which made Suharto's rule viable, and outlines the connections between the erosion of those characteristics and the fall of Suharto and the collapse of Jakarta's rule in East Timor. The chapter next sketches the role of Indonesian intelligence organizations and special forces in the last phase of Indonesia's occupation of East Timor; it then outlines the role of surveillance and terror in New Order Indonesia, and introduces the institutions that make up the Indonesian intelligence state. Finally, it briefly assesses the possible future of the Indonesian intelligence state under the Wahid administration.

The End of the East Timor Operation

The worldwide reaction to the massive killings in East Timor following the UN-directed ballot on August 30, 1999, building on pressures on Indonesia throughout the preceding year to end its military occupation of East Timor, severely limited the options of the Indonesian military and state leaders.

The Indonesian military and political presence in East Timor had been changing in character for some years, partly in response to a shift in the locus of East Timorese resistance from guerrilla activities in the mountains to urban protests by younger people, particularly educated youth. A long-term policy of using East Timorese to fight East Timorese had led to the expansion of a confusing array of uniformed civilian auxiliary "self-defense forces," popularly called militia.² But the most important Indonesian military development in the last years of the East Timor occupation was a shift to a far greater reliance on the use of non-regular

troops.³

Special Forces (*Kopassus*) units, together with various thugs (*preman*) and black-clothed goons, sometimes from the armed forces, sometimes not ("ninjas"), operated both overtly and covertly, emphasizing the combination of terror and tactical intelligence drawn from a network of military surveillance and spies penetrating most of the society. Some of the militia groupings operating in 1999 had their roots as far back as the early 1980s, but most seem to have been constructed in the last two years of Indonesian rule.⁴

In late 1998 and early 1999, the number of militia groups, and the pace and scale of terrorist militia activities supported by the Indonesian military increased considerably. These groups were in some cases simply a re-formation under a new name of preexisting groups under their old leadership, but many were new. Large numbers of weapons were provided from TNI sources, and militia members were offered payment to participate. Young men who did not accept an invitation to join were often subject to violent intimidation.⁵

This was the background to the last phase of Indonesian rule in East Timor, headed by Major-General Zacky Anwar Makarim, which began immediately after Habibie's January 27 announcement of a referendum.⁶ Anwar's appointment by Wiranto as Security Advisor to the Indonesian team preparing for the popular consultation and responsible for liaising with UNAMET shocked many UN officials, who were already well aware of the weaknesses of the May 5 Agreements between Portugal, Indonesia, and the United Nations. Anwar, an old East Timor intelligence hand in the Indonesian military had been head of Army Intelligence at the time of the Santa Cruz massacre, and until three weeks before Habibie's announcement had been head of the Armed Forces Intelligence Agency (*BIA/Bais*).⁷ However, the UN was effectively powerless to deal with the problem. While no longer formally holding an intelligence position, Anwar's role as the principal coordinator of the unfolding program of terror was unchanged.⁸

The Indonesian Commission of Inquiry into Violations of Human Rights in East Timor (KPP-HAM) had no doubt that the long-term campaign against independence from the time of Habibie's announcement in January constituted deliberate crimes against humanity that "included systematic and mass murder; extensive destruction; enslavement; forced deportations and displacement and other inhumane acts committed against the civilian population." These crimes, the Commission concluded, were planned and carried out by the Indonesian military and police forces, together with the

militia forces they created and controlled.⁹

Many of the details of the 1999 Indonesian campaign led by the intelligence agencies against East Timorese independence remain unclear, but the broad outlines and the roles of the major players are now known. The most difficult aspect to grasp is the rationale for the final wave of terror that followed the announcement on September 4 of the results of the Popular Consultation. To many observers, it seemed to have no rational purpose whatsoever, yet there was a purpose to all of the violence. The basis of the intelligence plan was at all times to maintain Indonesian rule by one of three strategies. The first strategy was to prevent the Popular Consultation from taking place. Should that strategy fail, the second was to use terror to ensure that the Popular Consultation resulted in a vote for integration. And finally, in the event of a decisive vote for independence, the strategy was to nullify the effects of the vote by creating a civil war situation characterized by mass evacuation and street fighting that would both call the fairness of the ballot into question and dampen the ardor of the United Nations to intervene more effectively. This Indonesian intelligence plan came remarkably close to success.

Objectives of Pre-Ballot Violence

Before the referendum, orchestrated violence could contribute in a number of ways to the Indonesian objective of either preventing the ballot from taking place, or, failing that, terrorizing the population to assure majority support for integration. First, the militia could be used to establish in the minds of outside observers the idea that there were two roughly balanced political forces inside East Timor, pro- and anti-Indonesian. This would suggest a "civil war," situation rather than overwhelmingly popular resistance to colonial invasion. Second, violence would create an atmosphere inimical to the execution of the plan for a United Nations ballot, and subsequently, give grounds for its delay.

Third, and most important, violence could directly and indirectly destroy the political base of support for the independence option. Known pro-independence East Timorese were attacked, tortured, and killed in large numbers between Habibie's announcement and the UN ballot. The fear generated by these usually public murders was then amplified by apparently random killings of ordinary East Timorese, especially those who refused to indicate their support for autonomy by displaying Indonesian flags.

