

Old state and new empire in Indonesia: debating the rise and decline of Suharto's New Order

MARK T BERGER

As the March 1998 presidential election (which was preceded by a general election in May 1997) approaches there is every indication that President Suharto of Indonesia will be elected to his seventh five-year term. There was speculation that the long-serving former general might retire after the death of his wife in April 1996. However, in June 1996 his commitment to continue as president of Indonesia into the next century was apparently highlighted by his government's blatant intervention in the affairs of the Indonesian Democratic Party (PDI) to successfully oust the party leader, Megawati Sukarnoputri. Since her election to the top job in the PDI at the end of 1993, Megawati (daughter of Indonesia's first president, Sukarno) had become a powerful symbol of democratic opposition. It was widely expected that she intended to stand for president in 1998, a post to which Suharto has previously been elected unopposed by the People's Consultative Assembly which meets every five years. Her popularity was confirmed by the fact that her ouster precipitated one of the most violent urban uprisings in the history of Indonesia's New Order. An armed assault by elements of the Indonesian army on PDI headquarters in Jakarta on 27 July led to a dramatic outpouring of opposition as Megawati's youthful supporters took to the streets. Although some observers and participants hoped that this was the beginning of a 'people power' revolution similar to that which overthrew President Ferdinand Marcos of the Philippines in 1986, order was soon restored, with the Indonesian military taking advantage of the uprising to round up a range of dissidents. At the same time, the cynicism and heavy-handedness of the government highlighted the fact that there are cracks in the edifice of the New Order.² More broadly, although it continues to display considerable staying power, Suharto's New Order in Indonesia has been in decline since the second half of the 1980s. Against the background of the growing debate about the future of Suharto's regime, a re-examination of the origins and rise of the New Order can illuminate the character and direction of the impending political transition in Indonesia. This is the subject of the first half of this article. By contrast the second half focuses directly on the debate about the decline of the Suharto regime and engages critically with the question of whether the New Order will eventually be followed by some form of capitalist democratic modernity.

Mark T Berger is at the School of Humanities, Murdoch University, Perth, WA 6150, Australia.

From empire to nation? Debating the rise of Suharto's New Order

The most widespread explanation for the rise and longevity of the New Order focuses on the patrimonial character of Indonesian politics and/or on the sustained capitalist development which the archipelago has experienced during Suharto's rule. Certainly New Order Indonesia has experienced rapid economic growth, with an average annual economic growth rate of 6% for the past 30 vears.³ In his recent book. Adam Schwarz has argued that the history of New Order Indonesia has demonstrated that a 'patrimonial political structure' is not necessarily 'fatal to capitalist economic development'. At the same time, because of decades of economic growth there is a tendency to assume that the colonial and early post-colonial periods have become irrelevant. Much recent analysis of Indonesia hopes, if not assumes, that over time patrimonialism (which is seen as a legacy of both the colonial and the pre-colonial era) will fade and the process of democratisation and the rationalisation of government-business relations will take root as a result of, or at least as a concomitant to, the country's spectacular capitalist development. However, the emphasis here will be on the way in which the colonial era casts a long shadow. This article begins with a survey of the debate on the rise of the New Order and the dynamics of political change in Indonesia. The early influence of classical modernisation theory, followed by revisionist approaches which emphasised the need for and even the inevitability of authoritarianism, will be discussed. The deployment and popularity of the notion of patrimonialism will also be outlined in relation to the rise of the New Order. The influence of the concept of bureaucratic authoritarianism on attempts to explain the emergence and consolidation of the New Order will then be examined. This will be followed by a discussion of the debate about the historical significance and particular character of the state in the transition from the colonial era, to the early nationalist period and then to the New Order era. Building on the debate about the origins of the New Order state, the first part of this article will then provide an examination of the history of Dutch colonialism, the process of decolonisation and the first 20 years of the history of the new nation of Indonesia after 1945, which paved the way for the New Order. An analysis of the consolidation of the New Order in the 1960s and early 1970s will then be provided, emphasising that an important part of the explanation for the rise of the New Order, and its longevity and overall character, can be found in the powerful institutional and social legacy of the Dutch colonial state 5

Old societies and new states: North American liberalism and the pursuit of modernity in Indonesia

After 1945, in the context of rising nationalism, decolonisation and the Cold War, the number of nation-states world-wide expanded dramatically. In a short period of time colonial boundaries, often built up over decades if not centuries, became national boundaries. State power was transferred to, or eventually seized by, nationalist elites and movements throughout much of Asia and Africa. The international recognition of these new nations, and their incorporation into the

United Nations-Cold War system quickly served to confer sovereignty and legitimacy. Against the backdrop of the post-1945 expansion of the nation-state system, the professional social science discourses worked to naturalise the new national boundaries. This was apparent in the case of modernisation theory, which emerged in North America, and around the world, as one of the most significant trends in the social sciences after World War II. After 1945 it was widely assumed in North American government and area-studies circles that the poverty of the new nations facilitated the spread of international communism. It was also assumed that North American-style modernisation would usher in economic prosperity and democracy, undercut the possibility of anti-capitalist revolution, and lead to the emergence of stable nations in Asia and elsewhere in the so-called Third World, Although various revised versions of modernisation theory remain predominant in the context of the continued international power of Anglo-American liberalism, what is now regarded as classical modernisation theory reached its peak in the late 1950s and early 1960s. In the context of the powerful influence of classical modernization theory, a growing number of analysts of post-1945 politics in Southeast Asia and beyond perceived tradition and its constitutive elements (ethnicity and religion) as increasingly irrelevant as the new nations that emerged after WWII pursued political modernity.8 In the case of Indonesia it was hoped, if not confidently expected, that ethnic loyalties and so-called primordial sentiments would fade, and new loyalties to the modern nation of Indonesia would become the central aspect of every citizen's identity.

This approach is apparent in a book edited by Clifford Geertz entitled Old Societies and New States: The Quest for Modernity in Asia and Africa. Interestingly, although the book as a whole is clearly working from a classical modernisation framework, Geertz's analysis of Indonesia already reflected a degree of concern about the success of what he called the 'integrative revolution' (this was represented as a process by which primordial loyalties to region, ethnicity, religion and language were not so much done away with as subsumed into a wider national consciousness) which he perceived as underway in the new nations of Asia and Africa. Writing at the time of the rebellions in the Outer Islands and the trend towards authoritarianism under Sukarno in the late 1950s and early 1960s, Geertz perceived Indonesia as 'an almost classic case of integrative failure'. He lamented that 'every step toward modernity' had simply strengthened the tendency towards 'an unstable amalgam of military coercion and ideological revivalism'. 10 The increasing perception, by the early 1960s, that Indonesia was drifting from the modern democratic path was apparent in the detailed empirical work of Herbert Feith and Daniel Lev. Their analysis reflected an emphasis on inter-elite politics which evaluated the Indonesian trajectory in terms of its inability to recapitulate an idealised version of the Anglo-American road to modernity.¹¹

An early result of the perceived failure of classical modernisation theory was the emergence in the 1960s of a politics-of-order approach which coincided with the trend towards military regimes in Asia and elsewhere. This work projected an image of the military as the only force which had the administrative and technical skills to facilitate political and economic modernisation. Samuel Huntington was the most prominent exponent of this shift from classical

modernisation theory to the politics-of-order, and his 1968 book also played a role in shifting the focus of theories of modernisation on to the state. ¹³ Furthermore, the importance and inevitability of democracy was increasingly subordinated to a concern with order and stability. The politics-of-order approach treated the emergence of authoritarian regimes, such as Suharto's New Order, as a necessary response to instability, and focused on the need for and the ability of centralised authoritarian states (although the term state was not necessarily used) to better pursue capitalist development. ¹⁴ This understanding of the emergence of the New Order was apparent in an article in *Asian Survey* by Guy Pauker in the late 1960s. ¹⁵ Not surprisingly, ideas about the functional need for a military-led technocracy to oversee the process of development was popular with many New Order military figures. For example, the influence of Huntington's ideas, as well as that of earlier North American modernisation theorists, is apparent in publications by Ali Moertopo, who served as Suharto's intelligence chief for many years. ¹⁶

The emphasis on the important stabilising role of the military and political order was increasingly part of a wider revision of classical modernisation theory. While still assuming that change was an evolutionary process, these writers increasingly argued that change was not simply about the transition from tradition to modernity, but also involved the modernising and adapting of tradition.¹⁷ One of the most influential approaches to emerge out of the revision of classical modernisation theory was undoubtedly the concept of patrimonialism. 18 A major example of the patrimonial approach was an article on Indonesian politics written by Harold Crouch in which he argued that, while Indonesia had changed a great deal in the twentieth century, its political system under Guided Democracy and the New Order was still characterised by 'important traditional features' which appeared to 'hark back to the patrimonial politics of earlier, precolonial Javanese empires'. Writing in the late 1970s (at a time when the New Order was generally perceived to have embarked on a process of authoritarian deepening) Crouch anticipated that the prospects for the New Order regardless of whether it was 'still essentially patrimonial or already partially bureaucratic'—might well include 'large-scale outbreaks of mass opposition which would almost certainly become linked with intra-elite conflict'. Such a situation 'would force the government to give greater emphasis to straightforward repression and less to the patrimonial buying off of dissidents'. He concluded that 'patrimonial-style stability' was 'not likely to endure'. 19

Crouch's analysis in the second half of the 1970s may also have been influenced by the concept of bureaucratic–authoritarianism which flowed from the work of Guillermo O'Donnell and emphasised that the new authoritarianism of the Cold War reflected the emergence of particularly modern and bureaucratic forms of authoritarianism against the backdrop of the historical circumstances associated with late-industrialisation. From O'Donnell's perspective, a bureaucratic—authoritarian state emerged when the limits of import-substitution industrialisation were reached and the national bourgeoisie—allied with the military and the technocratic elite and linked to transnational capital—moved to protect their interests and guide the economy in a direction commensurate with their needs. The concept of bureaucratic—authoritarianism clearly reflected the way in

which some strands of modernisation revisionism incorporated insights from Marxist and Marxist-derived theories. More specifically O' Donnell built critically on both Huntington's politics-of-order approach and the early Marxist-derived historical critique of classical modernisation theory articulated by Barrington Moore.²¹ By the end of the 1970s, the concept of bureaucratic—authoritarianism was part of the wider trend towards a renewed interest in the state. For example, while the Social Science Research Council's (SSRC) Committee on Comparative Politics, which had been at the centre of post-1945 North American efforts to make the concept of the state redundant, was shut down in 1972, the early 1980s saw the establishment of the SSRC's Committee on States and Social Structure co-chaired by Theda Skocpol and Peter Evans.²²

Bureaucratic-authoritarianism had a broad influence, and although its more deterministic elements had been challenged (by O'Donnell himself among others), by the end of the 1970s it was widely used as a relatively open conceptual framework.²³ Dwight King's work on Indonesia, which emphasised the 'historical-contextual sensitivity' of the bureaucratic-authoritarian framework clearly reflected the latter kind of usage.²⁴ The theory of bureaucraticauthoritarianism reached the peak of its influence in the early 1980s. A renewed trend towards democracy, combined with the end of the Cold War, helped to undermine the use of the bureaucratic-authoritarian model, particularly its more deterministic applications, and encouraged academics to turn their focus of analysis from authoritarianism to democratisation. Although bureaucraticauthoritarianism continues to enjoy some currency, patrimonialism is still the concept most regularly deployed to explain Indonesian politics. Jamie Mackie explicitly rejects the bureaucratic-authoritarianism label in favour of patrimonialism in his analysis of the rise of the New Order.²⁵ Other writers continue to emphasise the utility of the concept of patrimonialism in understanding key aspects of Indonesian politics.²⁶ For example, Andrew MacIntyre has emphasised the relative retreat 'of the state from the marketplace', the rise of the private sector and significant but still embryonic efforts by 'sections of private industry to organise themselves collectively for political action', but he concludes that 'patrimonial linkages are still the norm' in Indonesia. At the same time, he argues that, in the long term, the structural changes in Indonesia's economy and the related growth of the private sector indicate the possibility of the 'rationalisation' of government-business relations. However, although the emergent export industries may well generate the political basis for continued economic rationalisation, MacIntyre also emphasises that Indonesia's lack of a 'strong state' and a 'developed system of corporatist arrangements for peak level consultation between government and business' means that the chances of economic policy making becoming 'increasingly ensuared by patrimonial and collective rent-seeking schemes is considerable'. 27 More broadly he has questioned whether the 'progress' which has occurred—not only in Indonesia but in the rest of Southeast Asia—can be sustained by the current institutions and political systems.²⁸

MacIntyre's work on Indonesia reflects the way in which the dominant Anglo-American narratives continue to assume that the future is a choice between the increasing rationalisation of government-business relations as a

politically significant middle class emerges, or the resurgence of patrimonialism. Apart from its tendency to rely on an idealised Anglo-American model, this analysis is often framed around a sharp dichotomy between state and society (or civil society) which distorts analytical clarity and contributes to an ahistorical perspective on the state in Asia. For example, at the end of the 1980s, the understanding of political change as a reformist project, in which civil society, often under middle class leadership, eventually regains control of the state (and authoritarianism is gradually replaced by democracy), was used to frame a series of conference papers edited by Indonesian political scientist Arief Budiman entitled State and Civil Society in Indonesia.²⁹ Much of the work in this book and more generally fails to locate an identifiable border between state and society which leads to an analysis in which the state is situated as removed from society. The liberal state-society approaches tend to deal with the uncertainty of where the actual edges of the state are by defining the state narrowly as some sort of a policy-generating entity and/or a coercive apparatus. This allows the state to emerge 'as a set of original intentions or preferences'. 30 The rise and consolidation of the post-1965 Indonesian state is best viewed as being grounded in the history of the wider social formation. States are at once products of, and embedded in, wider social formations, and those states that appear to be separate, or have considerable autonomy from, society reflect a particular local and world-historical juncture.

Old states and new nations: Marxism and the historical political economy of Indonesia

Efforts at conceptualising the state in Indonesia, as elsewhere, continue to flow out of, or remain based on Marxist analysis. While Marxism was marginalised within Asian Studies generally during much of the Cold War, the bloody rise of the Suharto dictatorship in Indonesia, and the escalation of the war in Vietnam, ensured that the study of Indonesia specifically, and of Southeast Asia more generally, helped produce a radical tendency within Asian studies by the second half of the 1960s.³¹ A New Left-style Marxism gained some purchase in the USA (which was, and still is, the acknowledged centre of English-language studies of Southeast Asia) at the same time as Marxism exercised considerable influence on the study of Southeast Asia in Australia and Britain.³² More important than Marxism by the 1970s was the influence of what is now regarded as classical dependency theory—derived from Marxism and Latin American historico-structuralism.³³ The influence of dependency theory on the analysis of New Order Indonesia was readily apparent in the work of writers such as David Ransom and Malcolm Caldwell.³⁴ At the same time, the work of Australian academic Rex Mortimer is usually held up as an exemplary synthesis of dependency theory and Marxism in relation to Indonesia. In the 1970s a Marxist state and class-approach also began to emerge as an explicit rejection of dependency theory.³⁶ This approach linked historical materialism to the insights of the dependency debate, but placed its major emphasis on state and class structures in the periphery, pointing to the relative potential for autonomous

capitalist development, and emphasising that politics in Indonesia and elsewhere still enjoyed a degree of freedom from external pressures. Building on the debate over the capitalist state, as reflected in the work of Ralph Miliband and Nicos Poulantzas, writers increasingly saw the state as the location in which the local ruling classes might initially have taken form, and through which they sought to consolidate their economic and sociopolitical dominance.³⁷

The most well known example of this perspective in relation to Indonesia is the work of Australian academic Richard Robison. His writing has emphasised the historic role of the state in generating the context for the emergence of capitalism and the dominant classes in Indonesia.³⁸ From this perspective a crucial aspect of the rise and consolidation of New Order Indonesia was the way in which 'political power' flowed from 'within the state apparatus'. At the same time, he emphasised that the institutions and language of the New Order were corporatist: they placed considerable emphasis on the 'common national good' and on the need to organise politics along consensual and functional rather than competitive lines. Writing in 1993 he located the 'ideological basis' of the New Order state in a form of cultural nationalism which juxtaposed Eastern harmony and consensus with Western confrontation and individualism. He also emphasised that the emergence of organicist state ideology in Indonesia was linked to the thinking of influential Javanese aristocratic officials who held up authority and hierarchy, along with the concept of aristocratic obligation, as key values. Robison noted that these ideas had also been 'extremely compatible with the conservative, organic political theories of the declining aristocracy of Bismarckian Germany and other European authoritarian monarchies'. His reference to Bismarckian Germany is significant insofar as he concludes that contrary to the 'liberal democratic model', which is widely deployed to explain the trajectory of post-Suharto Indonesia, a 'more helpful model' can be found in 'post-Bismarckian Germany'. 39 However, while it is doubtful that the New Order is about to give way to liberal democracy as it is popularly understood, it can be argued that there are serious limits to examining the rise and vicissitudes of New Order Indonesia through the prism of late-19th century Germany. Nevertheless, Robison's reference to post-Bismarckian Germany serves to highlight the resilience and importance of an historically rooted, but changing, aristocratic elite, which continues to be central to New Order Indonesia. In Germany specifically, and in Europe more generally, aristocratic elites were not swept aside by capitalism, retaining far more real political-economic and social power than many writers had assumed right up to at least the First World War. 40 Furthermore, although in some European countries the aristocracies were toppled during, or consumed by, the First World War, as was the case in Russia and Britain respectively, in other instances they were not overthrown until the Second World War, as was the case with the Junkers in Germany. 41 Ultimately, the European aristocracies were not brought low until Europe had passed through the Götterdämmerung of the First and the Second World Wars.

