

## **Indonesia's Military Transformation: Beyond Democratic Reforms**

An Open Forum with

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### **Introduction**

The role of the armed forces in Indonesia's politics has undergone significant transformation in the country's transition to democracy. During the Suharto era, as prescribed in the then "Dual Function" doctrine, the armed forces played a key role in maintaining law, order, and stability, and were deeply involved in governance. The fall of Suharto's New Order in 1998 has led to a peaceful withdrawal of Indonesia's armed forces as an entity with a political role.

On February 23, USINDO hosted an Open Forum on "Indonesia's Military Transformation: Beyond Democratic Reforms" with Evan A. Laksmana, a Fulbright Presidential Scholar at Syracuse University's Maxwell School of Citizenship and Public Affairs and a researcher with the Center for Strategic and International Studies in Jakarta. Mr. Laksmana discussed how far Indonesia's defense reform has gone since 1998 despite their withdrawal from a political role, and addressed issues in defense management and effectiveness, as well as the role of the parliament, civil society institutions, and the international community such as the U.S. in the reform process.

This talk was based on Mr. Laksmana's academic research on wide ranging topics related to post-authoritarian military transformation, and the summary is provided below.

## Highlights of Military Reform (1998-2012)

The military reform is traditionally examined through three distinct eras: (1) the dual function and regime maintenance era (1965-1998), (2) the democratization and anti-militarism era (in 1998), and (3) the post 1998 era that marks the end of military's political role and the start of civilian supremacy. The key demands in the post-Suharto reform for the Indonesian Defense Forces (TNI), from within and outside Indonesia, generally focus on the following:

1. Establish unchallenged civilian supremacy
2. End the political role of the military
3. End the military commercial role
4. Ensure that the military is legally accountable and not just to itself

The bulk of policy and scholarly works have focused on the dynamics between these four points. A lot of the 1998 demands have technically been fulfilled but what needs to happen next is the most crucial.

Because of these demands, the focus of the reform always starts from the top. The reform key achievements therefore lie in the **legislation**, particularly the Law on National Defense (2002) and the Law on TNI (2004), which include the separation of police forces from the military and the abolishment of military political role. The laws also include promises for further reform, e.g. future command structure to be designed according to geographical condition (more forces on the border areas), the end of the military business (passed in 2009), and the bill on intelligence (passed in 2011). These are what the civil society groups refer to as the defense reform package. Out of 17 bills formulated in 2003, only 3 have been passed. Under the current administration, only the intelligence bill has been passed, but last month it was submitted for review at the Constitutional Court. Two lower-level regulations have also been passed: a government regulation on soldiership (human resources restructuring) and a Presidential Decree on TNI organization structure.

Another key highlight of the reform is an increase in **defense budget**. The basic salary of the military personnel also saw a 15 to 20 percent raise in 2004.

On the **educational and institutional development**, Indonesia now has a defense university (master's degree level education). The military academy's 3-year diploma program has also been transformed into a 4-year bachelor's degree program. The military has started focusing on a tri-service and combined warfare, and this requires a regional defense command, still in draft form, which is similar to the U.S. combatant command. The military also developed the Minimum Essential Forces (MEF), a military procurement wish list, which is essentially a toned down version of the ideal defense posture.

In 2010, the military commander Admiral Agus Suhartono came up with five prerequisite capabilities that he envisioned the military to achieve by 2014:

1. Employ a joint tri-service military operation under a rapid reaction force in two locations simultaneously
2. Execute a combined naval warfare in two locations simultaneously
3. Counter armed groups and rebellions using intelligence security combat and territorial operations
4. Maintain and secure border areas
5. Improve surveillance and deterrence capabilities

Recent military purchases are mostly geared toward this end. There is also an effort to **revitalize the defense industry** and a draft bill on this aspect is currently being deliberated.

With regard to **human rights** (HR), some of the past HR case investigations are still ongoing, but in the past 10 years the number of massive systematic HR abuses is almost non-existent compared to that in the past regime. However, some concerns still exist regarding the security approach towards a potential separatist movement. The Army Special Forces, considered to be the most notorious, is actually the first unit that brought in the Red Cross to create HR education and curriculum, which is being replicated elsewhere. The bill on the judicial sector reform of the military, however, is currently being put on hold.

All these reform efforts are summed up under a broader security sector reform (SSR), which includes reforms on the intelligence sector and police forces.

### **Transforming Post-Authoritarian Militaries**

From academia and defense analysts' point of view, military reform is done. The 1998 demands on the military are almost 75 percent completed. What needs to happen next is defense transformation. This is what is being proposed to the civil society, to fix certain aspects of the military and fundamentally change the way the military thinks of itself. Transformation is broader than reform and the military cannot do this alone. The Ministry of Defense (MOD) is critical, and so is the role of the parliament.