Objectives of the Post-Ballot Violence

The negotiations leading to the May 5 Agreements jolted the Indonesian side into planning on the assumption that the ballot would at some stage go ahead and that there might be a negative result . Documentary evidence remains contested, but at least two documents from this period indicate the scale of planning for such an outcome: the so-called Garnadi report to Coordinating Minister of Politics and Security Feisal Tanjung,¹⁰ and a May 5 order from the army chief of staff to the Dili commander.¹¹ Both documents recommended mass evacuations, destruction of facilities in the wake of the withdrawal, and "repressive/coercive measures." In the event of an independent vote Other documents indicate that a month before the ballot, Indonesian police in East Timor were preparing for the voluntary and forced evacuation of hundreds of thousands of East Timorese to West Timor.¹²

After the announcement of the results of the UN ballot, steps were taken to allow Indonesia to ignore its commitments under the May 5 Agreements to assure a transition to independence. In addition to isolating East Timor by intimidating UN staff and foreign media into evacuating, the post-ballot violence had three main components.

First , following on from the pre-ballot phase, was the organized killing of those capable of providing political and moral leadership in an independent East Timor, including key CNRT activists and Catholic religious leaders and intellectuals. This continued in East Timor until the arrival of InterFET forces in September.¹³

The second component was the massive forced relocation of at least a major part of the East Timorese population -- to "buffer zones" in western East Timor; over the border into West Timor; and even to other parts of Indonesia.¹⁴ Indiscriminate violence was used to terrorize people to leave their homes. At least 250,000 eventually crossed the border to West Timor, mostly unwillingly, to face, in Amnesty International's words in December 1999, "continued risk of threats, intimidation, harassment, extortion and in some cases unlawful killing, 'disappearance' and sexual violence."¹⁵ The implementation of the intelligence plan involved a large-scale coordinated operation by all elements of the Indonesian armed forces.¹⁶

The third dimension of the post-vote operation was the looting and plundering by the militias and TNI forces of anything moveable, and the destruction of what remained. Apart from personal enrichment of the looters themselves and their TNI and militia commanders, the motive seems to have been to destroy the very economic foundations of East Timor society. If East Timor was to be left, it would be left with nothing. The looting was an apparently planned combination of removal of valuable

capital items and saleable household goods, and wanton vandalism. As one Australian military observer remarked in the town of Suai, "They even ring-barked the trees."

The Indonesian operation in East Timor ended as it began 24 years earlier: a tactically competent and strategically bungled terror operation directed by a coven of secretive military intelligence and special forces officers separated for operational purposes from the normal armed forces hierarchy.¹⁷ Tactically, Anwar's operation was appallingly successful: unknown numbers of local pro-independence leaders were killed.¹⁸ The loss of so many people with unusual skills of leadership, in a small population that had already lost a quarter of its number to earlier waves of Indonesian aggression, will be very hard to overcome; and the legacy of destruction will pose formidable obstacles to an independent East Timor.

Yet strategically, Anwar's operation turned out to provide the route—at immense cost in human lives to be sure, but nevertheless the route—to independence. Once the CNRT leadership took the painful but essential decision to sit on their hands during the Indonesian terror after the ballot, and avoid clashes with the militia and TNI forces, Anwar's objective of portraying the post-ballot violence in the world media as yet another regrettable civil war in a distant and unimportant country was doomed to fail. In an appalling but quite real sense, the creatures of the Indonesian intelligence state were the agents of East Timorese freedom.

The Indonesian Intelligence State: Three Decades of Terror and Surveillance

The sheer brazenness of the East Timor killing must have brought back to consciousness the great trauma that swept Indonesia in 1965-66. In fact, horrific and distinctive in execution though it was, the level of terror in East Timor in 1999 was not out of the ordinary in Suharto's New Order Indonesia. Three types of terror have been crucial to establishing and maintaining military control of Indonesia since 1965.¹⁹

Firstly, Suharto's rule was founded on the great killings of 1965-66 -- the *constitutive terror* of the New Order. Army soldiers, and mainly Islamic anti-communist groups aided and encouraged by the Army killed between 500,000 and 800,000 (and possibly more) in a ten month period following the coup and counter-coup of September 30-October 1. With the aid, complicity, and congratulations of western governments, the Army led a systematic and largely unhidden campaign to kill hundreds of thousands of defenseless alleged communists and Chinese Indonesians. The Communist Party was destroyed, and Sukarno's power shattered. Suharto

and his generals came to power; and they, together with their domestic and foreign commercial partners, became incredibly rich. Periodically reminding the population of the "events of 1965," or lamenting the "possibility of a repeat of 1965" has been an extremely effective military tactic, particularly in combination with the repression of the trauma. Until the very last years of Suharto, public discussion of the killings was impossible -- the topic was literally unspeakable. It was as if citizens of Germany East and West had been unable to speak of the Holocaust from 1945 until the 1990s, and then only with great caution.²⁰

