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Indonesia: Implications of Recent Unrest



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An Intelligence Assessment

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*EA 84-10206
December 1984*

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Indonesia: Implications of Recent Unrest



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An Intelligence Assessment

This paper was prepared by



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Office of East Asian Analysis.

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Comments and queries are welcome and may be
directed to the Chief, Southeast Asia Division, OEA,



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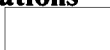
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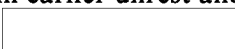


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Key Judgments

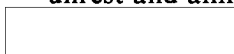
*Information available
as of 16 November 1984
was used in this report.*

Ongoing opposition activity, ranging from antigovernment pamphlets and speeches to rioting and bombings, reflects not only longstanding social tensions, but also growing resentment of the Soeharto regime's determined efforts to suppress any independent Islamic political voice. The incidents do not signal a breakdown in the government's authority. Nevertheless, the bombings represent a clear and troublesome escalation in Indonesian political violence. They suggest a degree of planning and coordination not evident in earlier unrest and introduce a new terrorist tactic into opposition activity.



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Indonesian officials are concerned that extremist Muslim groups may increasingly use such tactics to discredit the government, and they are ready to counter terrorism with increased authoritarianism and military force. Tightened security measures, however, have not yet stopped the unrest and almost certainly will provoke further opposition and violence.



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Indonesia: Implications of Recent Unrest



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A Violent Turn of Events

There has been an atmosphere of rising tension in Jakarta since rioting broke out in Tanjungpriuk (Tanjung Priok), a slum neighborhood in the port district, on 12 September. Rioting began after outnumbered security forces fired on and killed a number of demonstrators, including a well-known community leader, in a crowd of 1,500 to 2,000 people marching on a police station to protest the arrest of four Muslim activists. Since the riot, there has also been a rash of bomb threats, fires, and radical Islamic pamphleteering throughout the predominantly Muslim country. (See table.)



threatening phone calls to Indonesian and foreign establishments, and even to some parliamentarians and Muslim scholars.



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radical Islamic group calling itself Solidaritas Islam has been responsible for many of the recent incidents



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In the wake of these developments, other occurrences, such as a fire at a military munitions depot in suburban Jakarta, have heightened tensions. The munitions dump fire produced extensive explosions, numerous fatalities and injuries, and widespread damage for several square kilometers. Although early reports indicate the fire was probably accidental, military authorities are probing whether sabotage was involved. Widespread rumors that the depot fire is related to the others have added to a growing sense of unease among the general public.

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Apparently coordinated bombing attacks on 4 October against two branches of a bank owned by Liem Soie Liong, a prominent Chinese business associate of President Soeharto, and another bombing in a major Chinatown shopping center in Jakarta introduced an unsettling new element. Although not the first political bombings in Indonesia, the careful targeting and timing of the bombs suggest a degree of planning and coordination not previously evident in antigovernment activity.



The Government's Reaction

Jakarta's reaction to the unrest has been swift and decisive. Security forces quelled the Tanjung Priok riot, killing at least two dozen rioters in the process. Armed Forces Commander Murdani and Jakarta Garrison Commander Sutrisno personally toured the riot area, at least in part to demonstrate the government's determination to prevent further outbreaks.

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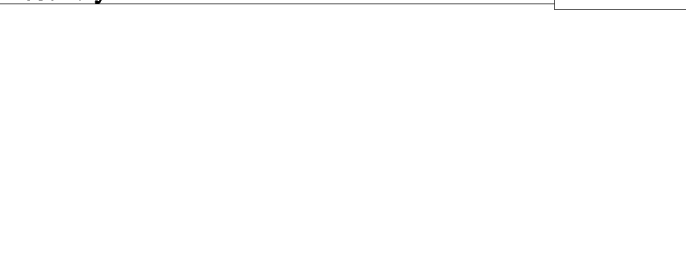


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Two additional bombings in mid-October of Chinese-owned businesses added to official concern over the possibility of continuing terrorist actions. There have been reports of other bombings and a series of major fires of unknown origin. One Jakarta newspaper has reported over 56 fires since September, of which 15 affected major establishments. Some of these may have been accidental or may represent a newly fashionable response to labor problems or other disputes. In addition, however, there has been a spate of

Since then, authorities have tightened security measures at key government installations throughout the country and cracked down on radical elements.