As Robison's analysis makes clear, there are key differences between the way liberal and Marxist analysis understands the dynamics of the rise and consolidation of the New Order. At the same time, his analysis also points to the way in which both liberal and Marxist discourses often evaluate Indonesia in terms of

its apparent success or failure to follow a relatively limited number of idealised North American or Western European paths to modernity. Many liberal analyses make virtually no effort to conceptualise power relations and still treat culture in a relatively static or deterministic fashion. At the same time, Marxist observers still tend to view power in centralised terms as embedded in class relations and state structures, while representing culture as an unproblematic ideological function of the dominant elites. This type of approach fails to draw out the historical particularity of capitalist integration and differentiation which took shape in the colonial period and continues to contribute to the complexity of the national period in Indonesia. Furthermore it fails to even begin to problematise the nation as a unit of analysis or put nationalism in an historical context.⁴² In terms of nationalism, Benedict Anderson's work represents a major challenge to the universalism of liberal and Marxist discourses and is an important point of departure for any attempt to come to grips with the social origins of the New Order in Indonesia. Anderson has emphasised the complicated dynamics of historical change which underpin the emergence of the nation as 'an imagined political community' based on the reconfiguration of the past, including the colonial past, by the emergent nationalist elite.⁴³ Anderson's analysis of Indonesian nationalism is complemented by his approach to the state, which has been at the centre of debates about how to explain the rise and transformation of the New Order in Indonesia. Flowing out of his earlier work, but beginning particularly in the early 1980s, Anderson's analysis became know as the 'state qua state' approach, or what I prefer to call the historic state approach.⁴⁴ In an important 1983 article, Anderson observed that it has become easy to conflate 'nation' with 'nation-state'. However, they are most emphatically not the same, and both have particular histories, interests and constituencies. From his perspective the state should be seen as an institution, comparable to the university, the church or the modern business firm. Like other bureaucracies, state institutions have their own 'memory' and perpetuate 'self-preserving and self-aggrandizing impulses' which are articulated by particular officials, but are not simply a function of 'passing personal ambitions'. Anderson goes on to explain the important continuity between the colonial state and the New Order state in terms of the social background of its officials and its overall territorial boundaries and administrative structures. 45

Some of Anderson's sharpest critics have been Marxists. ⁴⁶ For example, in the mid-1980s Robison rejected Anderson's 'state qua state' formulation as 'ahistorical', arguing that it represented the Indonesian state as a 'universal Javanese state transcending its specific historical and social environment'. By contrast Robison took the view that 'the New Order can only be understood and explained within its specific historical and social context in which class is a crucial factor'. ⁴⁷ This tends to conflate class analysis with historical analysis. However, there is more to historical analysis than an emphasis on class structure and/or class struggle, insofar as a deterministic usage of class analysis overlooks the complexities of social power. At the same time class remains a relevant, although not necessarily a foundational category of analysis. ⁴⁸ More recently, Alec Gordon has criticised Anderson for a perceived failure to give sufficient weight to the wider economic imperatives shaping the political trajectory of the

colonial state in the Netherlands East Indies and the post-colonial state in Indonesia.⁴⁹ However, the critique by Gordon (who somewhat perversely argues that Anderson's work is a direct attack on Marxism) is damaged by the way in which he represents Anderson's perspective as unchanging over time, and because he also conflates Benda and Anderson's approaches to the state, glossing over substantive differences between the two approaches and between early and later work by Anderson. All this serves to erect a dubious dichotomy between the imaginary history manifested by the so-called 'culturalism' of Anderson on the one hand, and the 'real history' said to be embodied by Gordon's Marxism on the other hand. While dismissing the cultural specificity and bureaucratic logic implied by Anderson's conceptualisation of the state, Gordon's approach ultimately ascribes a deterministic economic rationality to the Dutch colonial state and its Indonesian successor. For Anderson the history of what is now Indonesia is possessed of its own dynamics that cannot necessarily be deciphered by the mechanical application of Marxist theory. But, for Gordon the dynamics of metropolitan and local capital is the 'real history' of Indonesia, while Marxism, in his view, continues to provide all the intellectual terms of reference necessary to understand what is going on in the region. Despite the alleged incompatibility between Marxist political economy and the 'state qua state' approach, the view taken here is that they provide important points of departure from which to put the rise and vicissitudes of the New Order in perspective. What will be highlighted here is the specific trajectory of the state in the context of the history of the wider colonial and post-colonial social formation. At the broadest level, the origins and emergence of the New Order state have been contingent on, but not determined by, the history of the rise and fall of the Netherlands East Indies, an uneven process of capitalist development and the dynamics of Indonesian nationalism. 50 While Indonesian nationalism represented the main site of anti-colonial resistance, the new nation which emerged from the nationalist struggle has increasingly demonstrated the ability of colonialism to reproduce itself.⁵¹ The many contradictions and tensions of the nationalist movement were played out in the context of, and given a unity by, the new nation-state of Indonesia which was built squarely on the foundations of Dutch colonial power.

The shadow of the colonial state: the social origins of dictatorship and the rise of Suharto's New Order

From this perspective, Suharto's New Order state can be understood in key ways as the successor to the complex historical amalgam which was the Dutch colonial state. East Timor aside, Indonesia continues to lay claim to the former Dutch colonial boundaries as they were consolidated by the beginning of the twentieth century.⁵² Apart from the same boundaries, the historic connection between the New Order and the colonial era is apparent in socio-ethnic terms, insofar as the Javanese *priyayi* (the hereditary petty aristocracy of Java) has continued to reproduce itself and play a central role in the bureaucratic (and military) structures of the modern Indonesian state. This flows from the history of Dutch colonialism and the overall character of the archipelago's pre-colonial

social formations. Even before the Dutch conquest Java was heavily populated, agriculturally significant and a regional power centre. In the context of Dutch colonial expansion the petty aristocracy of Java was transformed into a bureaucratic elite and incorporated into the colonial state apparatus.⁵³ Already well entrenched in the colonial system, the privavi benefited the most from the expansion of the colonial education system at the end of the 19th century. As a result the Javanese elite took up most of the administrative jobs in the growing colonial state; a number of the early Dutch-educated leaders of the Indonesian nationalist movement also came from privavi backgrounds. In this period the number of privavi grew dramatically, through both birth and recruitment, as they reproduced and consolidated themselves as a relatively distinctive social class at the centre of the wider pangreh pradja. The term means 'rulers of the realm' and refers to the indigenous administrative elite before 1945. In 1946 the postcolonial administrative elite was renamed pamong praja, 'guides of the realm'. By the end of the colonial period there was a large and variegated colonial state staffed by the pangreh pradia drawn particularly from the petty aristocracy of Java. In the early nationalist period they were marginalised. However, with the support of an increasingly powerful military, the pamong praja enjoyed a resurgence in the late 1950s, which was reflected in the growing influence of organicist political ideas and culminated in a virtual restoration in 1965–66.54

While the *priyayi* dominated the lower and middle ranks of the Dutch colonial state, their influence was much weaker in the emerging nationalist movement. Anti-colonial nationalism did not take hold in the Netherlands East Indies until the early twentieth century but, throughout the colonial period, local and regional rebellions and acts of resistance had shaped the wider historical trajectory in important ways. 55 However, they rarely threatened Dutch colonial rule as a whole. Even the emergent nationalist movement of the 1920s, over which the colony's nascent labour movement and the Indonesian Communist Party (PKI) exercised considerable influence, was unable to overcome the myriad forms of accommodation and co-optation or the repressive capacity, deployed by an increasingly powerful colonial state.⁵⁶ In 1934, by which time the nationalist movement was dominated by urban intellectuals, Sukarno (who would become independent Indonesia's first president) and many other major nationalist leaders were banished to remote islands where they languished until the Japanese invasion in 1942. The Japanese advance into Southeast Asia dealt a blow to European colonialism in Asia generally, while their occupation of the Netherlands East Indies led to the release and encouragement of the gaoled nationalist leaders. While, the pangreh pradia often did well during the Japanese Occupation (a shared enthusiasm for organicist and totalitarian political philosophy ensured common ground between many colonial officials and the Japanese occupiers), the Japanese era also marked the beginning of widespread rivalry between the Javanese elite and other social classes for control of the emergent Indonesian state. An important element in this struggle was the struggle between the conservative and organicist ideas of the pangreh pradja and the more egalitarian, democratic and Islamic orientation of radical nationalists. The Japanese gave Sukarno and Hatta, as well as other Indonesian nationalists, important opportunities in the form of various mass-based political organisations to reach out to the people in the rural areas. The Japanese army also

set up auxiliary armies in Sumatra, Java and Bali, using local officers, thus providing the nationalists with a future source of military power. They encouraged greater use of 'bahasa Indonesia' as a national language as well as providing jobs in the bureaucracy for an increased number of 'Indonesians' (the use of the term 'Indonesia' to describe the Dutch colony was first taken up in the early 1920s by young legal students in the Netherlands who derived the word from anthropology courses at Leiden University). On the eve of Japanese defeat a plan was promulgated by Sukarno and Hatta and the Japanese high command for Southeast Asia which laid the groundwork for an independent republic of Indonesia. On 17 August 1945, just after the Japanese surrender, Indonesia declared its independence. While the new government, with Sukamo as the first President and Hatta as vice-president, received wide support from many important political sectors of the new nation, what followed was a four-year battle for control of the archipelago.⁵⁷

Between 1945 and 1949 there were two states effectively operating in what remained of the Dutch colony: the apparatus of the new republic and the old Dutch colonial administration.⁵⁸ By the end of 1948 most of the former colonial administration was in Dutch hands as were all the main urban centres while Sukarno, Hatta and other leading nationalists had been detained. At the same time the Dutch still faced highly localised popular military resistance, especially on Sumatra and Java. This, combined with strong US diplomatic and financial pressure and Dutch war-weariness, led to a breakthrough at the end of 1949, at which time the Netherlands formally transferred power to the independent United States of Indonesia.⁵⁹ By 1950 the initial decentralised federal system had been replaced by a unitary republic which fell much more under direct Javanese control. Between 1950 and 1957 this fragile entity (fragile as a state and as a nation) was governed by a number of elected administrations which sought to stabilise and unify the archipelago and reintegrate a state structure the 'collective memory' of which kept the pre-1949 struggles alive. The overall coherence of the state was also undermined by the way successive administrations dramatically expanded the size of the civil service along patronage lines. At the same time, between 1950 and 1957, all governments were coalition administrations, further facilitating departmental fragmentation.⁶⁰ From 1950 to 1957 the Indonesian state sought (under the overall supervision of Sukarno) to escape the economic structures of Dutch colonial rule via the encouragement of pribumi (indigenous, that is non-Chinese) capitalists. By the second half of the 1950s, as the republic lurched towards the populist authoritarianism which Sukarno called Guided Democracy, it was apparent that Indonesian capitalists were unable to compete effectively with Dutch and other foreign corporations, not to mention the powerful Indonesian— Chinese business groups. Many of the new pribumi capitalists increasingly cooperated with established Indonesian-Chinese businesses, with the former providing the political linkages rather than anything resembling business acumen. As of 1957 at least 70% of the plantation agriculture on Sumatra and Java remained foreign-controlled, while another 19% was run by Indonesian-Chinese companies. In most instances where foreign capital had left Indonesia it was Indonesian–Chinese capital which had taken its place. At the same time, very little expansion of the industrial sector had occurred, and the share of GDP which flowed from manufacturing actually fell from 12% in 1953 to 11% in 1958.61 Between

independence and the late 1950s a series of increasingly weak coalition governments grappled unsuccessfully with the new nation's economic problems, while military and civilian officials increasingly sought to mesh their political dominance with wider social and economic power.⁶²

By 1957 Indonesia had clearly turned to an 'intensified nationalist strategy' which involved increased state intervention to restructure the economy and the takeover of a great deal of Dutch-owned property. At this point, more than 90% of the productive plantation sector, 60% of the previously foreign controlled export trade, along with almost 250 factories, numerous banks and mining companies, not to mention the shipping business and various service industries, came under the direct control of the Indonesian state. By the second half of the 1950s the central government was also confronting serious rebellions in the Outer Islands, which were often coloured by ethno-religious opposition to Javanese dominance. By the early 1960s, although the Outer Islands rebellions had been contained, they had resulted in further increases in power for the Indonesian Army (ABRI) and the enhancement of its ability to stifle political opposition under the umbrella of Sukarno's Guided Democracy. With important implications for the emergence of the New Order in 1965, ABRI also assumed a dramatically expanded economic role with direct control of large sectors of the economy after 1957. Apart from the military, Sukarno's Guided Democracy rested on a complex web of political alliances which revolved around the nationalist party (PNI), the PKI and a major Muslim party. He played these parties off against each other, at the same time as he pitted the mainly anti-communist military against the PKI. Guided Democracy (underpinned by Sukarno's strident anti-Western nationalism and idiosyncratic socialism) represented an explicitly state-led attempt at capitalist development. The Indonesian state directed earnings from the primary export sector into the primarily state-owned and -operated manufacturing sector. Export earnings were also directed towards public works. health, food production, education and transportation, not to mention as payment on foreign debts. At the same time the state sought to attract new foreign loans in an effort to further expand the country's industrial base and its infrastructure. By the early 1960s, however, stagnation and decline in the sugar and rubber sectors, combined with falling commodity prices, had resulted in a shortage of funds and a serious balance of payments problem. Furthermore, the nationalisation of large parts of the economy had done little to attract foreign investment. By the first half of the 1960s Indonesia's economy was on the brink of collapse. Inflation was hitting 600% annually, foreign debt was climbing rapidly and statistics on income and food intake per capita rivalled those of some of the poorest countries in the world.63

At the same time Sukarno had become seriously ill by mid-1964. By early 1965 it was increasingly apparent that the country's fragile power structure was in crisis and rumours of military coups and/or a pki-led putsch became regular occurrences. The sequence of events during the fateful years of 1965 and 1966 are complex and many aspects are hotly debated. Contrary to the official version, which lays the blame at the door of the pki, it appears that an attempt by a general in the Palace Guard to seize power on 30 September 1965, ostensibly to pre-empt an expected coup against Sukarno, sparked off a series of events, driven by the splits in the

military, which led to the marginalisation of Sukarno and the effective elimination of the PKI. Although Sukarno was nominally still in charge in late 1965, the Indonesian army, with US military aid and CIA support, and the direct participation of a host of paramilitary Muslim youth groups, turned on the PKI and its supporters, in what the US ambassador described at the time as 'wholesale killings'. By mid-1966 the CIA and the US State Department were estimating that anywhere between 250 000 and 500 000 alleged PKI members had been killed (in mid-1965 the PKI was reckoned to have three million members as well as 12 million people in associated organisations). Other estimates put the figure at over a million, and some estimates range as high as one and a half million dead. The official Indonesian figures released in the mid-1970s were 450 000 to 500 000 dead. At the same time at least 200 000 people were imprisoned, with about 55 000 of them still in jail a decade later. It was out of the bloodshed, crisis and turmoil of the mid-1960s that the New Order emerged.