Secondly, after the worst of the constitutive terror edged back from daily consciousness by the late 1960s, *intermittent targeted terror operations in the center* were important and effective tools of control by the military. After the complete liquidation of the left by 1968 the targets of terror shifted: at different times they became Islamic groups disenchanted with the earthly paradise produced by Islamic cooperation in 1965-66; radical students; criminal gang leaders out of favor with Army bosses (the *petrus* killings²¹); and, as industrialization progressed, labor activists organizing outside the stultifying framework of government-controlled unions. While the destruction of particular immediate targets was always the primary goal, an important secondary function was the revivifying of the underlying sense of generalized terror deriving from 1965-66.²² For example, when military intelligence decided, with President Suharto's explicit support, to break the growing power of uncooperative gang bosses in the cities of Java by simply using military special forces and police to assassinate several thousand alleged criminals in 1983-85, the bodies of the bullet-ridden dead were laid out in public places, or near the homes and work-places of prominent opponents of the regime.²³

Thirdly, the standard response to discontent with Jakarta's rule on the edges of the archipelago has been terror: *peripheral terror*. The final phase of the terror in East Timor differed from that of the preceding 24 years only in its intensity in a very short time frame, and in the attention given it by the rest of the world. In Aceh and Irian Jaya, militarized responses to local grievances for comparable periods have by and large gone unnoticed. Military control of the media until the last years of the New Order meant that these matters were unreportable in Indonesia. In addition, the very vagueness of people's awareness of "troubles" in the peripheries contributed to the general sense of low-level terror that characterized the population as a whole through most of the Suharto period.²⁴

The key institutional apparatus in all of this was the large and well-funded network of military and nominally civilian intelligence

organizations that make up the Indonesian intelligence state, which was very little affected by the mild and limited democratizing moves of 1998-1999, and which remained in place at the beginning of the Wahid presidency.²⁵ As head of military intelligence, Major-General Zacky Anwar Makarim and his successor controlled a network of surveillance that reaches down from TNI headquarters in Jakarta, through every layer of military administration to every village and city neighborhood in the country. The surveillance apparatus was and remains geared to provide a fine-grained observation of the nation as a whole according to need.

Coupled to the surveillance capacities of BIA/*Bais*, every regional military command, and every layer beneath, has an intelligence section which not only coordinates surveillance requirements, but has a capacity and a mandate to take whatever actions are deemed necessary. Special forces such as the *Kopassus* red berets have their own teams and networks, and can co-opt regional military command resources. The intelligence task forces that have terrorized East Timorese have their parallels in every other area of Indonesia of concern to the military.

Beyond the military intelligence hierarchy under *Bais* control, nominally civilian organizations such as Bakin (the State Intelligence Coordinating Agency) or the Intelligence Division of the Attorney-General's department or the intelligence division of the highly militarized National Police all play a key part in the maintenance of the system of surveillance and repression. Three decades of a legal system under military direction and a cowed and coopted legislature provide the last elements of the picture.

The Political Economy of the Rentier-Militarist State

Looking back at the horrors of Suharto's rule from 1966-1998, and the occupation of East Timor from 1975-1999, it may be hard to imagine how they endured so long. How was it possible for the Indonesian state to exercise such extraordinary violence towards the people of East Timor and their own people for such a long period of time? The argument that follows here focuses on one particular aspect of the New Order's political economy: the rentier-militarist state and its external preconditions.²⁶ In the case of Indonesian politics in the New Order period, external strategic and economic factors interacted to set the limits of possibility of domestic politics. This was true both in allowing Suharto and the armed forces to rule the country for more than thirty years, and in framing the manner in which Suharto lost power.

New Order Indonesia was essentially a rentier-economy in two quite

distinct senses: one domestic and one externally-oriented. Firstly, its domestic political economy was dominated by the allocation of government-controlled economic resources largely on the basis of direct and indirect access to government officials -- who were mostly senior military officers. In this domestic sense of rentier economy, the dominant factor in capital accumulation came not from productive investment (manufactures, increased agricultural productivity, value-added processing of minerals and other natural resources, etc.), but from appropriation of a portion of the economic surplus by a group of rentiers. Army officers used military resources for private benefit; state officials "rented" the prerogatives of office to private partners; privileged individuals derived income from monopoly control over the imports of particular goods or services or from monopolistic licence to exploit natural resources; and so on.²⁷ Of course, without the unprecedented mobilization of state violence available to the Suharto government, the domestic rentier economy would not have been sustainable.