Defense transformation requires an improvement in two aspects: military effectiveness and defense management efficiency. Translating this grand vision into policy involves addressing several political, institutional, intellectual, and cultural issues, before arriving at a hi-tech military vision. On the **political** side, these include addressing the laws and regulations, inter-agency relations, parliamentary oversights, and foreign relations and security cooperation. Reforms on laws and regulations are almost complete. Inter-agency relations are expected to be transferred from under the Coordinating Ministry for Political, Legal, and Security Affairs, to the National Security Council (attached to a national security bill that has not yet been passed). The parliament has the oversight mandate, but not necessarily the expertise.

Defense diplomacy is generally good; much of this cooperation is done with the United States.

The ***institutional*** side includes addressing, among others, the grand doctrine of the regional defense command, as well as financial and manpower management. There is improvement in the budget, but much still needs to be done in terms of military welfare and eliminating the bureaucratic hurdles of budget disbursement. MOD audit reports are generally satisfactory, but MOD senior officials are accustomed to running a political entity and not administering a government entity. It is expected that the Corruption Eradication Commission will be brought into the MOD to look into this financial aspect.

With regards to the ***intellectual*** issues, two elements are worth noting. The military education and training has been transformed, but graduates now face tougher competition. The absence of political roles and military business requires all military graduates to compete for military posts. Many are willing to forgo graduate education to move further up the military ranks. Retention policies need to be evaluated as well. In the past, retired officials could join a political party or run a commercial enterprise. This is no longer possible under the current laws.

The integration of defense economy into the national economy is also central to the development of military technology and defense industry. Currently there are only a few local supply chains that can support high tech procurement. New technology and hardware can increase operational readiness, but the ability to sustain it is also crucial.

### **What's Next: Realities and Challenges**

There are contending visions among the stakeholders. The executive is focusing on technology; the parliament is concerned about domestic issues such as local procurement; and the civil society demands an improvement in the HR situation. Mr. Laksmana's personal vision would be a focus on the people, i.e. education and personnel management is the key to move forward.

The challenges in this transformation process are four-fold. On the ***political*** side, the parliament has been vocal but provided minimal oversight, the presidency is stagnating and relatively silent on many issues and these create domestic tension. On the ***institutional*** side, the rivalries between the TNI and Police are mitigated by the fortunate luck that their senior officers are from the same cohort. Inter-service rivalry is less than in the past. The MOD is envisioned to take over operational control from the military and strengthen both the military and defense. Right now it is a dual structure; the MOD is responsible for administration and budgeting, whereas the military is responsible for the operations. Former Defense Minister Yuwono Sudarsono's vision was to strengthen both the military and non-military defense. However, defense analysts had concern on the reserve component of the non-

military defense and the not so well informed bill, which was successfully rejected last year.

On the **operational** side, the strategic environment is changing with the growing nexus of traditional and non-traditional security (terrorism, social unrest, piracies, and border disputes), requiring cooperation between the military and the police. Lastly, the **social** realities reflect the changing position of the civilian defense community, which has weakened compared to the early years of reform. The academia prefers to work with the MOD; this is not the case with the civil society. This is also due to the relatively small pool of civilians interested in defense studies. Public opinion on the military, however, is improving. This trend does not necessarily correspond with the public longing for military control; it is rather a reaction to the weak presidency.

### **The Role of the United States**

The following are recommendations to the United States with regards to their role in the Indonesian military reform process:

- Support Indonesian domestic initiatives and broaden engagement beyond the elites (e.g. engaging the parliament, civil society)
- Provide education to all levels (from the academy to the staff college level) and advanced courses on defense planning, budgeting, and management
- Support technological development (G-to-G cooperation, civil-military technology, long term industrial development, regional collaboration)
- Promote multilateral defense diplomacy and international missions

### **Questions and Answers**

#### ***Q: Can you tell us what is wrong with the military reserve bill?***

My concern is on the operational standpoint. It seemed that there was not enough background information to support the bill. For example, how are they going to finance it, will it be from the national budget or left to the local government to decide? How are they going to utilize the reserve? There were no set criteria for recruitment and training. Because it is arbitrary, it is potentially misused. It may be avoided with proper regulation, but the MOD was not able to produce the operational blueprint. It is a grand vision and stated in the Constitution that the military consists of main and reserve components, but if we want to do it, we have to do it properly.

***Q: I participated in the discussion about the defense doctrine, and am quite happy with how things are on track. But we have not been able to measure the defense transformation in terms of national interests. How would you advise President SBY to measure this, to fulfill what former Minister Yuwono Sudarsono has envisioned?***

You are right, the basic initial documents are there, but in terms of measuring the progress I think this is where the political leadership has failed to provide guidance. Of course we cannot have it all, but we need to set our priority. If we want to invest in military hardware, we have to replace the decaying ones first. Second priority is the personnel management. We need people to run and sustain the vision. Because of the personnel rotation, sustainability in policy is also important. So for me, our priorities should be finance, personnel, and decaying hardware, and not the most advanced technological development.