While the 1945 to 1965 period in Indonesia was an era of escalating crisis, in the context of the overall failure of a state-led capitalist development strategy, too tight a focus on the crisis of import-substitution industrialisation and the rise of some sort of bureaucratic-authoritarian regime on the one hand, or on the transition from constitutional democracy to guided democracy in the context of the resurgence of patrimonial politics on the other hand, neglects another important dynamic. The period between 1945 and 1965 can be seen as a period in which the Javanese-led bureaucratic-aristocratic elite (the pamong praja) eventually reconsolidated their position within the wider post-colonial social formation. While independence in 1949 left the position of pamong praja within the post-colonial state more or less intact, up to the early 1960s various Indonesian political parties and their leaders made serious efforts to displace the pamong praja as the bureaucratic class. The administrative elite maintained its relative predominance as a result of its control over the new Indonesian Army set up in the early 1940s. Many army officers were of privavi origin, and up to the 1960s, most were also products of the PETA, the armed forces set up by the Japanese in 1943-45. Officers and soldiers who had been trained by, and/or served the Dutch in, the Royal Netherlands East Indies Army (KNIL) were also integrated into the Indonesian Army (of course many thousands also went into exile in the Netherlands after 1949). For example, the Army Chief of Staff by the late 1950s, General AH Nasution, was a product of KNIL (he himself did not come from a priyayi background although he was married to a priyayi). The officers who entered PETA during the Japanese Occupation were strongly influenced by a Javanese cultural nationalism that emphasised the traditional state over the modern state, at the same time as they articulated a virulent anti-communism and a marked hostility to the political Islam which was particularly prevalent outside of Java. The Indonesian army went on to preserve pamong praja dominance in the Islamic revolts in the Outer Islands in 1958–59. In the specific context of the expansion and deepening of its commitment to the politico-economic management of Indonesia under Sukarno, reflected in the promulgation of dwifungsi in 1958, by the early 1960s the Indonesian military had become central to the process of national unification and state-building. (Dwifungsi, dual function, is an explicit enunciation that the military has a

sociopolitical as well as a military defence role to play). In this context the Indonesian Army eventually emerged to guarantee wider *priyayi* and *pamong praja* dominance after 1965.⁶⁵

The events of 1965 (which saw the massacre of at least a million PKI members and their supporters, 80% of whom were from the provinces of central and eastern Java) have a particular cultural resonance and an important ideological function. From one perspective the massacres were the culminating battle in an escalating Javanese civil war. The elite interpretation, which was offered to the Javanese lower classes and the peasantry, emphasised that the era of civil war on Java had precipitated social polarisation between classes, and by ending class conflict and returning to their 'cultural heritage', the peasants of Java could successfully avoid a recurrence of 1965.66 For the country as a whole the violence and bloodshed of 1965-66, and the dominant interpretation of that violence and bloodshed is a key force in shaping the limits and direction of post-1965 politics. Ariel Hervanto has argued that the events 30 September 1965 catalyst and what followed, and the official New Order interpretation of what happened, is even more important than *Pancasila* in terms of anchoring the New Order regime. (Pancasila is the five principles of belief in one God, humanitarianism, nationalism, consensus and democracy and social justice which was first promulgated in 1945 as the philosophical basis for an independent Indonesia.) The official interpretation of *Pengkhianatan* G-3-S/PKI (the Treachery of the 30 September Movement/PKI) is central to a wider state-centred anti-communist discourse which has played an important role in reorganising the entire Indonesian social formation.⁶⁷ In the official interpretation Suharto and the military saved the nation from a communist takeover and have remained vigilant ever since. Against this backdrop the uprooting of the PKI was followed by the demonisation as communists of virtually all perceived opponents of the New Order, a tactic that has continued into the post-cold war era. 68 The successful imposition of a virulently anti-communist New Order after 1965 represents the victory of the historic state which had emerged in the Dutch colonial period. The consolidation of the New Order flowed from the elimination of the PKI and its real and alleged supporters inside and outside the apparatus of the state, and from Sukarno's relatively rapid passing from the political stage. The overall social character of the rise of the New Order is symbolised by the way that Suharto's career trajectory (unlike that of his predecessor) had evolved inside the state, especially the security branch of the state. ⁶⁹ And after 1965, *priyayi*-led officers, with Suharto at their head, represented the vanguard in the wider process of building the New Order state, while the pamong praja oversaw the consolidation of a more centralised bureaucratic administration.⁷⁰

From dictatorship to democracy? Debating the decline of Suharto's New Order

While an understanding of the rise of Suharto's New Order remains relevant to any attempt to gain an overall perspective on Indonesian politics, the debate about the emergence of the New Order has been completely overshadowed by the debate about its decline and what a post-Suharto era will look like. The democratising effect of a rising middle class and the causal connection between economic development and democratisation (which were central tenets of classical modernisation theory) remain standard journalistic devices and are often deployed to explain the overall Indonesian trajectory at the end of the twentieth century. For example, in a 1996 cover story on Southeast Asia, a correspondent for the Far Eastern Economic Review argued hopefully 'that economic growth—and the middle class it nurtures—may drum the soldiers back to barracks', however, he conceded that this would not take place 'over-night'. Qualified support for the argument that a gradual process of democratisation, driven in part by economic development, is underway, and is centred on an expanding middle class, also continues to run through the academic literature. For example, John Bresnan, a long-time Jakarta-based employee of the Ford Foundation who is now at Columbia University, argues that, although much of Southeast Asia 'has lost its traditional political institutions and has vet to find stable modern replacements' the 'general direction' in Indonesia (as well as in a number of other countries in the region) 'is that of expanding the political elites, opening the contestation of public office, widening the process of consultation and consensus-building, and in other ways increasing the transparency of government'. He concludes that in Southeast Asia the civilian and military structures of the state 'are on the defensive' and 'the urban middleclasses are on the rise'.72 This kind of analysis, which is representative of the dominant Anglo-American narrative on New Order Indonesia, rests on an elite-orientated and evolutionary conception of history which, although it does not necessarily embrace the overwhelming determinism of classical modernisation theory, still assigns the crucial role in political and social transformation to the middle class. While the emphasis, thus far, is often on the failure of the middle class to be more of a democratising force, explaining the lack of democracy in terms of the shortcomings or weakness of the middle class, this approach still assumes that it is the middle class which can and should play a central unifying and progressive role in democratisation. These types of analyses tend to define democracy in minimalist terms (elections, universal suffrage and relative press freedom) and emphasise the importance of leadership and political parties.

By contrast the remainder of this article focuses on the vicissitudes and future demise of the New Order with an emphasis on history and the structures of power. I begin with a critical survey of the democracy debate and its relationship to the Indonesian trajectory in the context of the increasingly global trend towards democracy which was perceived to be underway by the 1980s. This is followed by an examination of the history of the New Order state and the way in which it combines a powerful coercive apparatus with potent state-centred narratives on national unity, anti-communism, *Pancasila* and national development. The hegemony of the New Order is constantly bolstered by the deployment of a powerful and shifting synthesis of symbols and ideas drawn from the Javanese and wider Indonesian past, and an eclectic mix of organicist and corporatist ideas derived from continental European legal and political philosophy. Although the dominant New Order narratives have contributed dramatically to national consciousness raising, conceptions of identity in Indonesia also

continue to be linked to, or overridden by, specific new and reconfigured religious, ethnic, generational, regional and class loyalties.⁷³ Against this backdrop a brief history of political opposition during the New Order, with a focus on the rise of pro-democracy forces since the mid-1980s, will be outlined. This is followed by a more detailed examination of the dramatic growth in working class opposition, which is as important to democratisation and progressive political change as the often celebrated middle class. It will be emphasised that despite the apparent growth of a middle class in Indonesia, it constitutes only a small percentage of the country's population. More importantly, the Indonesian middle class is composed of many groups that reinforce the authoritarian character of the overall polity as well as those that provide the enlightened liberal democratic leadership of popular and academic imagination.⁷⁴ This article concludes that any movement towards democracy is best understood by looking at the role of a growing urban working class in the context of the reconfiguration of overall power relations which is part of the process of capitalist transformation in Indonesia. An expanding and organised working class, against the backdrop of a variety of contingencies related to the particular history of the New Order, rather than an emergent middle class, offers the greatest promise for democracy in post-Suharto Indonesia.⁷⁵

At History's end: the democracy debate and the Indonesia trajectory

By the second half of the 1980s, the perceived spread of democracy (beginning in Southern Europe in the mid-1970s, and then Latin America in the first half of the 1980s) had generated renewed optimism about the passing of authoritarianism in Southeast Asia and beyond. The transition to democracy in the Philippines, South Korea and Taiwan in the second half of the 1980s, followed by Eastern Europe in 1989 and the former USSR itself in 1991, ensured a growing enthusiasm for the study of democratisation and underpinned an increased optimism about the global reach of democratic forms of government.⁷⁶ One of the best known exponents of the view that the end of the Cold War represented a victory for liberal democracy was Francis Fukuyarna. In 1989 he argued that the world had arrived at the 'end point of mankind's ideological evolution and the universalisation of Western liberal democracy as the final form of human government'.77 More recently, in a survey article in *The Economist*, Brian Beedham took the view that the 21st century 'could see, at last, the full flowering of the idea of democracy' insofar as a variety of obstacles have passed into history and 'democracy can set about completing its growth'. 78

Of course, not all observers are convinced that the end of history and the triumph of democracy are upon us. However, the point of departure for those who are more cautious in their assessment of the 'global trend towards democracy' is still a revised form of liberal development theory shorn of both its deterministic assumptions about the relationship between economic development and democracy and its overweening unilinear conception of political change. Although elites in Asia have deployed the concept of 'Asian democracy', and argued that Western democracy is not relevant to the East, to counter calls for political liberalisation and greater attention to individual rights, the dominant

international approach to democracy continues to rest on the assumption that a variation on Anglo-American-style liberal democracy is the most desirable or attainable goal.⁷⁹ This trend was apparent in Guillermo O'Donnell's work in the 1980s. By the end of the 1970s, he was involved with a major project on 'Transitions from Authoritarian Rule' at the Woodrow Wilson International Center for Scholars, which resulted in the publication in 1986 of Transitions from Authoritarian Rule, co-authored and co-edited by O'Donnell.80 What has become known as the 'transitions approach' retreated from the greater preoccupation with general theory which characterised earlier debates in which O'Donnell was a major player. It also privileged reformist strategies over revolutionary efforts at political change, lending legitimacy to an emphasis on transitions to democracy which are negotiated within existing social and political structures rather than efforts to bring about more comprehensive structural change. The approach laid out in much of the work on transitions to democracy emphasised a whole range of non-systemic factors, including individual leaders rather than wider historical processes. They emphasised that a given regime sometimes disappears primarily as a result of a range of internal problems which are not directly related to the wider historical and socioeconomic context, and paid considerable attention to the role of significant individual actors. By the early 1990s there was a growing body of revisionist modernisation work on transitions to democracy which focused its attention on leadership and culture as key factors encouraging or obstructing democratisation.⁸¹ And like the concept of bureaucratic-authoritarianism before it, the 'transitions approach' has provided a point of departure for the work of many Indonesian specialists. 82 Their reaction against deterministic theoretical approaches has led the 'transitions approach' to an exaggerated reliance on voluntarist frameworks which pay insufficient attention to the trajectories of historically specific social formations and their relationship to state power and social structures.⁸³

While these analysts of democratisation eschewed the determinism of earlier approaches, some of them deployed deterministic cultural explanations to explain the prospects for democracy in particular regions and countries. For example, in the mid-1980s Lucien Pye emphasised that the cultural persistence of anti-liberalism was an obstacle to democracy in many countries in Asia.84 Meanwhile, Samuel Huntington argued that 'the substantial power of antidemocratic governments', the 'resistance to democracy' of a number of the main 'cultural traditions', combined with widespread poverty in many regions and the 'high levels of polarization and violence in many societies' meant that in most cases the 'limits of democratic development in the world may well have been reached'.85 The voluntarism of the new approaches to democratisation was particularly apparent in Huntington's presidential address to the American Political Science Association in late 1987. He argued that the 'most fundamental lesson' which could be extracted from 'the study of politics' was that there were 'no shortcuts to political salvation'. Huntington concluded by emphasising that 'if the world is to be saved and stable democratic institutions created, it will be done through incremental political reform undertaken by moderate, realistic men and women in the spirit of one-soul-at-a-time'. 86 Despite the subsequent end of the Cold War, and the widespread interpretation that this removed a major

obstacle to the globalisation of democracy, Huntington continued to have doubts. In the early 1990s he reiterated that major 'obstacles to the expansion of democracy exist in many societies'. From his perspective many of these were cultural. What he characterised as the 'third wave' of democratisation (beginning in the mid-1970s) would not 'last forever' and it might be followed 'by a new surge of authoritarianism', although he did not 'preclude a fourth wave of democratization developing some time in the twenty-first century'. More recently, Huntington's widely debated argument that post-cold war international relations are driven primarily by a 'clash of civilizations' reflects the continued influence if not predominance of cultural deterministic formulations on his analysis of political change. See

Edward Friedman has challenged commentators such as Huntington who continue to explain the relative failure of democracy in Asia and its perceived success in North America and Western Europe in cultural deterministic terms. Friedman also attempts to challenge triumphant liberal narratives which argue that we are at history's end and Asia is inexorably travelling down the same historical road as North America and Western Europe. 89 At the same time, Friedman's analysis remains elitist and voluntarist and is adamant in its rejection of historical and structural interpretations or even non-deterministic cultural explanations. In 1994 Friedman, and the contributors to The Politics of Democratization: Generalizing East Asian Experiences, eschewed 'historicalpreconditions' in favour of a 'universal political approach' which looks at leadership, programmes, alliances, political action and trade-offs. He sets up a dubious trichotomy between culture, economics and politics. Friedman argues that the key to democracy and the process of democratisation does not lie with economics or culture, but with politics, and once politics are 'understood as the key to institutionalizing a democratic breakthrough' it becomes possible to 'treat the vicissitudes of democratization in Japan, Korea, Hong Kong, Taiwan, and China as integral to [the] universal human project [of] democracy'. Friedman argues that, not only does democratisation in East Asia fit 'general rules', but 'an examination of the processes of democratization in East Asia leads to theoretical insights about democratization in general'. His book provides what he regards as 'a general framework' that finds the keys to the 'West's great democratic breakthrough' in 'generalizable politics, not in unique preconditions'. From Friedman's perspective the road to democracy in East Asia has been via 'dominant-party systems and not by institutionalizing a competitive two-party system that immediately transfers power to nonelite challengers'. However, he and his contributors argue that 'even in the West, democracies tended to be consolidated by something akin to a grand conservative consensus'. Ultimately, the process of democratisation, he says, is best viewed in 'terms of crafting a national consensus' around 'a grand conservative coalition'. At the same time, the 'struggle to consolidate democracy does not end' and the vicissitudes and universals in the East Asian experience therefore hold lessons for all humankind. According to Friedman, because of the influence of both the Weberian and Marxist intellectual traditions 'a great deal' has been 'obscured' at the same time as 'Eurocentrism' has 'facilitated myths' about the importance of 'unique cultural prerequisites' for democracy. He concludes that the experience of East

Asia demonstrates that the 'theory of cultural preconditions' is completely mistaken, while 'structural explanations obscure the realm of political possibility' insofar as 'democracy is a contingent project'.⁹⁰

This type of analysis constitutes a reinvention of elite-centred liberal democratic theory, ostensibly shorn of cultural and economic determinism and of a unilinear conception of progress, in favour of an incremental voluntarism that denies virtually any role to history. The approach extracts ahistorical lessons from a variety of historically particular democratic transitions in East Asia and beyond. Ultimately this approach still privileges an idealised liberal Anglo-American vision of democracy, narrowly defining democracy as a set of institutional arrangements centred on regular elections and a parliamentary system of government, while the main agents of democracy are seen to be particular leaders and a rising middle-class. Thus, although Friedman argues that his approach has transcended Eurocentrism, he demonstrates how difficult, if not impossible, it is to overcome Eurocentrism. If Eurocentrism is defined as the implicit or explicit assumption that the overall historical trajectory which is seen to be characteristic of Western Europe and North America represents the model against which all peoples and social formations are to be evaluated and understood, then Friedman's analysis, despite its explicit attempt to do otherwise, continues to rely on a conception of democracy and a vision of the ideal political system which was laid down first in Western Europe and North America. The reconfigured culture(s) of East Asia and beyond have all been integrated into a global capitalist order and the contemporary system of nationstates in a fashion which has ensured that they remain implicated in various forms of Eurocentrism. While the material and discursive power of North America and Western Europe is in decline, and that of East Asia is rising. Eurocentrism as a complex series of popular and academic assumptions and practices remains widespread. Individual and collective efforts to overcome Eurocentrism are contaminated from the outset. At the same time, the view taken here is that the most problematic aspect of the dominant Anglo-American discourses on democratisation in Asia is not Eurocentrism, but the way in which they continue to assume both an exaggerated role for democratising elites, and an easy commensurability between elite interests on the one hand and those of the majority of the peoples of the modern nation-states which have emerged in Asia on the other hand.⁹¹