The second rentier characteristic of New Order Indonesia, and the one which was the pre-requisite of Suharto's long power and decline, was Indonesia's location in the international division of labor. New Order Indonesia was a rentier state in this *externally-oriented* sense insofar as the great bulk of both national income and state revenue for all but the first few years of the New Order period was derived from oil tax revenues and foreign aid. "For all practical purposes one can consider the oil revenues almost as a free gift from nature or as a grant from foreign sources."²⁸ Foreign aid is also, for the most part, a "rent" in much the same way: a rental payment to the recipient country for a political service based on its political or geo-strategic value to the donor country.²⁹

This was the key to Suharto's political longevity. A government that can expand its activities without resorting to heavy taxation acquires an independence from the people seldom found in other countries. In political terms, the power of government to bribe pressure groups or coerce dissidents will be greater than otherwise. The peculiar quality of rentier-militarist regimes, understood in this externally-oriented sense, is their relative capacity to ignore, or at least postpone, cultivation of domestic support and the class compromises which that process requires. The legitimation that finally mattered in New Order Indonesia was that of the army as the dominant power center, and then the opinion of state-managers in Washington and Tokyo.

East Timor and the Undermining of Rentier-Militarization

By the same token, rentier-militarization as a form of state power is highly vulnerable. Not only does the stoppage of external rents severely damage finances, but it almost immediately provoke a systemic political crisis. By the early 1990s at least, very important elements of the external supports for the rentier-militarist state were in disarray. The interests of the United States had changed in two ways in relation to Indonesia. On the one hand, the end of the Cold War meant that the U.S. no longer felt preoccupied with a global struggle to contain communism in the shape of the Soviet Union and China, nor imperiled by popular movements elsewhere. Communism was a non-existent political force in Indonesia after the late 1960s. On the other hand, the U.S. strategic economic preoccupation from the Reagan administration onwards with establishing and expanding a framework for highly mobile U.S. capital and unrestricted investment rights lowered the U.S. tolerance for the baroque patronage structure which it had allowed to develop around President Suharto in Indonesia. Through means both direct and indirect the U.S. sought a dismantling of much of the domestic aspects of the rentier-state (e.g. through deregulation of import-controls, and regularization of financial institutions), and encouraged the foundation of an alternative -- and more familiar -- pattern of capital accumulation rooted in export-oriented industrialization with considerably expanded foreign investment.³⁰

The "successes" of rentier-militarization transformed Indonesian society in complex ways, and in part generated social forces inimical to its continuation. This was evident in 1999 in the complexity of sources of support for political parties other than the ruling *Golkar* Party . Not only were there television images of young stockbrokers seen demonstrating for Megawati Sukarnoputri, but Abdurrahman Wahid's Party of National Awakening (PKB) was clearly drawing a considerable amount of its support from nominally "conservative" but economically distressed Islamic voters who were responding to Wahid's message of social justice.

Yet Indonesia's economic growth was built on institutional sand. The currency crises of 1998 and its fiscal consequences burst upon the New Order state like a tidal wave, taking Suharto with it. Foreign aid at levels unprecedented even under the New Order was required to maintain the Indonesian state in temporary solvency and to prevent complete social and political breakdown. More than \$40 billion in foreign loans coordinated by the IMF through 1998-1999 brought direct, detailed, and stringent conditions on Indonesian budgetary and financial policy -- with devastating economic, social, and political effects.

Finally, it was precisely the dependence of the New Order on external

legitimation and external sources of state revenue that ultimately undermined the autonomy of the military in East Timor. This applied both to the decision to allow self-determination in East Timor, and then crucially in ending the terror of September 1999. During the 1990s East Timor had turned Indonesia into something approaching a pariah state. The key institutional shift -- Habibie's announcement that he would consider a ballot for independence -- did not flow from personal fickleness or idiosyncratic motives. The United States had shifted its position on East Timor some time previously, viewing Indonesia's involvement in East Timor as an expensive mistake in which the United States had no strategic stake.³¹ Coordinating Minister for Economic Affairs Ginanjar Kartasasmita attending an economic summit in Switzerland with key rich nations at the time of Habibie's "shock" announcement made clear the crucial background. East Timor, he said, had simply become too expensive for Indonesia. The major creditors of the New Order, led by the U.S. and Japan, simply were no longer prepared to support Indonesia over East Timor either financially or politically. The collapse in external pre-conditions for rentier-militarization did not determine the outcome of the issue, but it did set the limits of possibility.

This erosion of the external preconditions of rentier-militarization also determined the final ending of the militia terror in East Timor immediately following the August 30 ballot. There were, in practical terms, no domestic Indonesian political forces willing and able to bring the terror under control. Habibie was quite without authority vis-a-vis the military. The terror was only stopped in response to remarkably blunt public threats from President Clinton and Secretary of Defense William Cohen to suspend IMF and other loans to Indonesia immediately, unless Indonesia agreed to accept the admission of foreign peacekeeping forces.³² To be sure, Clinton only acted after considerable and costly delay, in the face of unexpected global mass media attention and mobilization of public opinion in the United States. Yet it was the peculiar character of Indonesia's political economy that made the threat to the world's fourth largest country credible and effective, and opened the last door for East Timor's independence.

The Indonesian Intelligence State under an Elected President

With an astonishingly small number of honorable exceptions (such as courageous but small groups like KIPER and Solidamor), Indonesian political groups and intellectuals remained unsympathetic toward East Timor independence until the very end. Intellectuals were by and large

paralyzed by the nationalism that saturates Indonesian political thinking. The basic fact of Indonesian colonial occupation was simply unrecognized. The colonial project was often dismissed or justified by saying that even if there were gross abuses of human rights in East Timor, they were nothing different from what was happening elsewhere in the nation. "First democracy, then Timor." Moral questions aside, the issue of Indonesian militarization and the Timor colonial project were seen as having nothing to do with each other.