***Q: In the past, one of the problems of the Indonesian Navy was their limited capacity to properly patrol the extended economic zone, which has caused Indonesia to lose a lot in marine produce. Are things any better now?***

Direction wise it is potentially better because of the future coast guard. The problem now is more on the bureaucratic side. More than 12 agencies are involved in maritime law enforcement. We still lose about 5-6 billion a year in marine resources. The navy is not the only maritime law enforcement agency, but hopefully it will change when we have the coast guard in place. As of last year, the coast guard decree had not yet been signed, but it is there. Credit is due to the navy, as the coordinator for marine security, because their reporting has begun to show a decrease in losses.

The other big problem is fuel. Fuel is allocated top down (fixed budget), and therefore problems may occur when there is price fluctuation or an emergency situation. The navy does not get subsidized fuel anymore, since the policy only allows it for low-income families.

***Q: First, on military business regulation, how has the law been implemented so far? And second, regarding the territorial command structure that is being reviewed, will it be changed or improved in any way?***

On military business, legally speaking, everything has been taken over by a trusteeship of a joint committee from different departments. The law, as it is mandated, has been fulfilled. The current challenge now lies with financing the emergencies operations, be it natural or man-made. Due to the existing bureaucratic hurdles, the money will not come in time for the military to launch its operation. In the past, it was possible to have this resourced from the military business. This independent source of funding for the military is no longer available. Regardless of the law, the issue of low military welfare still has to be addressed.

On the territorial command structure, the law mandates that it is to be changed according to the geography. There should be more forces on the borders, but right now about 60 percent are still in Java. The first ever combined warfare headquarters is now in Kalimantan. It is slowly moving in that direction. In the past, 60-70 percent of the military command structure was for intelligence and territorial. There is an increase now on the combat side.

***Q: Can you comment on the effectiveness of the TNI after all this reform and investment, and what can we expect five years from now?***

We do not have a substantial study that is up to date. The last study we have is looking at the military effectiveness from 1945 to 2004. The study suggests combat effectiveness was quite good, especially under the Suharto regime. However, this is not to say that authoritarian regime guarantees military effectiveness. There has not been a tri-service exercise since the Aceh tsunami. The last was in 2008 and we want to do it every four years. There is relatively less success in terms of joint counterterrorism (CT) exercises. It is ongoing but there has not been an effective way to measure it. I think the future direction on the tri-service doctrine is picking up steam but I do not know for how long.

***Q: How do you see the future role of the military in CT, given the tension with the Police Force?***

I give you our standard answer. The reason why we still favor the police despite of the shortcomings and rivalry with the military is that CT must remain a law enforcement problem. There is due process involved, trials, etc. However, on special cases like recent ship hijacking overseas, we saw the military could play a role.

The military have been out of the game for a while. It is difficult to catch up with the police who have done their work developing the CT network. The military can be involved only if the police request it, especially when the problem escalates and involves an armed rebellion, for example.

***Q: Do you support the idea of sending military officers to civilian institutions?***

The problem with that argument is historical trauma. When the military was educated beyond the military realm abroad (from the 50s to 80s in the U.S.), the knowledge they gained was used to dominate the civilian population. Personally I think the investment should not be just on military officers, but also on civilians who would then be required to work in the MOD. Currently only a few civilians are working in the MOD and generally they do not have an educational background in defense studies.

I propose a similar idea to the undergraduate education in Indonesia. But the problem with civilian education in Indonesia, sometimes they are a little loose with the military, i.e. no strict grading, etc. (for high ranking officers who go back to school to get a degree).

***Q: You often referred to the “defense analysts group” who are not affiliated with the Indonesian government. Who is actually involved? What are their backgrounds? Do they have combat experience? How do they acquire information from the military? How do they express their views to policy makers?***

The spirit of defense reform is not directed from the president. A lot of it is a broad theme and the military is left alone to implement them. They need expert help. They lack academic capabilities for needs assessment or planning a budget, for example. The reform was initiated after the fall of Suharto, mostly by the civil society. But when the military ask the civil society, they receive few helpful responses.

The analysts group is very small, about 14 individuals, all civilians. The majority were trained in political science or international relations. A few have post graduate backgrounds; some have family ties in the military. Civil society groups are less and less influential in shaping the defense policy. This small group of academics relies on good relations with people from the MOD. In the previous term, we were appointed by the ministry decree, now it is more of an ad hoc decree through think tanks.