In sharp contrast to the works of revised modernisation theory that explain democratisation in terms of non-structural variables, revised historical and structural approaches also gained strength in the 1980s and early 1990s. Paparticularly substantive work by Dietrich Rueschemeyer, Evelyne Huber Stephens and John D Stephens nicely avoids the economic determinism of earlier work without retreating into the elitist voluntarism and/or the cultural determinism of the dominant liberal narratives on democratisation. On the basis of a wide range of historical cases drawn from Europe and the Americas, the authors argue that it has been the emergence of an organised working class, in the context of the wider historical configuration of political and social power, that has most consistently been the key factor in democratisation. Their framework has been explicitly extended to Asia by David Potter and to

Indonesia by Vedi Hadiz.94 Potter, following Rueschemeyer, Stephens and Stephens, first distinguishes between formal and substantive democracy. The former, which is the conception of democracy that continues to be deployed by the dominant liberal narratives, focuses on elections, universal suffrage and the existence of a multiple number of competing, political parties. By contrast substantive democracy implies the above, as well as more thoroughgoing forms of participation by the majority. 95 Second, from an historical and structural perspective, democratisation flows from the shifting dynamics of class relations, with the emergence of an organised and unified working class playing a potentially crucial role in the rise of democracy. Third, the history and configuration of state power in relation to the wider social formation remains central to the timing and direction of political change. Fourth, processes of political change at the national level continue to be influenced by wider transnational relations of power. Against the backdrop of this schematic summary, Potter provides a comparative analysis of why South Korea had entered into a democratic transition by the end of the 1980s, while Indonesia had not. To begin he emphasises that at least 70% of the population of South Korea by 1990 was concentrated in the urban areas, while in Indonesia the figure was 30%. In this context the South Korean labour movement has thus far been much better positioned to facilitate the wider process of democratisation than its counterpart in Indonesia. At the same time, by the late 1980s US influence in South Korea was increasingly directed towards encouraging democratisation as a means of containing the more radical elements in the pro-democracy movement. Attention can also be drawn to the process in the 1950s which, under US auspices, led to the virtual elimination of a powerful landlord class in South Korea, a social grouping which has historically acted as an obstacle to, or at least a brake on, democratisation. While Indonesia does not have a powerful landlord class and has been the focus of pro-democracy pressure from the USA, the working class and labour movement was not nearly as 'powerful' or as 'mobilised' as that in South Korea by the second half of the 1980s. Authoritarian state power in Indonesia has also been wielded with considerable ferocity and the massive bloodshed of 1965 has worked to anchor the New Order to a remarkable extent. By the same token, the capital-owning classes, urban professionals and public servants are politically divided and have a dubious record on democratisation in Indonesia.96

Vedi Hadiz has also invoked Rueschemeyer, Stephens and Stephens' approach in his analysis of the rise of the contemporary Indonesian working class. While there has been a great deal of analysis of the capital-owning classes in Indonesia, and attention has now turned to the new middle class and the role it might play in containing and rolling back the power of the New Order, the significance of the working class has been neglected. Hadiz has argued that 'because reforms have been both too piecemeal and too slow, it is highly likely that working class discontent will grow', becoming an increasingly important factor in the wider process of political change. At the same time he does not assume that a powerful and unified working class is inevitable, nor that it will necessarily carry the day. More broadly, Garry Rodan has emphasised that, while a rising and organised working class needs to be brought into the picture far more than it has

in the past, the political effect of 'new classes' is shaped by their position in the wider configuration of socioeconomic power. He emphasises that, where middle class groupings sees their interests threatened by radical working class-based movements, they will continue to support authoritarian political systems. And the success of particular types of political movements which are based on a rising working class is contingent on the overall relations of power in which they operate.⁹⁸

The historical and structural analysis of political change outlined above, with its emphasis on the dynamic interplay of new and reconfigured social forces in the context of the overall character of state and socioeconomic power, provides an alternative to both earlier more deterministic approaches and to the evolutionary elitism, voluntarism and cultural determinism of the dominant Anglo-American narratives on democratisation. At the same time, although an emphasis on history, social structure and power relations offers an important point of departure for the discussion of democratisation and political change in Indonesia, the view taken here is that historical and structural approaches fail to take sufficient account of cultural dynamics and the historical specificity of cultural change. Any attempt to understand the processes of political accommodation and resistance in New Order Indonesia needs to focus on the historical and cultural specificity of processes of domination, accommodation and resistance. For example, while coercion, surveillance, repression and the overall impact of state power have played an important role in eliminating or containing opposition in Indonesia, from the point of view of many Indonesian political activists the most significant and slippery obstacle to democratisation and political activism is to be found in the New Order's unrelenting dissemination of an ideology which denies the legitimacy of opposition. Oppositional activity and democracy are not just represented by the New Order as politically unacceptable, but as beyond the pale of the Indonesian national character. In important ways the survival and staving power of Suharto's New Order has flowed from the regime's reorientation of the nation's founding ideology, *Pancasila*. At the same time, the New Order has also reinstated and reconfigured organicist (and/or integralist) ideas which view state and society as a single organic entity and the embodiment of a harmonious village or family. Organicist ideas have a long history in Indonesia and are linked to the anti-Enlightenment views of early twentieth century Dutch legal scholars and Indonesian intellectuals, who romanticised pre-colonial village life in the Netherlands East Indies. Integralist ideas meshed with the concept of the 'family state' which arrived with the Japanese occupation. In the 1950s organicist thought was influential among conservative elites and the military, and organicist ideas about the harmony and unity of the Indonesian nation, and the need for a negara integralistik (integralist state) were eventually deployed as part of the wider reworking of the national ideology of *Pancasila*.⁹⁹

Inventing the integralist state: the political economy and ideological panoply of the New Order

The events of 1965–66 and the foundation of Suharto's New Order marked a restoration of conservative social forces (such as the *pamong praja*) which had

found themselves partially marginalised during the early national period. 100 Suharto's rise to power also paved the way for the adaptation of organicist ideas and the eventual representation of New Order Indonesia as a negara integralistik. At the outset the dominant reading by the regime of the events of 1965–66 served as a powerful political and cultural anchor for Suharto's New Order and the image of the bloody transition of 1965-66 emerged as a crucial element in the consolidation of New Order hegemony. The official interpretation of the abortive coup of 1 October 1965 became central to the state-centred discourse on the communist threat and has been instrumental in the social reorganisation of the New Order around a version of Indonesian nationalism grounded in anti-communism, Pancasila, pembangunan (development) and organicism (integralism). Meanwhile, in geostrategic and political-economic terms, Suharto's elimination of the PKI and his regime's anti-communist credentials were central to the circumstances under which the USA and its allies quickly embarked on a major effort to reincorporate Indonesia into the world economy. This included generous quantities of aid and a considerable amount of debt re-scheduling. At the centre of this new orientation in macroeconomic policy was a group of US-trained technocrats who were known, at least by some of their critics, as the 'Berkeley Mafia'. Under their guidance the New Order solicited foreign investment, particularly from the USA and Japan. From the mid-1960s until at least the early 1980s, the New Order regime pursued an import-substitution industrialisation strategy financed by growing foreign investment, as well as by foreign aid and some domestic investment. (Import-substitution industrialisation continues to be a focus of activity on the part of the Ministry of Research and Technology right up to the present.) Between 1967 and 1985, 65% of Indonesia's total manufacturing investment came from Japanese corporations, while 58% of investment in the oil sector came from US-based corporations. Between 1967 and 1975 the manufacturing sector grew at an average annual rate of 16.5% and, as in the colonial period, the manufacturing sector remains concentrated on Java. Mining, oil, agriculture and timber all boomed in the 1970s. 101 During the late 1960s and early 1970s, in the context of a continuing commitment to an import-substitution industrialisation strategy, an increasingly significant pribumi (non-Chinese Indonesian) capitalist elite appeared, based on privileged access to the state-controlled network of credit, contract distribution and trade monopolies, in the context of strict regulations requiring that foreign investors work with local capitalists, and a tightly controlled manufacturing licensing process. Many of these rising capitalists, had close, often very close, links to officials (pamong praja) who were well placed in the state, at the same time as a growing number of state officials emerged as capitalists in their own right: the most famous 'bureaucratic capitalist families' to emerge from the New Order have been the Suhartos and the Sutowos. However, the general cohesiveness of an emerging capitalist elite, based on preferential access to state power, was still relatively narrow, because most key business people were Indonesian-Chinese whose growing economic power remained dependent on the socio-political power of the state officials. 102

At the same time, until the mid-1970s, Suharto was indebted to the various US-backed international agencies particularly, and a range of foreign investors

more generally, for both the alacrity with which they had moved to support his regime and the quantity of their assistance. And this meant adopting an economic stance that was receptive to the interests of foreign capital. However, the dramatic increase in oil prices in the 1970s provided the New Order with the means to return to an even more state-centred capitalist model within a decade of its inception. In the first years of the 1980s, gas and oil sales were over 80% of export earnings and brought in 70% of the regime's total revenue. From the middle of the 1970s, surging oil prices, combined with increased state investment in import-substitution under the direct control of the military and Suharto. served to bring about a dwindling of the regime's reliance on foreign capital and foreign aid. At the same time renewed restrictions were placed on foreign capital and overall foreign investment reached a plateau in the mid-1970s. By the early 1980s state-guided industrialisation was financed primarily by oil money. 103 However, as oil prices dropped in the 1980s the whole system came under pressure. This resulted in increasing debt and a decreased capacity on the part of the state to facilitate local capital accumulation, while greater use of foreign loans and foreign aid led to greater leverage on the part of the World Bank, the IMF and foreign capital. By the late 1970s the World Bank was placing increasing emphasis on economic liberalisation, the kerbing of state intervention and the benefits of export-orientated industrialisation. By the second half of the 1980s, important liberalising reforms were underway in Indonesia and changes at the cabinet and ministerial level indicated the increasing influence of a number of officials more 'sympathetic' towards economic liberalisation. At the same time significant pockets of economic nationalism persisted, especially in the powerful State Secretariat and the Ministry of Research and Technology. 104 This shift in economic policy facilitated an increase in the influx of foreign capital in the late 1980s, much of it from Japan (as well as South Korea and Taiwan), and the rapid emergence of an export-industry sector, producing things like textiles and footwear, strengthening Indonesia's connections to wider regional and global flows of capital and manufactured goods. 105

These broad shifts in Indonesian political economy (dictated in part by wider trends in the global political economy) and the overall process of uneven capitalist development, occurred in the context of the continued and growing emphasis on loyalty to, and the political and social centrality of, the New Order state. Apart from the ideological importance of 1965, in the second half of the 1970s the New Order, in the context of the deepening of authoritarian structures, increasingly sought to rework and entrench Pancasila. 106 In early 1974 the Malari Riots had clearly signalled both growing discontent among the populace and increasing intra-elite conflict. The New Order's response, which occurred against the backdrop of the dramatic influx of oil revenues, was to consolidate and tighten the structures of control of the New Order. By 1975, the New Order was characterised by a comprehensive surveillance and security network, a narrow and tightly controlled political system which had eliminated or completely reorganised the country's political parties. This was complemented by a large and growing state bureaucracy, linked from top to bottom to the military and centred on President Suharto himself, who had an overwhelming range of patronage and control mechanisms at his disposal. While, in the immediate

post-1965 period, the priorities of the New Order had been overwhelmingly economic, from 1975 until the middle of the 1980s, the regime focused on expanding the state apparatus even more and backing that expansion up with a major ideological offensive. In 1978 the New Order embarked on a comprehensive programme of *Pancasila* indoctrination (which targeted all government employees and all university students and school children); this was followed by a renewed emphasis on Pancasila as the 'sole basis' of Indonesian national identity in the early 1980s. The major emphasis in the *Pancasila* campaign after 1978 was on order, leadership, hierarchy and family. *Pancasila* was represented as being grounded in Indonesian tradition and as offering a complete alternative to pernicious foreign ideologies such as liberalism and Marxism. While the national ideology of *Pancasila* is backed up by a powerful state apparatus, its success also flows from the way the government was able to identify the New Order and Pancasila with what it defined as national character and national tradition. While the impact of Pancasila should not be exaggerated, insofar as many Indonesians are clearly aware of its contradictions and shortcomings, it has acted as a powerful complement to the more coercive aspects of state power and has successfully constrained political debate in Indonesia. From the second half of the 1980s Pancasila was overlaid by an attempt to revive the idea of Indonesia as a negara integralistik which was seen to have its origins in Indonesia's pre-colonial history and had informed the thinking of conservative members of the Indonesian elite for years. Integralist ideas enjoyed considerable currency in military circles, and in the late 1980s they were promoted in an attempt to reshape *Pancasila* in a way which preserved the role of the military in the wider Indonesian polity and to provide scientific and scholarly legitimacy as well as popular support for the New Order as a whole. 107

While the importance of lovalty to the New Order was increasingly articulated in the shifting mix of *Pancasila* and integralism against the backdrop of an image of the Indonesian nation as a united and harmonious family (with Suharto as the father), a related aspect of the hegemony of the New Order has also been the production of a powerful Indonesian development (pembangunan) discourse, which exhorts Indonesians to work together to develop the nation and bring about economic takeoff, under the leadership of the 'father of development' (Bapak Pembangunan), Suharto. 108 The New Order has also invoked and appropriated a perceived pre-colonial past in which the Javanese aristocracy played a key role. These themes, along with the complexity and hybridity of the wider post-colonial Indonesian social formation, are in evidence at 'Beautiful Indonesia'-in-Miniature Park (Taman Mini "Indonesia Indah"), which is a key site for the New Order's efforts to generate loyalty and national unity and also reconfigure the Javanese aristocratic past to fit the New Order present. 109 Taman Mini was completed and opened in Jakarta in the mid-1970s (coinciding with the perceived deepening of the New Order and the shift towards the increased and systematic promotion of *Pancasila*) and had apparently been 'inspired' by Mrs Suharto's visit to Disneyland in 1971. Apart from the Borobudur and Yogyakarta pavilions, a key aspect of the park was 26 pavilions modelled on 'customary houses' and symbolising the country's 26 provinces. There is now an East Timor pavilion, which unlike the other pavilions, is air-conditioned, has an Indonesian

flag flying much of the time, and an armed guard. The primary backers of 'Beautiful Indonesia' are the Jakarta-based elite of central Java. And a key aspect of the theme park which reflects their dominant position is the Grand Place-of-Importance Audience Hall (Pendopo Agung Sasono Utomo). This hall, which has a Javanese rather than an Indonesian name, was constructed in a style based on the customary aristocratic dwellings of central Java. More particularly, the model for the Grand Audience Hall was the oldest existing palace of Central Java. This is the Palace of Surakarta (Kraton Surakarta), which was built in 1745 under Dutch East India Company auspices. Under the direct influence of the Dutch, this palace came to embody 'Javanese' difference, which would retrospectively be increasingly held up as typically Javanese. At the time of the founding of the Palace of Surakarta in 1745, royal banyan trees (the banyan tree is used as a symbol by the Javanese royalty and is also the logo of Golkar, the ruling party) were dug up and relocated from the old palace grounds to the new. And to ensure that the historical and aristocratic reverberations were not missed at the park's opening in 1975, a ritual offering, in which Imelda Marcos planted a banyan tree, was organised. The Suharto regime also eventually built an important museum at 'Beautiful Indonesia'. While it was built in a Balinese style, the actual contents and programme of the museum reinforced a Javanesecentred national hierarchy. The central exhibit is a 'diorama of a traditional wedding ceremony for central Javanese aristocrats' while the wedding's mannequin guests are, according to the official guide book, attired in 'traditional costumes from almost all areas of Indonesia' in order to 'demonstrate the spirit of Unity in Diversity'. Three years after the opening of the Indonesian Museum, a real wedding was held in the Audience Hall at 'Beautiful Indonesia'. On 8 May 1983 Siti Hediati, the daughter of President and Mrs Suhano married Major Prabowo Subianto (the son of Sumitro, a major economic adviser to Suharto). The wedding was well attended and well publicised, and Javanese tradition meshed with the contemporary administrative might and splendour of the New Order state 110

The power of the Java-centred elite and the ideological panoply of the New Order, which are celebrated and reinforced at Taman Mini, have been transformed and mediated by the wider processes of the global political economy and uneven capitalist development. While many priyayi, in keeping with the historic bureaucratic and administrative role of the Javanese aristocracy, continue to take part in private business only indirectly through Indonesian-Chinese capitalists, under the New Order a growing number of priyayi, not least the President's children, have taken up a direct and dominant role in commerce. Suharto's two eldest children, Bambang Trihatmodjo and Siti Hardijanti Rukmana (Tutut) are thought to be worth US\$3 billion and US\$2 billion dollars respectively, while the flamboyant Tommy (Hutomo Mandala Putra) is reckoned to control assets worth US\$600 million. His brother Sigit Harjojudanto is valued at US\$450 million, while Suharto's two youngest daughters (one of whom was married with Javanese aristocratic splendour, described above) are said to be worth US\$200 million and US\$100 million. There are some doubts about how well his children will do in business once Suharto's patronage has disappeared. 111 More broadly, in the context of the regime's political decline from the second half of the 1980s,

and the shift towards increased foreign investment and export-orientated industrialisation (between 1980 and 1991 the share of manufactured goods as a percentage of Indonesia's total exports rose from 3% to 40%), it is doubtful that the New Order is going to give birth to a cohesive pribumi commercial class. 112 While there are important *pribumi* capitalists, the economically powerful Indonesian-Chinese business community has also been able to move beyond its exclusive dependence on pribumi civilian and military officials and establish links with the emerging tycoons and professionals of Javanese or other indigenous backgrounds. From this perspective a reconfigured and increasingly selfconscious 'multi-ethnic capitalist class' is emerging within the wider social formation. 113 This trend, which flows from the relative retreat of the New Order state from its historically dominant role in the economy, is still embryonic, but there is clearly an effort by some elements of the private sector to establish political networks and a collective organisational framework in a fashion which cuts across old divisions, and old New Order patterns are clearly undergoing some form of transformation.¹¹⁴ The New Order state appears to be somewhat less committed to the highly inefficient import-substitution industrialisation sector, and transnational capital and domestic capital operating outside the Jakarta-centred state patronage framework may have greater influence than previously. 115 Against the backdrop of an uneven and partial trend towards economic liberalisation, the New Order has also been challenged by calls for political liberalisation and democratisation.