Yet there is a sense in which East Timor brought down the New Order. Indonesia's semi-pariah status over East Timor greatly magnified the degree of dependence on creditors when the currency crisis arrived. Habibie's final failure to receive a vote of approbation in the MPR on October 20 because of his Timor policy put an end to the plan, in place from the day of Suharto's resignation in 1998, to continue the New Order structure in a slightly refurbished guise. The very visibility of the post-ballot violence in Timor placed the election of a new president and the construction of a new cabinet in an entirely different framework from what could otherwise have been expected. This was particularly so outside the country, but also to a surprising degree, within Indonesia itself.

The key questions now are firstly whether the Indonesian domestic intelligence apparatus will survive the change of presidency; and secondly, if it does, whether its capacities will be diminished?

The most urgent requirement is obvious from the East Timor experience: an end to the use of large-scale planned killing, violent intimidation, and invasive surveillance as a normal tool of Indonesian politics.

Serious reform of the Indonesian intelligence state to achieve such an end would involve substantial positive steps, including: drastic revision of the new National Security Law passed (but not signed into law) in the last days of Habibie's presidency; repudiation of the armed forces' self-proclaimed political role;³³ abolition of the military's role in supervision of civil administration at all levels, in practice as well as in theory; abolition of the army's territorial commands, and withdrawal of territorial forces from policing activities and surveillance of local populations; abolition of the Armed Forces and Army Territorial Affairs staff; complete separation of the National Police from the Ministry of Defense and Security; constitutional revision to ensure permanent subordination of the armed forces to elected civilian leadership; reevaluation of the military legal code, and strict application of provisions bearing on illegal activities involving violence towards civilians, including prosecution under military law of officers failing

to control subordinates; increasing the powers and resources of the National Human Rights Commission; upgrading of the autonomy and capacities of the judicial system to implement the law; complete separation of the National Police from the Ministry of Defense and Security; severing of non-formal links between the Attorney-General's Department from the military (e.g. military intelligence training of civil servants in intelligence affairs); and legislation to ensure parliamentary oversight of military activities and budgetary procedures in general, and the activities of military and civilian intelligence agencies in particular.

The willingness and ability of the new Indonesian president and parliament to pursue such reforms remains to be seen. But the power of the intelligence state has already been diminished, for at least four reasons.

Despite the considerable remaining privatized and extra-budgetary financial resources available to the Indonesian military, the combination of economic regularization and the economic crisis of recent years have cut into the money needed for unaudited and unsupervised black operations. As the social effects of the economic crisis deepen, the demands on government resources will be greater and the available resources even smaller.

Furthermore, a key resource for effective terror is public belief in the omnipresence and omniscience of the intelligence organizations. Powerful as they may be, this is not the case in Indonesia following the democracy movement and fall of Suharto in 1998-99. , The beginnings of scrutiny of the military in general that has come with the surge in press and civil freedoms in the past years has somewhat diminished the sense of omnipotence of the intelligence apparatus. Indonesia is far from a democratic society, but it has moved well beyond the repression at the height of the New Order.

The military -- and intelligence organizations in particular -- rarely acted alone in their political interventions. Often they worked with or through various political organizations and community groups, many of whom later came to resent the way they had been used. The allied or manipulated groups varied over time and according to need. For example, in the early New Order period anti-Sukarno student groups, and Chinese and Catholic groups in addition to the huge Islamic organizations played a key role in breaking the power of Sukarno and the left. These groups provided considerable resources -- material, moral, and political -- to sustain and cloak black operations. None of these groupings is willing or able to provide such resources now. Indonesian society today, after more

than thirty years of rapid capitalist transformation, is of course very different from what it was in 1965, but the slow decline of the New Order was characterized by an ebbing in the political resources available to President Suharto, and in a comparable though lesser fashion, the intelligence organizations.

Finally, the military itself is not a monolithic organization with an unchanging organizational mission and political character. Most analyses of the last years of the Suharto period concentrated on perceived "nationalist" or pro-Suharto factions as against those of a more seriously Islamic persuasion, and that hardy perennial of Indonesian military analysis: vague assertions of differences amongst the generations of military academy classes.

Two considerations deriving from the military's stated mission may decide the future of the intelligence state, though in opposite directions. On the one hand, the Indonesian military, for all its five decades of domestic preoccupations, is also an outward-looking military organization charged with the defense of the republic against external as well as internal threats. The strategic environment of East and Southeast Asia is becoming considerably more unstable than it has been for many years. In particular, the continuing low-level/high stakes conflict over the oil-rich Spratley Islands group is of concern to the Indonesian military. This is especially the case given the regional escalation in sophisticated (and expensive) weapons platforms and C³I capacities over the past decade. The demand to meet potential external threats creates a degree of professional pressure for regularization of military organizational procedures. This is hardly a democratizing pressure in itself, and the professionalization of intelligence organizations under Murdani did nothing to diminish their capacity for brutality.³⁴ Yet it is also true that the Indonesian intelligence state was structured first and foremost around the army's dominance of the state, and in particular by the system of comprehensive surveillance and capacity to intervene in the community that was inherent in the army's territorial command system.