A smouldering volcano?: Demokratisasi and the decline of the ancient regime

Globalisation and the process of uneven capitalist development bring with them formidable challenges to Suharto's New Order. While capitalist development is often seen as the key to political and social stability, historically it has also been central to social diversification and the generation of conflict. The very success of capitalist development under the New Order is central to the crisis and political decline of Suharto's regime since the second half of the 1980s. 116 Capitalism in Indonesia, as elsewhere, has given rise to both new or reconfigured elites and new or reconfigured subaltern classes, inserting them into a variety of hierarchies of production and accumulation, to which they accommodate themselves and against which they resist. A growing number of Indonesians, led by secular and Islamic intellectuals, journalists and students, are increasingly mobilising in various parliamentary and extra-parliamentary ways against Suharto's New Order, under the banner of demokratisasi (democratisation) and around questions of economic and social justice. 117 Since the late 1980s student protests have been more frequent. Student activists have embraced populist issues related to rural disputes over land and the general questions of livelihood which are of central concern to the rural and urban poor. The response from the New Order authorities has varied, but there is some evidence to suggest that, as in the mid-1960s, factions within the military have sought to establish links with students while publicly emphasising the need for order and discipline. The still low key student unrest continues to occur in the context of a less vociferous

dissension among sections of the elite.¹¹⁸ While Suharto's sixth term as president, which began in 1993, did little to allay disgruntled members of the elite, the composition of his new cabinet was seen as a concession to a younger generation, at the same time as it also reached out to Muslims. However, because of its increased civilian character the military was marginalised relative to previous cabinets.¹¹⁹

By the early 1990s Indonesia was in a period of transition characterised by the decline of the New Order at the same time as no unified force was emerging to displace the ancien regime. In late 1993 and 1994 at least half a dozen significant events pointed to the mid-1990s as a turning-point for Suharto's New Order. In 1993 the token opposition offered by the PDI appeared to be giving way to something more genuine. Although the government intervened blatantly and vigorously in the PDI's 1993 congress it failed to prevent Megawati Sukarnoputri from being elected to the party leadership. This was of considerable embarrassment to the regime, and given Megawati's popularity, as the daughter of Sukarno, with the urban poor in particular, clearly symbolised growing popular dissatisfaction with the regime. 120 (As mentioned at the outset, the government flagrantly manipulated powerful factions of the PDI in the first half of 1996 in a way which led to the ouster of Megawati as party leader.) After 1993 the possibility of an electoral alliance between the Nahdlatul Ulama (NU), the country's largest Muslim organisation with 34 million members led by Abdurrahman Wahid, and the PDI under Megawati, increasingly concerned Golkar officials and pointed to the growing disaffection of various segments of the elite as well as the lower classes. 121

This was followed in November 1993 by the shutting down of the national lottery, which by that time was earning the regime 995 000 million rupiahs a year (US\$460 million—the figure for 1991 was 580 000 million rupiahs— US\$289 million). Under the leadership of students there had been two waves of popular protest against the national lottery, in late 1991 and late 1993 respectively. At the outset, the movement against the lottery viewed it as extracting scarce money and resources from the country's poor who bought the majority of the tickets. During the second wave of protests prominent Islamic leaders began to play a more important role and opposition to the lottery was increasingly couched in moral and religious terms. Only days after the government had reiterated its commitment to continuing with the lotteries, it caved in to popular opposition, a turn of events that embarrassed the regime as much as its failure to prevent Megawati's rise to the PDI leadership earlier in the year. In early 1994 there was a string of events which clearly signified growing opposition to, and doubts about, the New Order. First the Indonesian Development Bank (BAPINDO) scandal which erupted in May 1994 turned into the largest financial and political scandal since the state oil company (PERTAMINA) affair in the mid-1970s. A number of top BAPINDO executives and Eddy Tansil, a well known Chinese-Indonesian businessman were sentenced to long prison terms as a result of a doubtful non-performing bank loan worth approximately 1.3 trillion rupiahs (US\$650 million) dollars. The BAPINDO case eventually implicated a number of former government ministers and raised difficult questions about other nonperforming bank loans of equal or greater magnitude. The BAPINDO scandal is

seen to have severely tarnished the New Order and seriously, albeit temporarily, destabilised Suharto's rule. 122

Around the same time as the BAPINDO scandal was taking place, and in the context of the run up to the APEC meeting in November 1994 (which was held in Bogor, West Java), the New Order further opened up to foreign investment, eliminating a number of ownership restrictions and permitting joint ventures in areas of the economy that had previously been closed to foreign investment. 123 Government Regulation No 20/1994, which ushered in this shift, has been interpreted by some observers as evidence of the government's financial and political desperation. In financial terms it signalled the regime's need to attract more foreign investment to maintain the country's economic growth rate at the same time as it confronted rapidly rising foreign debt and a number of large non-performing bank loans as reflected in the BAPINDO scandal. It appears that this move worked to undermine the public image of the New Order in Indonesia insofar as Government Regulation No. 20/1994 ran contrary to historically powerful national discourses against free-market capitalism and in favour of social welfare. The promulgation of, and controversy around, this dramatic economic liberalisation initiative was shortly followed by the government's banning of three major weekly newspapers. In late June the government shut down the Jakarta-based tabloid DeTik, and the news magazines TEMPO and Editor. Opposition to the bans soon became a focus for what appeared to be a groundswell of primarily middle class opposition. While the government was certainly not about to collapse, by 1994 the urban middle class began to appear more politically assertive and united than at previous times. 124

There is little doubt that elements of the middle class have played and will continue to play a role in the process of democratisation, in the context of the decline and eventual fall of Suharto's New Order. At the same time, there is plenty of evidence to suggest that the middle class is not necessarily the key actor in political and social change in Indonesia and the emergence of an organised working class (in the context of the overall configuration of political and social power) in Indonesia could prove to be a crucial factor in democratisation and the opening up of the political system. As events in the industrial city of Medan in 1994, but also elsewhere, suggest, a particularly serious challenge to the New Order may be coming from the workers' movements, born of the country's surging and globally integrated export-industrialisation sector. The growing labour unrest has burst the boundaries of the framework of statecapital-labour relations laid down by the New Order in the 1960s and 1970s. 125 By the early 1990s there was evidence of the emergence of a more cohesive working class, along with the growing significance of culturally embedded discourses on class which flowed in part from the work of activists from urban middle class backgrounds and the proliferation of labour theatre groups. Even art exhibitions and public poetry readings have become important sites for the formation and articulation of consciousness about labour issues. 126 During the late 1950s and early 1960s Indonesian workers were increasingly subordinated to the state-capitalism of the late Sukarno era, while in the early New Order period urban workers were even more thoroughly domesticated, while the Communist-led unions were wiped off the political map. 127 At the beginning of

the New Order period state labour policy was aimed at eliminating the instability and worker unrest of the pre-1965 period and was premised on the view that the primary 'threat' to order and stability came from remnants of the pre-1965 'left-wing elements' which had dominated the trade union movement up to that time. The solution was the setting up of a state-sanctioned and corporatist trade union body, while the ideas on which it rested were increasingly infused with *Pancasila* ideology and the integralist formulations of state corporatism. Along with the denial of the right to independent organisation, workers in Indonesia have generally been denied the right to strike. 128

Between 1965 and 1985 the New Order effectively contained independent labour activity and ensured labour peace, apart from brief upsurges at the end of the 1970s and in the first part of the 1980s. In 1973 the establishment of the All-Indonesia Workers Federation (FBSI-Federasi Buruh Seluruh Indonesia) as the only legal organisation representing workers served to curtail the emergence of independent labour organisations. This was replaced by the highly centralised All-Indonesia Workers Union (SPSI—Serikat Pekerja Seluruh Indonesia) in the mid-1980s (and in 1995 it became the Federation of Indonesian Workers— FSPSI). In 1974 Pancasila Industrial Relations (HIP—Hubungan Industrial Pancasila) was promulgated. This has served to legitimate widespread state intervention, at the same time as it has nullified the legitimacy of strike action because of its emphasis on familial and harmonious relations between labour. capital and the state. Suharto has emphasised that, in the context of *Pancasila*, 'there is no place for confrontation'. Other proponents of HIP have contrasted an Indonesian-style partnership between employees and employers with the confrontational type of labour relations which are said to prevail in 'liberal' North America, Western Europe and Australia. 129 The military (ABRI) has also played an important role in the trade unions and labour relations (not least through the practice of retired army officers taking up positions in the official trade union movement). As Indonesian intellectual Vedi Hadiz has noted, the fact that Admiral Sudomo, the former chief of security, could serve as the Manpower Minister (responsible for the management of labour relations) from 1983 to 1988 is a 'symbol' of the way in which military intervention in labour relations became central to the overall system of labour control under the New Order. 130

By the 1980s the New Order was having to grapple with growing labour unrest, at the same time as labour leaders and activists sought to articulate new visions. The latter sought to move beyond moral and instrumental criticisms of the New Order in favour of a structural analysis of the exploitation of workers and peasants. Greater priority was given to conflicts between workers and capitalists. Activists and commentators also sought to analyse the role of the state in industrialisation and, while nobody was arguing that anything resembling a cohesive industrial proletariat had appeared insofar as employers were often still able to 'divide and rule', both temporary and permanent workers were seen to be gaining an awareness that what interests they shared with management were far less than those they had in common with each other. The need for trade union independence emerged as a particular focus of concern in this period. While the highly centralised official trade union movement remained at the centre of labour relations in Indonesia, at the beginning of the 1980s a majority

of the activists who sought some sort of progressive change felt that the potential existed for successful informal and grassroots work within this framework. This resulted in a range of independent organisational initiatives which often operated formally as local branches within the approved union structure. ¹³¹

These organisational efforts took on new significance from the mid-1980s when the export manufacturing sector began to grow dramatically. In 1971 the manufacturing sector employed an estimated 2.7 million workers (6.5% of total labour force), rising to around 4.5 million workers in 1980 (8.5% of workforce) and 8.2 million by 1990 (11.6% of the work force—3.6 million women and 4.6 million men). From 1965 until the 1980s the number of strikes was relatively low but rising. Until the late 1970s it never rose above 35 annually and was often much lower. But in 1979 the figure rose to 72, and then to over 100 a year in 1980 and 1981 and over 200 in 1982. By 1990 the number of strikes per year had reached pre-1965 levels and these strikes were centred on export-orientated manufacturing industries which produce garments, textiles and footwear.¹³³ In 1991, 74% of all strikes in West Java were in textile and garment factories. Although much of the unrest in the early 1990s has been centred on the new industrial areas in and around Jakarta, it has now extended to other parts of Java and Sumatra. At the same time many of the strikes reflect the inability or unwillingness of the government to ensure that employers abide by the government's own regulations—90% of reported strikes in West Java by the beginning of the 1990s centred on demands that companies pay their employees the official minimum wage (according to the independent union SBSI, wages comprise about 8% of most companies' operating costs, while an average of 30% is spent on 'non-official expenditures'—that is bribes). By the early 1990s there had been some tepid reforms, along with minimum wage rises. In September 1992 the average minimum wage in Jakarta was raised from 2500 to 3000 rupiahs (about US\$1.50) a day, while in West Java it went from 2100 to 2600 rupiahs.¹³⁴ (As of 1996 the official daily minimum wage for East Java was 4000 rupiahs per day, while in Jakarta and West Java it was 4600 rupiahs—the equivalent of around US\$2.00).

In early February 1994 there were widespread strikes in Java which again focused on demands that the new minimum wage actually be paid by employers. At the same time the government threatened to prosecute employers who failed to comply with the new minimum wage (the penalty was a maximum of three months in jail or 100 000 rupiahs—equal to about US\$50). The wave of strikes in February proved to be the lead-up to the violent labour unrest which began with a peaceful demonstration on Friday 14 April by approximately 30 000 workers in Medan. Driven by concern about military involvement in labour disputes, and the suspected involvement of military personnel in the assassination of union organisers, the particular aim of the protest was also to increase the regional minimum wage, which was 3100 rupiahs (US\$1.45-1.55) per day at the time. The independent SBSI (Serikat Buruh Sejahtera Indonesia-Indonesian Prosperity Trade Union), which helped to organise the protest was calling for an increase to 7000 rupiahs (US\$3.50) a day. At the time of the protest fewer than half of the factories in the Medan area paid their workers the legal minimum wage. The protesters were also seeking to overturn laws

restricting the establishment of factory-level trade unions, to express their opposition to the recent arbitrary dismissal of almost 400 workers from a local factory and to demand the government look into the disappearance and death of a labour organiser named Rusli, whose body had been found floating in the Deli river only two days after he had played a prominent leadership role in a strike. The initially peaceful demonstration escalated into a week-long series of violent confrontations with the military and the police, resulting in one death, at least 12 people injured, as well as 100 arrests and damage to 150 factories and shops, not to mention burnt and overturned automobiles. Between 14 April and 20 April the labour unrest and strike activity involved about 40 000 workers and over seventy factory sites in and around Medan. 136 In the wake of the unrest in Medan there were some minor improvements. In August 1994 the minimum wage rose from 3100 rupiahs to 3750 rupiahs (US\$1.72) a day, while over 90% of the factories in the area were believed (by some observers) to actually be paying the minimum wage, in contrast to widespread avoidance before April. Forced overtime has also apparently been almost eliminated. At the same time, longterm industrial peace is unlikely. Apart from a few concessions, the government and employers have relied primarily on the heavy hand of the military, including sending soldiers in civilian clothes into factories. 137

The unrest in Medan in April 1994 was possibly the largest outpouring of labour frustration and disaffection in the history of the New Order. It may mark a key juncture in modern Indonesian history. By the middle of the 1990s the country's new labourers, many of whom had grown up in the burgeoning urban industrial areas in Indonesia, appear to be coming into their own. 138 At the same time many workers now have more education than in an earlier era and this often makes them more aware of what rights they have. The reorganisation of the official New Order union, giving more power to regional branches (which was accompanied by a change in name to the Federation of Indonesian Workers, or FSPSI), along with efforts to refurbish its international reputation, and the resulting relatively liberal industrial relations rhetoric, has also contributed to worker unrest. The new conceptions of labour rights which this rhetoric carries with it has not been lost on the workers; however, when they attempt to take this rhetoric seriously, the negative response from the FSPSI leadership simply leads to greater frustration and conflict. A likely medium-term reaction on the part of the New Order state will not be a sophisticated strategy of labour reform aimed at institutionalising industrial conflict, but a continued approach to labour relations in which freedom of association remains nonexistent, with attempts to control the increase in working class unrest using minor labour reform, such as moderate changes to minimum wage and exhortations for employers to comply with government regulations, in the context of the continued reliance on the repressive technologies of FSPSI and legal and extra-legal assaults on the union leadership.¹³⁹ Recently, for example, Muchtar Pakpahan, who is head of the independent SBSI, was again in court facing subversion charges only months after having been sentenced to four years in prison for allegedly playing a key role in the events in Medan in 1994, even though he was in Jakarta at the time. This comes in the wake of an earlier Supreme Court decision which overturned the Medan related charges. Meanwhile a number of members of the People's Democratic Party (PRD), which was alleged to be behind the 27 July 1996 uprising in Jakarta, were also brought to trial in late 1996 on charges of subversion for their role in recent labour protests in Jakarta.¹⁴⁰

As the case of South Korea suggests, an incremental and authoritarian reaction to growing working class unrest can actually fuel militant activity. Minor changes in wages and conditions can often have a limited effect on workers' circumstances at the same time as a growing awareness develops that what ever has been gained has been because of working class militancy rather than the generosity of the business or governing elites. In this situation the possibility of the emergence of a collective identity of resistance increases. ¹⁴¹ At this juncture, neither the new labourers, concentrated in the export-orientated industries, nor the independent union leadership is unified. Some tendencies reflect relatively contemporary radical styles, while there is a powerful moderate wing. There is also a vocal element of the independent union leadership which speaks in the language of the old PKI and looks to the 1920s and the 1950s (when the labour movement and the Communist Party played a powerful role in colonial and post-colonial politics) for inspiration. However, the mechanical application of the idiom (and the categories and strategies) associated with 1950s-style Indonesian Marxism, which is characteristic of the recently formed Centre for Indonesian Working Class Struggle (PPBI), linked to the PRD, may compound earlier failures rather than facilitate future victories. The character of the present working class unrest, like the wider process of social transformation, has its roots in Indonesia's particular historical trajectory, and that history, including the Marxism that played such an important role at various points in the twentieth century, needs to be subjected to a concerted process of critical re-examination and, where relevant, recuperation. 142 As the New Order increasingly becomes the ancien regime, there is every indication that labour unrest and the various modes of independent organisation among workers will gain in significance. 143 This is happening against the background of a wider process of growing dissatisfaction amongst the rural and urban poor, as well as segments of the elite and the middle class 144

Conclusion: old state and new empire in Indonesia

This article began by critically outlining the shifting contours of the debate about political and social change and economic development in Indonesia, with a particular focus on competing analyses of the origins and rise of Suharto's New Order. It was argued that the dominant Anglo-American discourses on Indonesia continue to provide an ahistorical analysis which tends to assume a single or limited number of paths to capitalist modernity, driven by the rise of an urban middle class and the rationalisation of government—business relations. This was followed by a discussion of Marxist political economy and nationalism in relation to the historical origins and eventual rise of the New Order. Building on this discussion, the article sketched out an analysis which located the origins of the New Order state in the particular history of Dutch colonialism and in the social character of the transition to the post-colonial nation of Indonesia. It was emphasised that the New Order state, which came into being in 1965, has been

central to, and has also been shaped profoundly by, the historical processes which have been characteristic of Indonesia's colonial and post-colonial trajectory. However, at the broadest level, New Order Indonesia is increasingly being shaped not only by its colonial and cold war history, but by new trends associated with the end of the Cold War and the process increasingly characterised by both celebrants and critics as globalisation. The second part of the article began with a discussion of the overall debate about democratisation in relation to Indonesia. This was followed by a specific challenge to the dominant discourses on political and social change which continue to see economic development and the rise of a middle class as carrying Indonesia slowly but more or less inexorably towards a post-Suharto era of democratic capitalist modernity. The need for an approach based on an emphasis on history and structures of power, combined with attention to the particularity and strength of cultural processes, was emphasised, at the same time as an analysis of the New Order since the 1970s was provided. The way in which influential state-driven discourses on hierarchy, order, national unity and harmony were backed up by a substantial authoritarian political structure was outlined and discussed. It was argued that, apart from the bureaucratic and military coercion on which the regime relied, the overall power of the New Order derived from and was reinforced by the sustained use of a complex amalgam of corporatist and integralist concepts and images. It was emphasised that the ideological aspects of the New Order needed to be taken seriously and they provide the immediate context for the formulation of counter-hegemonic ideas. The shifting contours of political opposition was examined and the growth from the mid-1980s of extra-parliamentary forces pushing for democratisation and economic and social justice were emphasised. The article ended with a discussion of the rising Indonesian working class opposition while calling into question the widespread emphasis on the middle class as the key factor in facilitating movement towards democracy. It was emphasised that the New Order is now being challenged by the dramatic shifts in the global political economy and the rise of new and reconfigured social forces throughout the archipelago, including the rise of a growing working class movement for change. In early 1996 the Far Eastern Economic Review asked whether Suharto's New Order was 'Asia's smouldering volcano?'. 145 The answer may be a qualified yes. At the same time, if the decline of Suharto's New Order is going to lead to a political system which can be characterised as democratic it may well depend more on the role of an emergent Indonesian working class than on the much celebrated middle class.

Notes

George Aditjondro, Arief Budiman, Paul Stange and Carol Warren commented on various parts of this article, while David Bourchier and Vedi Hadiz read and discussed virtually all of it. David and Vedi's work in particular has influenced mine in ways that are obvious; however, they will undoubtedly continue to take issue with some of my conclusions. Any shortcomings are my responsibility.

This speculation was given further encouragement by Suharto's visit to Germany for a medical checkup in early July. M Cohen, 'Indonesia: Ill at ease, Far Eastern Economic Review, 18 July 1996, p 16.

- ² J McBeth & M Cohen, 'Indonesia: streets of fire', Far Eastern Economic Review, 8 August 1996, pp 14–16; M Lane, 'Suharto gets a glimpse of people power', Green Left Weekly, 241, 7 August 1996, pp 16–17; 'If Indonesia erupts', The Economist, 3 August 1996, p 13; and P Walter, 'Authorities' heavy hand undermines Suharto's platform', Weekend Australian, 28 December 1996, p 8.
- ³ The percentage of the Indonesian population living in 'absolute poverty', according to the World Bank, has dropped to 15% today from 70% in 1970 (this is based on the assumption that anyone receiving more than 2150 calories a day is no longer living in 'absolute poverty'). In 1993 Indonesia was recategorised as a 'lower-middle' income country instead of a 'low' income country. 'Indonesia: what price stability?', *The Economist*, 3 August 1996, pp 19–21. For a good economic overview see H Hill, *The Indonesian Economy Since 1966: Southeast Asia's Emerging Giant*, Cambridge: Cambridge University Press, 1996. For indicators of Indonesian economic growth and social change, see also Asian Development Bank, *Asian Development Outlook 1996 and 1997*, Oxford: Oxford University Press, pp 79–84.
- A Schwarz, A Nation In Waiting: Indonesia in the 1990s, Sydney: Allen and Unwin, 1994, pp 59–60.
 MT Berger, 'Post-cold war Indonesia and the revenge of history: the colonial legacy, nationalist visions and global capitalism', in MT Berger & DA Borer (eds), The Rise of East Asia: Critical Visions of the Pacific Century, London: Routledge, 1997; and R McVey, 'Building behemoth: Indonesian constructions of the nation-state', in DS Lev & RMcVey (eds), Making Indonesia: Essays on Modern Indonesia in Honor of George McT Kahin, Ithaca, NY: Southeast Asia Program, Cornell University, 1996.
- ⁵ RH Jackson, *Quasi-States: Sovereignty, International Relations and the Third World*, Cambridge: Cambridge University Press, 1990.
- ⁷ RA Packenham, *Liberal America and the Third World: Political Development Ideas in Foreign Aid and Social Science*, Princeton, NJ: Princeton University Press, 1973, pp 52–53.
- MT Berger, 'Southeast Asian trajectories: Eurocentrism and the history of the modern nation-state', Bulletin of Concerned Asian Scholars, Vol 28, No 3, 1996.
- ⁹ George McT Kahin's classic early study of the Indonesian national revolution, which first appeared in the early 1950s, not surprisingly reflects this optimism. See G McT Kahin, *Nationalism and Revolution in Indonesia*, Ithaca, NY: Cornell University Press, 1952.
- C Geertz, 'The integrative revolution: primordial sentiments and civil politics in the new states', in C Geertz (ed), Old Societies and New States: The Quest for Modernity in Asia and Africa, London: Macmillan, 1963, pp 153–157, 130–133. See also R Emerson, From Empire to Nation: The Rise to Self-assertion of Asian and African Peoples, Boston: Beacon Press, 1962; and K Silvert (ed), Expectant Peoples: Nationalism and Development, New York: Random House, 1963. Ironically, while North American social scientists were concerned with the integration of the new nation of Indonesia, the US government was playing a key role in supporting the rebellions of the late 1950s as part of its efforts to destabilise the Sukarno government, which was seen as communist-influenced. In 1957 and 1958 the US initiated a CIA-led covert operation, involving the US Navy and elements of the US airforce, which was larger in scale and scope than the much more well know Bay of Pigs operation against Cuba in the early 1960s. See AR Kahin and G McT Kahin, Subversion as Foreign Policy: The Secret Eisenhower and Dulles Debacle in Indonesia, New York: New Press, 1995.
- H Feith, The Decline of Constitutional Democracy in Indonesia, Ithaca, NY: Cornell University Press, 1962; and DS Lev, The Transition to Guided Democracy: Indonesian Politics 1957–1959, Ithaca, NY: Cornell Modern Indonesia Project Monograph, 1966.
- Gabriel Kolko has characterised this approach as military modernisation theory. G Kolko, Confronting the Third World: United States Foreign Policy 1945–1980, New York: Pantheon, 1988, pp 132–133. For example, see GJ Pauker, 'The role of the military in Indonesia', in JJ Johnson (ed), The Role of the Military in Underdeveloped Countries, Princeton, NJ: Princeton University Press, 1962.
- S P Huntington, Political Order in Changing Societies, New Haven, CT: Yale University Press, 1968. See C Leys, 'Samuel Huntington and the end of classical modernization theory', in Leys, The Rise and Fall of Development Theory, Bloomington, IN: Indiana University Press, 1996.
- B Glassburner, 'Economic policy-making in Indonesia, 1950–57' and 'Indonesian economic policy after Sukarno', in Glassburner (ed), The Economy of Indonesia: Selected Readings, Ithaca, NY: Cornell University Press, 1971. B Glassburner, 'Political economy and the Suharto regime', Bulletin of Indonesian Economic Studies, Vol 14, No 3, 1978. This approach is discussed in Richard Robison, 'Class, capital and the state in New Order Indonesia', in Richard Higgott & Richard Robison (eds), Southeast Asia: Essays in the Political Economy of Structural Change, London: Routledge, 1985, p 296.
- ¹⁵ GJ Pauker, 'Indonesia: the age of reason?', Asian Survey, Vol 8, No 2, 1968. Also see an article by the former US ambassador to Indonesia, John M Allison, who enthused that the 'greatest encouragement for the future' of Indonesia 'remains the character and intelligence of the leaders of the New Order'. J M Allison, 'Indonesia: year of the pragmatists', Asian Survey, Vol 9, No 2, 1969, p 137. Allison was hitting a less optimistic, but still very supportive, note a year later. See Allison, 'Indonesia: the end of the beginning?', Asian Survey, Vol 10, No 2, 1969.
- See A Moertopo, Some Basic Thoughts on the Acceleration and Modernization of 25 Years' Development, Jakarta Centre for Strategic and International Studies, 1972. See D Bourchier, 'Lineages of organicist

OLD STATE AND NEW EMPIRE IN INDONESIA

political thought in Indonesia', unpublished PhD thesis, Melbourne: Monash University, 1996, pp 156, 176, 196–197, 294. (A revised version is to be published, London: Routledge, 1997.)

See, for example, KD Jackson, Traditional Authority, Islam and Rebellion: A Study of Indonesian Political

Behavior, Berkeley: University of California Press, 1980.

¹⁸ SN Eisenstadt, 'The influence of colonial and traditional political systems on the development of post-traditional social and political orders', in HD Evers (ed), *Modernization in South-East Asia*, 1973, reprinted in CE Black (ed), *Comparative Modernization: A Reader*, New York: The Free Press, 1976.

- H Crouch, 'Patrimonialism and Military Rule in Indonesia', World Politics, Vol 31, No 4, 1979, pp 571–573, 575, 579, 587, reprinted in A Kohli (ed), The State and Development in the Third World, Princeton, NJ: Princeton University Press, 1986. See H Crouch, The Army and Politics in Indonesia, Ithaca, NY: Cornell University Press, 1988.
- ²⁰ GA O'Donnell, 'Reflections on the patterns of change in the bureaucratic-authoritarian state', *Latin American Research Review*, Vol 13, No 1, 1978.
- ²¹ B Moore, Jr, Social Origins of Dictatorship and Democracy: Lord and Peasant in the Making of the Modern World. Boston: Beacon Press, 1966.
- ²² P Evans, D Rueschemeyer & T Skocpol (eds), *Bringing the State Back In*, Cambridge: Cambridge University Press, 1985, p vii.

D Collier, 'The bureaucratic-authoritarian model: synthesis and priorities for future research', in Collier (ed), The New Authoritarianism in Latin America, Princeton, NJ: Princeton University Press, 1979.

- DY King, 'Indonesia's New Order as a bureaucratic polity, a neopatrimonial regime, or a bureaucratic-authoritarian regime: what difference does it make?', in B Anderson & A Kahin (eds), *Interpreting Indonesian Politics: Thirteen Contributions to the Debate*, Ithaca, NY: Cornell Modern Indonesia Project, 1982, pp 110–116. Some writers challenged those interpretations influenced by bureaucratic-authoritarianism which represented the New Order state as relatively monolithic, emphasising its still decentralised and even pluralist aspects. For example, in the early 1980s, Donald K Emmerson argued that the best way to characterise the New Order was the notion of 'bureaucratic pluralism'. DK Emmerson, 'Understanding the New Order: bureaucratic pluralism in Indonesia', *Asian Survey*, Vol 23, No 11, 1983. See also DK Emmerson, *Indonesia's Elite: Political Culture and Cultural Politics*, Ithaca, NY: Cornell University Press, 1976. R William Liddle's approach to the New Order in the 1980s has been characterised as 'restricted pluralism'. See Liddle, 'The politics of shared growth: some Indonesian cases', *Comparative Politics*, Vol 19, No 2, 1983; and Liddle, 'Suharto's Indonesia: personal rule and political institutions', *Pacific Affairs*, Vol 58, No 1, 1985.
- ²⁵ J Mackie, 'Indonesia: economic growth and depoliticization', in JW Morley (ed), *Driven By Growth: Political Change in the Asia–Pacific Region*, London: ME Sharpe, 1993, p 69. The patrimonialism of the New Order is also emphasised in J Mackie & A MacIntyre 'Politics', in H Hill (ed), *Indonesia's New Order: The Dynamics of Socio-Economic Transformation*, Sydney: Allen and Unwin, 1994, pp 6–7.

See A MacIntyre, Business and Politics in Indonesia, Sydney: Allen and Unwin, 1991; and D Brown, The State and Ethnic Politics in Southeast Asia, London: Routledge, 1994, pp 112–157.

A MacIntyre, 'Power, prosperity and patrimonialism', in MacIntyre (ed), Business and Government in Industrialising Asia, Sydney: Allen and Unwin, 1994, pp. 255–257, 264.

A MacIntyre, 'Business, government and development: Northeast and Southeast Asian comparisons', in MacIntyre (ed), Business and Government in Industrialising Asia, p 16.

A Budiman 'Introduction', in Budiman (ed), State and Civil Society in Indonesia, Clayton: Centre for

Southeast Asian Studies, Monash University, 1994; pp 1–14.

T Mitchell, 'The limits of the state: beyond statist approaches and their critics', American Political Science Review, Vol 85, No 1, 1991, pp 81–88. Also see G Rodan, 'Theorising political opposition in East and Southeast Asia', in G Rodan (ed), Political Opposition in Industrialising Asia, London: Routledge, 1996, pp 20–29.

D Allen, 'Antiwar Asian scholars and the Vietnam/Indochina war', Bulletin of Concerned Asian Scholars,

Vol 21, Nos 2-4, 1989.