The primary object of the intelligence apparatus's attention in recent years, East Timor and Aceh apart, has been control of labor organization in what had been, until the currency and financial crisis, the rapidly expanding industrial sector. Sooner or later, the social effects of the economic and fiscal crisis will confront the new government of Indonesia. A Wahid presidency, hostage to some unknown degree to the military, and laboring under the restraints of enormous debt and IMF-approved budgets, will almost certainly face growing social unrest. A civilian leadership does not

by itself diminish the likelihood of militarized responses to domestic social and political crisis -- and that has been the specialty of the Indonesian intelligence state. But if the early reforms of the military initiated by President Wahid can be sustained and built-upon, and the rule of law buttressed, it may be that a democratic Indonesia could respond to social crisis without terror.

Notes

1. I am grateful to David Bouchier, Angus McIntyre, Mark Selden, Steve Shalom, Sylvia Tiwon, and Gerry van Klinken for helpful comments on earlier drafts.

2. These included *Wanra* (*Perlawanan Rakyat*, People's Resistance), *Ratih* (*Rakyat Terlatih*, Trained Populace), and *Kamra* (*Keamanan Rakyat*, People's Security). These militia units were not unique to East Timor, but developed a special significance there in the colonial context. See Robert Lowry, *The Armed Forces of Indonesia* (Sydney: Allen and Unwin, 1997), 110-112.

3. Douglas Kammen, "Notes on the Transformation of the East Timor Military Command and its Implications for Indonesia," *Indonesia*, 67 (April 1999): 75.

4. See Peter Bartu and Helene van Klinken in this book, and the annotated listing of militia groups active in mid-1999 in East Timor International Support Center, *Indonesia's Death Squads: Getting Away With Murder - A Chronology of Indonesian Military sponsored Paramilitary and Militia atrocities in East Timor from November 1998 to May 1999* (Darwin: ETISC Occasional Paper No. 2, May 1999), 9-11.

5. See for example, Marian Wilkinson, "Justice must be done," *Sydney Morning Herald*, Jan. 29, 2000; Lindsay Murdoch, "Soares Sanctioned Murder: Militia Chief," *Sydney Morning Herald*, Feb. 11, 2000.

6. This very brief account of BIA and *Kopassus* activities in 1998-99 draws on three important sources: "Indonesia's Dirty war in East Timor," *Tapol Bulletin*, June 7, 1999, <http://www.gn.apc.org/tapol>; East Timor Observatory, *Operasi Sapu Jagad - Indonesian military's plan to disrupt independence*, Comissno para os Direitos do Pauve Maubere, Ref: FA 10-1999/10/21eng, Oct. 28, 1999; and the reports of the East Timor International Support Center (ETISC), including *Indonesia's Death Squads*, and *The Systematic Annihilation of the East Timorese Nation* (Darwin: ETISC Occasional Paper No. 3, Sept. 15, 1999), http://www.easttimor.com/downloads/paper_3.doc. *Operasi Sapu Jagad* (Operation Clean Sweep) was the name apparently given to at least the

first part of the 1999 operation.

7. Somewhat confusingly, Anwar's successor as head of BIA, Major-General Tyasno Sudarto, changed the organization's name to *Bais* (Strategic Intelligence Agency). This was almost the same as its original name under its founder, Benny Murdani, when the organization was called *Bais* ABRI.

8. Anwar was appointed formally as head of security for the Indonesian liaison team with UNAMET, at a time when his military role was unclear. He was removed as head of *Bais* on Jan. 5, 1999, and Habibie's announcement was three weeks later, on Jan. 27. (*Korem 164/Wira Dharma*).

9. "Executive Summary of Report on Human Rights violations in East Timor, Commission for Human Rights Violation in East Timor (KPP-HAM) established by the National Human Rights Commission (Komnasham), Sept. 22, 1999, <http://www.easttimor.com/archives/1465.htm>.

10. The "Garnadi report" was a memorandum (Number: M.53/Tim P4-OKTT/7/1999) written on July 3, 1999, by retired Brigadier-General H.R. Garnadi, Secretary of P4OKP, Assistant Coordinating Minister I/Home Affairs, with the heading: "Subject: General Assessment if Option I loses." Although the authenticity of the document was challenged, however, the KPP-HAM accepted its authenticity. See "Team: Document on Timor burning valid," *Indonesian Observer*, Dec. 29, 1999, and "Former minister rejects E Timor carnage plan," *Indonesian Observer*, Jan. 14, 2000.

11. See "How Jakarta's generals planned the campaign of terror in East Timor," *The Independent*, Feb. 5, 2000.

12. "How Jakarta's generals planned...."