In Indonesia itself, Marxist analysis has had even more limited purchase since the 1960s. In the 1950s and early 1960s, in the context of an emerging alliance between Sukarno and the PKI, most Indonesian Marxists were committed nationalists. At the same time, the Marxist theory which prevailed was based on Stalinist and early Maoist theory. By the mid-1960s both the PKI and Indonesian Marxism had been more or less uprooted. B Anderson, 'Radicalism after communism in Thailand and Indonesia', New Left Review, No. 202, 1993, pp 3–6, 8; R Mortimer, Indonesian Communism Under Sukarno: Ideology and Politics 1959–1965, Ithaca, NY: Cornell University Press, 1974; and O Törnquist, Dilemmas of Third World Communism: The Destruction of the PKI in Indonesia, London: Zed Press, 1984. But the radical nationalist ideas, including Indonesian variants of Marxism, could not be completely eliminated among the intellectual elite or among the urban and rural subaltern classes. M Lane, 'Voices of dissent in Indonesia', Arena, No 61, 1982, pp 110–128; and C Warren, Adat and Dinas: Balinese Communities in the Indonesian State, Kuala Lumpur: Oxford University Press, 1993, pp 271–277.

³³ On the Latin American origins and the rise and dissemination of dependency theory, as well as its relationship to Marxism and the dominant liberal discourses see MT Berger, *Under Northern Eyes: Latin American Studies and US Hegemony in the Americas 1898–1990*, Bloomington, IN: Indiana University Press, 1995, pp 106–121.

⁴ D Ransom, 'The Berkeley Mafia and the Indonesian massacre', *Ramparts*, October 1970; Ransom, 'Ford country: building an elite for Indonesia', in S Weissman, *et al.* (eds), *The Trojan Horse: A Radical Look at Foreign Aid*, Palo Alto, CA: Ramparts, 1974; and M Caldwell, 'Oil imperialism in Southeast Asia', in M Selden (ed), *Re-Making Asia: Essays on the American Uses of Power*, New York: Pantheon, 1974.

- 35 R Mortimer, 'Indonesia: growth or development', in Mortimer (ed), Showcase State: The Illusion of Indonesia's 'Accelerated Modernisation', Sydney: Angus and Robertson, 1973. By the beginning of the 1980s Indonesian activists and intellectuals, such as Arief Sritua and Adi Sasono, had produced studies of Indonesian political economy that clearly worked from a dependency perspective. A Sritua & A Sasono, Indonesia: Dependency and Underdevelopment, Kuala Lumpur META, 1981; first published in Indonesian as Indonesia, ketergantungan dan keterbelakangan.
- World-system theory, the main outgrowth of classic dependency theory, emerged as the most influential single trend in radical North American social science by the 1970s. P Buhle, *Marxism in the USA: From 1870 to the Present Day*, London: Verso, 1987, p 265.
- ³⁷ V Randall & R Theobald, Political Change and Underdevelopment: A Critical Introduction to Third World Politics, London: Macmillan, 1985, pp 137-138, 148-171. For a critical review of theories of the capitalist state see B Jessop, State Theory: Putting Capitalist States in Their Place, University Park: Pennsylvania University Press, 1990. Also building on debates within Marxism, particularly British and French Marxism, the modes of production approach rose to prominence in the late 1960s and early 1970s. The modes of production approach represented, among other things, a response to dependency theory and later world-system theory's privileging of the market over relations of production. This approach emphasised that some pre-capitalist modes of production in the periphery have proved highly resilient to the expansion of capitalism and have not disappeared as anticipated. The problem of underdevelopment was seen as the result of a more protracted transition, because the processes of modernisation and urban industrialisation in the periphery are dependent for a long time on pre-capitalist modes of production in the countryside which have articulated with an externally imposed capitalist mode of production. Efforts to apply the modes of production approach to the history of Indonesia include A Gordon, 'Stages in the development of Java's socio-economic formations 1700–1979', Journal of Contemporary Asia, Vol 7, No 2, 1979. Also see F Tichelman, The Social Evolution of Indonesia: The Asiatic Mode of Production and Its Legacy, The Hague: Martinus Nijhoff, 1980. For good discussions of the modes of production debate see A Foster-Carter, 'The modes of production controversy', New Left Review, No 107, 1978; and E Wolf, Europe and the People Without History, Berkeley: University of California Press, 1982, pp 3–23, 73–100. R Robison, Indonesia: The Rise of Capital, Sydney: Allen and Unwin, 1986, especially pp 118–126.
- R Robison, 'Indonesia: tensions in state and regime' in K Hewison, R Robison & G Rodan (eds), Southeast Asia in the 1990s: Authoritarianism, Democracy and Capitalism, Sydney: Allen and Unwin, 1993, pp 41–43, 45, 49, 70–72. Also see O Törnquist, What's Wrong With Marxism?: On Capitalists and State in India and Indonesia, New Delhi: Manohar, 1989. For a recent and illuminating study of the European origins of organicist political ideas in Indonesia see Bourchier, 'Lineages of organicist political thought in Indonesia, 1996.
- 40 The classic revisionist analysis is A J Mayer, The Persistence of the Old Regime: Europe to the Great War, New York: Pantheon, 1981.
- ⁴¹ D Cannadine, The Decline and Fall of the British Aristocracy, New York: Anchor Books, 1992; pp 698–709.
- Some tentative steps toward problematising the nation as a natural unit of analysis are apparent, however, in Jeffrey Winters's recent work of structural political economy, which uses Indonesia as a case study of globalisation. Winters challenges conventional categories of foreign and domestic capital (international and national) in favour of an approach which focuses on the structural power of capital in terms of its relative mobility rather than its nationality. J A Winters, *Power in Motion: Capital Mobility and the Indonesian State*, Ithaca, NY: Cornell University Press, 1996.
- ⁴³ Anderson distinguishes his definition of a nation as an 'imagined political community' from other writers, such as Gellner—who view the nation as an 'invention'—becausetheir approach all too easily 'assimilates "invention" to "fabrication" and "falsity" '. B Anderson, *Imagined Communities: Reflections on the Origins and Spread of Nationalism*, London, Verso, 1991; pp 3–7; and E Gellner, *Nations and Nationalism*, Oxford: Basil Blackwell, 1983. A good example of the invention approach in relation to Indonesia is David Kertzer's comment that 'playing rather loose with history, Indonesian political leaders speak of the three-hundred-and-fifty years of colonialism that Indonesia has endured even though the whole notion of Indonesia is a twentieth-century invention, and much of what is now included in the country was conquered by the Dutch colonialists only at the end of the last century'. DI Kertzer, *Ritual, Politics and Power*, New Haven, CT: Yale University Press, 1988, p 179. The classic is still E Hobsbawm, 'Introduction: inventing

OLD STATE AND NEW EMPIRE IN INDONESIA

traditions', in E Hobsbawm & T Ranger (eds), *The Invention of Tradition*, Cambridge: Cambridge University Press, 1983. For a concise summary of many of the key elements in the nationalism debate see B Anderson, 'Introduction' in G Balakrishnan (ed). *Mapping the Nation*, London: Verso, 1996.

This approach is based in part on Harry Benda's emphasis on the Dutch colonial state as a *beamtenstaat*. See HJ Benda, 'The pattern of administrative reforms in the closing years of Dutch rule in Indonesia' (1966), in HJ Benda, *Continuity and Change in Southeast Asia: Collected Journal Articles of Harry J. Benda*, New Haven, CT: Yale University Southeast Asian Studies, 1972. See Also RT McVey, 'The Beamtenstaat in Indonesia' (1977), in Anderson & Kahin (eds), *Interpreting Indonesian Politics*. This was followed by Heather Sutherland's study of the incorporation of the Javanese aristocracy into the Dutch colonial state. H Sutherland, *The Making of a Bureaucratic Elite: The Colonial Transformation of the Javanese Priyayi*, Singapore: Heinemann, 1979.

B Anderson, 'Old state, new society: Indonesia's New Order in comparative historical perspective', Journal of Asian Studies, Vol 42, No 2, 1983, reprinted in B Anderson, Language and Power: Exploring Political Cultures in Indonesia, Ithaca, NY: Cornell University Press, 1990, pp 94–95. The notion of the historic state has had considerable influence. See, for example, G Hart, 'Agrarian change in the context of state patronage', in G Hart, A Turton & B White (eds), Agrarian Transformations: Local Processes and the State in Southeast Asia, Berkeley: University of California Press, 1992.

⁴⁶ For a brief overview of the reception of Anderson's work inside and outside Indonesia see P Stange, 'Chronicles of Javanese transition', *Journal of Southeast Asian Studies*, Vol 24, No 2, 1993.

⁴⁷ Robison focused primarily on B Anderson, 'Nationalism and the state in modern Indonesia', which was a paper presented to the Japanese Political Science Association Round Table Conference on National Interest and Political Leadership, Tokyo, March–April 1982 and his 1972 essay on power. Robison, *Indonesia*, 1986, p 117. See also B Anderson, 'The idea of power in Javanese culture', in C Holt (ed), *Culture and Politics in Indonesia*, Ithaca: Cornell University Press, 1972, reprinted in Anderson, *Language and Power*. See also Anderson's postscript to the 1972 essay, 'Further adventures of charisma' (1985), in Anderson, *Language and Power*.

A Dirlik, *After the Revolution: Waking to Global Capitalism*, Hanover: Wesleyan University Press, 1994, pp 81–82; and MT. Berger, 'Post-cold war capitalism: modernisation and modes of resistance after the fall',

Third World Quarterly, Vol 16, No 4, 1995.

⁴⁹ A Gordon, 'Imaginary histories and the real thing: a critique of Anderson and Benda on the "Autonomous" state in Indonesia', *Journal of Contemporary Asia*, Vol 23, No 4, 1993.

- DEF Henley, 'Ethnogeographic integration and exclusion in anticolonial nationalism: Indonesia and Indochina', Comparative Studies in Society and History, Vol 37, No 2, 1995; and CJ Christie, A Modern History of Southeast Asia: Decolonization, Nationalism and Separatism, London: IB Tauris, 1996, pp 140–159.
- Chatterjee, Nationalist Thought and the Colonial World: A Derivative Discourse, London: Zed Press, 1986, p 161; Chatterjee, The Nation and Its Fragments: Colonial and Postcolonial Histories, Princeton, NJ: Princeton University Press, 1993; N B Dirks, 'Introduction: colonialism and culture', in N B Dirks (ed), Colonialism and Culture, Ann Arbor, MI: University of Michigan Press, 1992, pp 23–24; and G Prakash, 'Introduction: after colonialism', in Prakash (ed), After Colonialism: Imperial Histories and Postcolonial Displacements, Princeton: Princeton University Press, 1995, p 16.
- ⁵² Anderson, 'Old state, new society', pp 96–99.
- 53 Sutherland, The Making of a Bureaucratic Elite.
- Bourchier, Lineages of organicist political thought in Indonesia, pp 111–141.
- ⁵⁵ For example, see AL Stoler, *Capitalism and Confrontation in Sumatra's Plantation Belt 1870–1979*, New Haven, CT: Yale University Press, 1985, pp 14–92.
- ⁵⁶ R von Albertini, Decolonization: The Administration and Future of the Colonies 1919–1960, New York: Greenwood Press, 1982, pp. 487–513.
- ⁵⁷ Anderson, 'Old state, new society', pp 99–100.
- ⁵⁸ This was in part a result of the way the Dutch colonial state apparatus had been fractured during the Japanese Occupation. From 1942 to 1945 Java was ruled by the 16th Army, Sumatra by the 25th Army, while the eastern islands fell under the control of the Japanese navy. *Ibid*, p 100.
- ⁵⁹ RJ McMahon, Colonialism and Cold War: The United States and the Struggle for Indonesian Independence 1945–1949, Ithaca, NY: Cornell University Press, 1981.
- Anderson, 'Old state, new society', pp 100–103.
- Robison, Indonesia, 1986, pp 42–44, 57; and C Dixon, South East Asia in the World-Economy: A Regional Geography, Cambridge: Cambridge University Press, 1991, pp 190–191.
- R Robison, 'Structures of power and the industrialization process in Southeast Asia', Journal of Contemporary Asia, Vol 19, No 4, 1989, pp 383–384.
- 63 Dixon, South East Asia in the World-Economy, pp 191–192.
- ⁶⁴ Kolko, Confronting the Third World, pp 173–185. See also R Cribb (ed), The Indonesian Killings 1965–1966: Studies from Java and Bali, Clayton: Centre for Southeast Asian Studies, Monash University,

1990; H Fein, 'Revolutionary and antirevolutionary genocides: a comparison of state murders in democratic Kampuchea, 1975 to 1979, and in Indonesia, 1965 to 1966', *Comparative Studies in Society and History*, Vol 35, No 4, 1993; and L Kuper, *Genocide: Its Political Use in the Twentieth Century*, New Haven, CT: Yale University Press, 1981, pp 150–154.

⁶⁵ B Magenda, 'Ethnicity and state-building in Indonesia: the cultural base of the New Order', in R Guidieri, F Pellizzi & SJTambiah (eds), *Ethnicities and Nations: Processes of Interethnic Relations in Latin America, Southeast Asia and the Pacific*, Austin: University of Texas Press, 1988, pp 350–353. Bourchier, 'Lineages of organicist political thought in Indonesia, pp 111–141.

Magenda, 'Ethnicity and state-building in Indonesia', pp. 354–355.

A Heryanto, 'Indonesian middle class opposition in the 1990s', in G Rodan (ed), *Political Opposition in Industrialising Asia*, London: Routledge, 1996, pp 242, 259–260.

⁶⁸ J McBeth, 'Indonesia: ghosts of the past', Far Eastern Economic Review, 15 February 1996, p 23.

⁶⁹ Anderson, Old state, new society', pp 109–110, 116–117, 119–120.

Magenda, 'Ethnicity and state-building in indonesia', pp 352-353; and Bourchier, 'Lineages of organicist

political thought in Indonesia', pp 152–157, 161–162.

R Tasker, 'The last bastion', Far Eastern Economic Review, 18 January 1996, p 21. This theme was confirmed in the Review's coverage of Indonesia, in which it was argued that the Indonesian military remained 'firmly in the mainstream of political life'. It quoted a political scientist from the National Defense Institute in Indonesia who argued that greater democracy and a diminished role for the military was still 15 to 20 years off. John McBeth, 'Unifying force', Far Eastern Economic Review, 18 January 1996, p 24.

⁷² J Bresnan, From Dominoes to Dynamos: The Transformation of Southeast Asia, New York: Council on

Foreign Relations Press, 1994, p 58.

⁷³ The bloody fighting over land between Dayaks and Madurese in the Indonesian province of West Kalimantan in February 1997 provides a relatively spectacular example of the ethnic fracture lines which abound in the nation of Indonesia. J McBeth and M Cohen, 'Murder and mayhem', *Far Eastern Economic Review*, 20 February 1997, pp 26–27.

⁴ U Sundhaussen, 'Indonesia: past and present encounters with democracy', in L Diamond, J Linz & S Lipset (eds), *Democracy in Developing Countries: Asia*, Boulder, CO: Lynne Rienner, 1989; R Robison, 'Problems of analysing the middle class as a political force in Indonesia', in R Tanter & K Young (eds), *The Politics of Middle Class Indonesia*, Clayton: Centre for Southeast Asian Studies, Monash University, 1990; and R Robison, 'The middle class and the bourgeoisie in Indonesia', in R Robison & DSG Goodman (eds), *The New Rich in Asia: Mobile Phones, MacDonalds and Middle-Class Revolution*, London:

Routledge, 1996.

The vicissitudes of Indonesian politics and the rise of new social forces in Indonesia must also be set in the global context of the end of the Cold War and the apparent acceleration of the ongoing trend towards what celebrants and critics increasingly call globalisation. The centre of gravity of the global political economy is shifting away from US-centred cold war hegemony towards reconfigured relationships between the major international powers, an increased role for international financial institutions and transnational corporations (TNCs) and the dramatic globalisation of production and trade. This has been accompanied by shifting patterns of transnational finance and important changes to the position of, but not necessarily a diminished role for, territorial-states. Other key trends in the post-cold war era which are of particular relevance are the emergence of important new 'ideological' trends world-wide and an uneven shift towards exclusive or inclusive regional economic blocs. B Stallings, 'Introduction: global change, regional response', in Stallings (ed), Global Change, Regional Response: The New International Context of Development, New York: Cambridge University Press, 1995, pp 2–14; and MT Berger & DA Borer, 'Introduction—the rise of East Asia: critical visions of the Pacific century', in Berger & Borer, The Rise of East Asia:

⁶ J Muravchik, Exporting Democracy: Fulfilling America's Destiny, Washington, DC: American Enterprise Institute, 1991; and T Smith, America's Mission: The United States and the Worldwide Struggle for

Democracy in the Twentieth Century, Princeton, NJ: Princeton University Press, 1994.

However, Fukuyama cautioned that the liberal 'victory' was still unfinished, emphasising that it had occurred mainly 'in the real m of ideas or consciousness' and was 'as yet incomplete in the real or material world'. F Fukuyama, 'The end of history?', *The National Interest*, Vol 16, No 8, 1989, pp 3-4, 15. He has subsequently allowed that in Asia, for example, an East Asian-style political and economic model led by Japan may embody a major challenge to rather than a recapitulation of, the Anglo-American model of capitalist liberal democracy. F Fukuyama, *The End of History and the Last Man*, London: Hamish Hamilton, 1992, p 243.

⁷⁸ B Beedham, 'Full democracy', *The Economist*, 21 December 1996, p S3.

MT Berger, 'The new millennium and the mirage of global modernity: the United Nations, the Commission on Global Governance and the new world disorder', *Critical Arts: A Journal of Cultural Studies*, Vol 10, No 2, 1996. MT Berger, 'Yellow mythologies: the East Asian miracle and post-cold war capitalism',

- Positions: East Asia Cultures Critique, Vol 4, No 2, 1996, revised and reprinted as MT Berger, 'The triumph of the East?: the East Asian miracle and post-cold war capitalism', in Berger & Borer, The Rise of East Asia.
- GA O'Donnell & PC Schmitter, Transitions from Authoritarian Rule: Tentative Conclusions and Uncertain Democracies, Baltimore: Johns Hopkins University Press, 1991. See also GA O'Donnell, PC Schmitter & L Whitehead (eds), Transitions from Authoritarian Rule: Comparative Perspectives, Baltimore: Johns Hopkins University Press, G A O'Donnell, PC Schmitter & L Whitehead (eds), Transitions from Authoritarian Rule: Southern Europe, Baltimore: Johns Hopkins University Press, 1991; GA O'Donnell, PC Schmitter & L Whitehead (eds), Transitions from Authoritarian Rule: Latin America, Baltimore: Johns Hopkins University Press, 1991.
- L Diamond, 'Introduction: persistence, erosion, breakdown and renewal' in Diamond, Linz & SM Lipset (eds), Democracy in Developing Countries: Asia; Diamond, 'The globalization of democracy', in R O Slater, B M Schutz & S R Dorr (eds), Global Transformations and the Third World, Boulder, CO: Lynne Rienner, 1993; Diamond 'Introduction' in Diamond (ed), Political Culture and Democracy in Developing Countries, Boulder: Lynne Rienner, 1993; L Diamond & M F Plattner, 'Introduction', in L Diamond & MF Plattner (eds), The Global Resurgence of Democracy, Baltimore: Johns Hopkins University Press, 1993; and Diamond, 'The global imperative: building a democratic world order', Current History, Vol 93, No 579, 1994.
- For a discussion of the 'transitions approach' in relation to Indonesia see H Crouch, 'Democratic prospects in Indonesia', in D Bourchier & J Legge (eds), *Democracy in Indonesia 1950s and 1990s*, Clayton: Centre for Southeast Asian Studies, Monash University, 1994, pp 120–123.
- 83 For a discussion and critique of the 'transitions approach' in relation to Asia see G Rodan, 'Theorising political opposition in East and Southeast Asia', in Rodan, *Political Opposition in Industrialising Asia*, pp 1–3, 13–15. For Latin America see Berger, *Under Northern Eyes*, pp 198–205.
- L Pye, Asian Power and Politics: The Cultural Dimensions of Authority, Cambridge: Belknap Press, 1985.
 SP Huntington, 'Will more countries become democratic?', Political Science Quarterly, Vol 99, No 2, 1984, p 218.
- 86 SP Huntington, 'One soul at a time: political science and political reform', American Political Science Review, Vol 82, No 1, 1988, p 9.
- 87 SP Huntington, 'Democracy' sthird wave', Journal of Democracy, Vol 2, No 2, 1991, p 33. See also The Third Wave: Democratization in the Late Twentieth Century, Norman, OK: University of Oklahoma Press, 1991.
- 88 SP Huntington, 'The clash of civilizations?', Foreign Affairs, Vol 72, No 3, 1993; and S P Huntington, The Clash of Civilizations and the Remaking of World Order, New York: Simon and Schuster, 1996.
- 89 E Friedman, 'Conclusion', in Friedman (ed), The Politics of Democratization: Generalizing East Asian Experiences, Boulder, CO: Westview Press, 1994, pp 250–252.
- E Friedman, 'Introduction', in Friedman (ed), The Politics of Democratization, pp 2, 5–7; Friedman, 'Generalizing East Asian experiences', in Friedman, The Politics of Democratization, pp 25, 35–37, 44–45; and E Friedman, 'Conclusion', in Friedman, The Politics of Democratization, pp 257–258.
- ⁹¹ MT Berger, 'Southeast Asian trajectories'.
- An example of a state and class approach to democratisation and political change with a focus on Southeast Asia is R Robison, K Hewison & G Rodan, 'Political power in industrialising capitalist societies: theoretical approaches', in Hewison, Robison & Rodan (eds), Southeast Asia in the 1990s, pp 20–24.
- D Rueschemeyer, EH Stephens & JD Stephens, Capitalist Development and Democracy, Chicago: University of Chicago Press, 1992, pp 1–39, 309–316. See also RB Collier & D Collier, Shaping the Political Arena: Critical Junctures, The Labour Movement and Regime Dynamics in Latin America, Princeton, NJ: Princeton University Press, 1991; and ME Keck, The Workers Party and Democratization in Brazil, New Haven, CT: Yale University Press, 1992.
- D Potter, 'Democratization in Asia', in D Held (ed), Prospects for Democracy: North, South, East, West, London: Polity Press, 1993. VR Hadiz, 'The political significance of recent working class action in Indonesia', in D Bourchier (ed), Indonesia's Emerging Proletariat: Workers and Their Struggles, Clayton: Centre for Southeast Asian Studies, Monash University, 1994; and Hadiz, 'Contradictions of corporatism: workers and the state in New Order Indonesia, unpublished PhD thesis, Perth: Asia Research Centre, Murdoch University, 1996 (a revised version is to be published, London: Routledge, 1997).
- Another way of making this distinction is to speak of political democracy and social democracy. In the case of the former (which is the dominant international conception of democracy) democracy is perceived to exist when the necessary institutions which allow political decisions to be taken by individuals and parties competing for the support of, and elected by, popular vote are in place. Thus regular elections and the right to compete in elections is taken to be democracy. At the other end of the spectrum is a notion of democracy that does not simply rest on political rights, but also assumes social and economic rights, related to health care, education, employment, social services, individual autonomy and greater participation. G Sørensen, Democracy and Democratization: Processes and Prospects in a Changing World, Boulder, CO: Westview Press, 1993, pp 10–11.

- ⁹⁶ Potter, 'Democratization in Asia', pp 356–360, 364–366, 376. See also G Ogle, South Korea: Dissent Within the Economic Miracle, London: Zed, 1990; and Bruce Cumings, 'The abortive abertura: South Korea in the light of Latin American experience', New Left Review, No 173, 1989.
- ⁹⁷ VR Hadiz, 'Challenging state corporatism on the labour front: working class politics in the 1990s', in Bourchier & Legge, *Democracy in Indonesia 1950s and 1990s*, pp 201–202.
- ⁹⁸ Rodan, 'Theorising political opposition in East and Southeast Asia', pp 6–7.
- ⁹⁹ See Bourchier, 'Lineages of organicist political thought in Indonesia', pp 2–9.
- The term *pamong praja* (which means 'guides of the realm') refers to the indigenous administrative elite which emerged as a major beneficiary and pillar of Dutch colonial rule. Prior to 1946 they were known as the *pangreh pradja* ('rulers of the realm'). At the centre of the *pangreh pradja* was the Javanese *priyayi*, the hereditary petty aristocracy of Java, which had been transformed into a bureaucratic elite and incorporated into the Dutch colonial state apparatus. Sutherland, *The Making Of a Bureaucratic Elite*; and Bourchier, 'Lineages of organicist political thought in Indonesia', pp 111–141.
- O Dixon, South East Asia in the World-Economy, pp 193–195; and J Bresnan, Managing Indonesia: The Modern Political Economy, New York: Columbia University Press, 1993, p 83. See also Winters, Power in Motion, pp 47–94.
- R Robison, 'Structures of power and the industrialization process in Southeast Asia', *Journal of Contemporary Asia*, Vol 19, No 4, 1989, pp 384–385.
- Dixon, Southeast Asia in the World Economy, pp 195–200.
- Robison, 'Structures of power and the industrialization process in Southeast Asia', pp. 385–387.
- R Stubbs, 'The political economy of the Asia-Pacific region', in R Stubbs & GRD Underhill (eds), Political Economy and the Changing Global Order, London: Macmillan, 1994, p 372; and N Matsui, 'New economic patterns in East Asia direct investments and competition between the US and Japan', Journal of Asia Pacific Economy, Vol 1, No 1, 1996, pp 39–58.
- On the origins and rise of *Pancasila* see DE Ramage, *Politics in Indonesia: Democracy, Islam and the Ideology of Tolerance*, London: Routledge, 1995, especially pp 1–44, 184–202.
- While organicist and integralist ideas are represented as indigenous their lineage can be traced to continental Europe and to a lesser extent Japan, combining conservative totalitarian and corporatist ideas with romantic visions of harmonious communities in pre-colonial Indonesia. Bourchier, 'Lineages of organicist political thought in Indonesia', pp 80–83, 212–215, 222–223, 234, 239–241, 255–257.
- H Antlöv, 'Tracing the roots of the contemporary Indonesian state', in ML Heikkilä & J Seppänen (eds), Southeast Asia: Contemporary Perspectives, Helsinki: Finnish Association of East Asian Studies 1990, pp 66–67.
- ¹⁰⁹ J Pemberton, *On the Subject of "Java"*, Ithaca, NC: Cornell University Press, 1994, pp 148–235, 269–318.
- J Pemberton, 'Recollections from "Beautiful Indonesia" (somewhere beyond the postmodern)', Public Culture, Vol 6, No 2, 1994, pp 241, 246–255.
- H Sender, 'The Suhartos: Bambang's challenge', Far Eastern Economic Review, 5 September 1996, pp. 56–57.
- 112 On the economic shift in the 1980s see H Hill, 'The Economy', in Hill Indonesia's New Order pp 103–104; and Winters, Power in Motion, 1996, pp 142–191.
- ¹¹³ A Heryanto, 'A class act', Far Eastern Economic Review, 16 June 1994, p 30; and Winters, Power in Motion, 1996, pp 184–185.
- MacIntyre, 'Power, prosperity and patrimonialism: business and government in Indonesia', in MacIntyre, Business and Government in Industrialising Asia, p 264.
- R Robison, 'Industrialization and the economic and political development of capital: the case of Indonesia', in R McVey (ed), *Southeast Asian Capitalists*, Ithaca, NY: Southeast Asia Program, Cornell University, 1992, pp 65, 88. See also Winters. *Power in Motion*, 1996.
- ¹¹⁶ A Heryanto, 'Indonesian middle class opposition in the 1990s', in Rodan, *Political Opposition in Industrialising Asia*, pp 241, 247, 265.
- A Uhlin, 'Transnational democratic diffusion and Indonesian democracy discourses', *Third World Quarterly*, Vol 14, No 3, 1993; Chua B H, 'Looking for democratization in post-Soeharto Indonesia', *Contemporary Southeast Asia*, Vol 15, No 2, 1993, pp 144–145, 148–157; and E Aspinall, 'The broadening base of political opposition in Indonesia', in Rodan, *Political Opposition in Industrialising Asia*, pp 217–219, 228.
- M Vatikiotis, Indonesian Politics Under Suharto: Order, Development and Pressure for Change, London: Routledge, 1994; pp 114–115.
- S Azman, 'Indonesia: civil power', Far Eastern Economic Review, 1 April 1993, p 16. Liberal technocrats were also seen to have been downgraded relative to the economic nationalists led by Bachruddin Habibie, Suharto's minister for research and technology and a close adviser. H Sender, 'New boys' challenge', Far Eastern Economic Review, 1 April 1993, pp 72–75. See also S Azman, 'New crew on deck', Far Eastern Economic Review, 22 April 1993, p 41.
- 120 Heryanto, 'Indonesian middle class opposition in the 1990s', in Rodan, Political Opposition in

OLD STATE AND NEW EMPIRE IN INDONESIA

- *Industrialising Asia*, 1996, pp 247, 257–258; and Aspinall, 'The broadening base of political opposition in Indonesia', p 231.
- J McBeth, 'Indonesia: power couple', Far Eastern Economic Review, 16 February 1995, pp 26–27.
- Heryanto, 'Indonesian middle class opposition in the 1990s', pp 255–256, 258–259. On PERTAMINA see Bresnan, *Managing Indonesia*, pp 164–193; and Winters, *Power in Motion*, 1996, pp 82–91, 105–106.
- J McBeth, 'The year of doing business', Far Eastern Economic Review, 1 September 1994, pp 70–72.
- Heryanto, 'Indonesian middle class opposition in the 1990s', pp 245–253.
- VR Hadiz, 'Workers and working class politics in the 1990s', in J Hardjono & C Manning (eds), *Indonesia Assessment 1993*, Canberra: Research School of Pacific Studies, Australian National University, 1993, pp 186–187.
- ¹²⁶ Heryanto, 'A Class Act', p 30.
- O Tornquist, What's Wrong With Marxism?, pp 176–177.
- ¹²⁸ Hadiz, 'Challenging state corporatism on the labour front', pp 191–192.
- Suharto quoted in *ibid.*, pp 193–194.
- ¹³⁰ Hadiz, 'Challenging state corporatism on the labour front', p 195.
- Tornquist, What's Wrong With Marxism?, pp, 177–182, 215.
- Hadiz, 'Workers and working class politics in the 1990s', p 190; and Hadiz, 'Challenging state corporatism on the labour front', p 191.
- ¹³³ R Lambert, Authoritarian State Unionism in New Order Indonesia, Perth: Asia Research Centre, Murdoch University, Working Paper no 25, October 1993, pp 4, 22.
- ¹³⁴ Hadiz, 'Workers and working class politics in the 1990s', *Indonesia Assessment 1993*, 1993, pp 187–188.
- ¹³⁵ 'Indonesia: minimum wage sought', Asian Labour Update, No 14, 1994, pp 14–15.
- ¹³⁶ Indonesia: Medan awakes', Asian Labour Update, No 15, 1994, pp 1, 3; and 'Indonesia: crackdown in Medan', Asian Labour Update, 16, 1994, pp 20–21.
- ¹³⁷ M Cohen, 'Indonesia: still hard labour', Far Eastern Economic Review, 27 October 1994, pp 20–21.
- Hadiz, 'Workers and working class politics in the 1990s', pp 191–193; and Hadiz, 'The political significance of recent working class action in Indonesia', in Bourchier (ed), *Indonesia's Emerging Proletariat*, pp 68–69.
- Lambert, Authoritarian State Unionism in New Order Indonesia, pp 22–25.
- ¹⁴⁰ Interestingly, although the PRD activists concerned were regularly represented as key instigators of the events of late July 1996, their actual trial has only touched on this issue, focusing instead on their involvement in labour-related activities. M Cohen, 'Indonesia: driven by dissent', Far Eastern Economic Review, 2 January 1997, pp 14–15.
- Lambert, Authoritarian State Unionism in New Order Indonesia, pp 22–25.
- Anderson, 'Radicalism after communism in Thailand and Indonesia', p 14.
- Hadiz, 'Challenging state corporatism on the labour front', pp 195–202.
- J McBeth, 'Indonesia: social dynamite', Far Eastern Economic Review, 15 February 1996, pp 20–22; McBeth, 'Indonesia: coming together', Far Eastern Economic Review, 15 February 1996, pp 24; and VR Hadiz, 'Response to riots signals new disorder', Asiaview, Vol 6, No 3, November 1996, pp 1, 4.
- 145 'Indonesia: Asia's smouldering volcano?', Far Eastern Economic Review, 15 February 1996, p 7; and J Laber, 'Smoldering Indonesia', The New York Review of Books, Vol 44, No 1, 9 January 1997, pp 40–45. See also 'After Suharto, what?', Far Eastern Economic Review, 30 January 1997.