13. See the important chronological documentation of militia and TNI killings from late 1998 to Sept. 1999 published by the Darwin-based ETISC, available at http://www.easttimor.com/etisc_documents/etisc_documents.htm. For details of the deaths of priests and nuns in Dili and Suai after the UN ballot, see ETISC, *Systematic Annihilation of the East Timorese Nation*.

14. Letter from NGOs to President Clinton, Jan. 27, 2000, <http://www.etan.org/news/2000a/01ngo.htm>.

15. Amnesty International, "No End to the Crisis for East Timorese Refugees," Report - ASA 21/208/99, Dec. 1999, available at <http://www.amnesty.org/ailib/aipub/1999/ASA/32120899.htm>.

16. Indonesian police and TNI plans included the evacuation of pro-Indonesian Timorese -- especially those who had worked for or with the Indonesian government and the military, and their families. The proportions

of "willing" and "coerced" evacuees is unclear, but in January, foreign observers in camps in West Timor estimated that roughly one-third of the refugees in these camps at that time were reluctant to return because of fears arising from their Indonesian government connections in the past.

17. Zacky Anwar, the director of terror operations in East Timor in 1999, in fact combined special forces and intelligence backgrounds in a way characteristic of many of those in senior positions in East Timor in the 1990s. Graduating from the ABRI Military Academy in 1971, Anwar served as an RPKAD/Kopassandha (two Special Forces precursors of *Kopassus*) intelligence officer, including at least three operations in Irian Jaya against the OPM (*Organisasi Papua Merdeka*, Free Papua Movement). Six years with *Kopassus* in East Timor were followed by increasingly senior appointments in intelligence staff positions throughout the 1990s. Other officers with long Timor experience, with comparable backgrounds, especially in *Kopassus* intelligence roles, involved in the last phases of the East Timor operations include Brigadier-General Mahidi Simbolon, Chief of Staff of *Kodam* (Regional Command) IX/Udayana, which controlled East Timor; Brigadier-General Amirul Isnaeni, Deputy Martial Law Commander East Timor; and Major-General Sjafrie Sjamsoeddin, long-time associate of Anwar's, sent to East Timor immediately following the August 30 ballot.

18. See discussion in Tanter, Selden and Shalom, "East Timor Faces the Future," in this volume, pp. xx-xx.

19. See Richard Tanter, "The totalitarian ambition: the Indonesian intelligence and security apparatus," in *State and Society in Contemporary Indonesia*, ed. Arief Budiman (Clayton, Victoria: Centre of Southeast Asian Studies, Monash University, 1991), 215-88, and Richard Tanter, *Intelligence Agencies and Third World Militarization: A Case Study of Indonesia*, Ph.D. dissertation, Monash University, 1992.

20. See Robert Cribb, ed., *The Indonesian Killings of 1965-66: Studies from Java and Bali* (Clayton, Victoria: Centre of Southeast Asian Studies, Monash University, 1990), especially Cribb's introduction.

21. On the "petrus" killings see John Pemberton, *On the Subject of "Java,"* (Ithaca, N.Y.: Cornell University Press, 1994), 311-18; James T. Siegel, *A New Criminal Type in Jakarta: Counter-Revolution Today* (Durham, N.C.: Duke University Press, 1998); and Joshua Barker, "State of Fear: Controlling the Criminal Contagion in Suharto's New Order," *Indonesia*, 66 (1998). The term *petrus* was an acronym from the Indonesian words for "mysterious killers" (*penembak misterius*) or "mysterious killings (*penembakan misterius*)". In his memoirs, Suharto proudly acknowledged responsibility for the campaign: *Soeharto: Pikiran*,

Ucapan, dan Tindakan Saya - Otobiografi, seperti dipaparkan kepada G.Dwipayana and Ramadan K.H. (Jakarta: Citra Lamtoro Gung Persada, 1989), 389-91.

22. Van Klinken notes that the military has been quite open about the use of "menacing enemy images." Asked in March 1996 about mysterious "organizations without form" (*organisasi tanpa bentuk: OTB*), thought likely to be intelligence provocation fronts, Lt.-Gen. Syarwan Hamid, newly appointed ABRI Chief of Social and Political Affairs, commented: "That in fact is our method of building up security. With a small capability, we hope our security efforts can be preventive and early. That is the most effective way to build stability. We spread vigilance, if necessary to every layer of society so they too are careful. . . . How many soldiers do you have? Just 500 thousand people. Yet we have a territory that stretches from Sabang to Merauke. That's from Portugal to the middle of the Soviet Union. The budget for security per square kilometre in Indonesia is extremely low. With that we have to build security using effective methods. Society must participate." (*Gatra*, March 30, 1996), in Gerry van Klinken, "Will the next Indonesian succession be violent?" *Australian Journal of International Affairs* 11, no. 3 (1997): 359.

23. Tanter, *Intelligence Agencies*, Chapters 11-12.

24. On Aceh, see Gerry van Klinken's chapter in this volume and Sylvia Tiwon, "From East Timor to Aceh: The Disintegration of Indonesia?" *Bulletin of Concerned Asian Scholars* 32, nos. 1-2 (Jan.-June 2000): 97-104.

25. Tanter, *Intelligence Agencies*, provides an account of the history of New Order intelligence agencies to the late 1980s. The editors of *Indonesia* highlight two aspects of a subsequent shift: "In the days of Benny Murdani, his powerful *Bais* ABRI (Armed Forces Strategic Intelligence Agency) had within it a special directorate for Timor affairs. This directorate was eliminated in the course of Suharto's replacement of *Bais* by the much weaker contemporary BIA, and his purge of Murdani loyalists. In the absence of an East Timor directorate, control of East Timor affairs fell almost completely into the Old Timor Hands of Prabowo's *Kopassus* clique." "Current Data on the Indonesian Military Elite: January 1, 1998 - January 31, 1999," *Indonesia*, 67 (April 1999): 142. However, note that Zacky Anwar Makarim came to BIA following a substantial career in RPKAD/*Kopassus* operations. In other words, the division between "intelligence" and "special forces" at a general level may be misleading on occasion.

26. Since this argument is to a degree intentionally one-sided, it must

always be borne in mind that there is a great deal more left unsaid. The erosion through the late 1980s and 1990s of external support for Indonesian rentier-militarization created the possibility that domestic social forces in opposition to President Suharto could have their full effect. That complex story of transformation in Indonesian domestic politics, including conflicts over economic policy, and conflict within the armed forces and the state bureaucracy; the effects of class transformation; the intersection of religion and class issues; and long-standing center-regional tensions remains to be told.

27. See Richard Robison, *Indonesia: the Rise of Capital* (Sydney: Allen and Unwin/ASAA, 1986).

28. H. Mahdavy, "The patterns and problems of economic development in rentier states," in *Studies in the Economic History of the Middle East*, ed. M. A. Cooke (London: Oxford University Press, 1970), 428-29.

29. For more than a quarter of a century the essential pattern was that either oil or aid or both were the national economic base. The yield from corporate taxes on oil rose from 55% of central government domestic revenues in 1974 to a high of 71% in 1981 before falling to 40% between 1986 and 1988. Foreign aid was vital in the first years of the New Order, then fell away somewhat as large oil revenues came on stream, but rose again slowly in the late seventies and early eighties. The necessity for foreign aid returned with a vengeance as oil revenues collapsed and debt repayments escalated in the mid-1980s. Aid dependence diminished somewhat in the early 1990s amidst much talk of "Asian dragons," and after the currency crisis of 1998 dependence on foreign aid returned in even more urgent form. See Tanter, "Oil, IGGI and U.S. Hegemony," and Jeffrey Winters, *Power In Motion: Capital Mobility and the Indonesian State* (Ithaca, N.Y.: Cornell University Press, 1996), 98.

30. See in particular the argument in Winters, *Power in Motion*, 142-191.

31. In the early years of the Indonesian invasion the U.S. saw three direct threats to its interests from an independent East Timor. The first was the possibility that a leftwing Fretilin government would become a "Cuba of the South Pacific." The second was a belief that an independent and radical East Timor would lead to instability in Indonesia especially by providing an alternative model of development. The third perceived risk was that a leftist-controlled East Timor might threaten the U.S. Navy's ability to send its submarine forces through the deep Ombai-Wetar Straits north of East Timor. The first fear was always unfounded, and based on a

Cold War misreading of the character of Fretilin. The second fear was overtaken by the clear fact that it was the invasion of East Timor itself which was destabilizing Indonesia, turning it into a diplomatic near-pariah. The third fear may well have been replaced by Indonesia's insistence following the Third UN Conference on the Law of the Sea that under the legal concepts developed from UNCLOS III Indonesia as an archipelagic state held sovereign right to all "internal waters," including the Ombai-Wetar Straits. In 1988, Indonesia asserted these rights by closing the Sunda and Lombok Straits for a period of days, pointedly demonstrating that other possible submarine routes from the Pacific to the Indian Ocean were no longer to be considered the high seas ("Michael Leifer "Indonesia Waives the Rules," *Far Eastern Economic Review*, Jan. 5 1989).

32. Wade Huntley and Peter Hayes argue that the use of this public and crude financial pressure demonstrated the extent to which the U.S. had lost influence over the Indonesian military. See Huntley and Hayes in this volume, pp. xx-xx.

33. Major-General Agus Wirahadikusumah, Assistant for Planning to the Commander of the Armed Forces, called for the abolition of the armed forces' dual function, as a step towards reform of the military leadership. See TNI Watch, "Tantangan TNI, cabut dwifungsi," Xpos, No.39/II, Oct. 31-Nov. 6, 1999. <http://apchr/murdoch.edu.au/minihub/siarlist/msg04022>. Wirahadikusumah was subsequently appointed by President Wahid to be commander of the Army Strategic Reserve (*Kostrad*).

34. Moreover, highly technically trained naval and air force officers have been demonstrated their willingness to use terror for domestic political purposes under other dictatorships -- such as Argentina in the 1970s and 1980s.