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¹ All three time bombs exploded within about a half hour of each other and were aimed at Chinese business interests. Two were detonated in branches of Bank Central Asia, which is owned by financier Liem Soie Liong, reputedly the wealthiest person in Indonesia and a close friend of the Soeharto family. Liem has been prominently mentioned in the anti-Soeharto pamphlets circulating since before the Tanjung Priok disturbances. The third bomb exploded outside a store in Jakarta's main Chinatown shopping district.



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Major Recent Incidents in Indonesia

	Incident	Comments
12 September	Tanjung Priok riot	A series of clashes between Muslims and local authorities—stemming from the government's heavyhanded treatment of the only legal Muslim political party—resulted in a violent confrontation and riot with extensive casualties.
4 October	Bombings in Jakarta	Two bombs struck branches of Bank Central Asia, owned by Liem Soie Liong, a Soeharto associate. The other exploded in the Chinatown business district.
	Bombing of bank in Pontianak, Kalimantan Barat (West Kalimantan)	Another branch of Bank Central Asia, owned by Liem Soie Liong.
17 October	Bombing of Super Mie Factory, Jakarta	A Chinese-owned business.
22 October	Fire at Sarinah Department Store, southern Jakarta	Fire of unknown origin, but may have been accidental. Pribumi (an ethnic Indonesian) owner with ties to Soeharto's son.
29 October	Fire at Chinatown restaurant and nightclub complex	Unknown origin. Owned by Pribumi associate of Soeharto's son.
	Fire and explosions at Marine Ammunition Depot in Jakarta	Unknown origin, but previous fire occurred in July.
2 November	"Liberty" department store and movie theater fires in Yogyakarta	Possible bombing by competing Chinese businessmen 24 hours after grand opening.
5 November	US and Australian Embassies receive threatening letters from Solidaritas Islam	First threat on US Embassy since spring.
	Telephone threat to Ratu Plaza apartment and shopping complex	Residence of several US Embassy personnel.
8 November	Undetonated bomb discovered at Pertamina headquarters	Following a telephone threat.
11 November	Fire destroys offices at Kartika Plaza Hotel	Unknown origin. Hotel is controlled by a group of generals whose ownership is still being challenged by former owners.
13 November	Fire destroys government offices above Sarinah department store in major tourist area	Unknown origin.
14 November	Bombing hoax at American Express offices in Arthaloka Building	Followed a telephone threat to office building owned by Ali Sadikin.

[Redacted]

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Security forces have also interrogated a number of members of the dissident Group of 50² and arrested three prominent members—A. M. Fatwa, former Textiles Minister Sanusi, and retired General Dharsono. The Attorney General initially intended to prosecute the 24 members of the group who signed a letter criticizing the government's handling of the riot

on 12 September, but [Redacted] the government will not take further legal action against them to avoid public airing of their criticisms of the regime. General Murdani has publicly warned retired military officers and government officials that open criticism of government policy will not be tolerated.

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[Redacted]

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² The Group of 50 is a small opposition group made up largely of prominent retired government, military, and political party officials who have become disenchanted with the Soeharto regime. To date, they have been ineffectual and lacked a popular following, but [Redacted] they seek to capitalize on the recent disturbances to criticize the government. [Redacted]

The authorities have been uncharacteristically open with the media in explaining events surrounding the Tanjung Priok riot in an effort to allay rumors and restore calm. Officials continued this policy after the

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Murdani's Hardline Views

Armed Forces Commander Murdani, probably the second most powerful figure in Indonesia today, views fundamentalist Muslims and opposition organizations such as the Group of 50 as the chief rightwing threats to internal security. In briefing a group of military officers last August, Murdani claimed these two elements are coordinating efforts to publish brochures criticizing the Soeharto regime and to oppose Pancasila as the state ideology. He characterized the Group of 50 as appealing to the intelligentsia and fundamentalist Muslims as extremists appealing emotionally to the masses. The events of the past two months have probably confirmed his views of the threat these groups pose to the government.



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Murdani has stressed the need for an appropriate strategy in countering subversive activities. To avoid legitimizing opposition group activity, he has recommended that security forces not openly confront them as subversive, but infiltrate them to secure documented evidence of criminal activity. Murdani believes such evidence would enable the government to neutralize the opposition through long prison sentences for leading opponents of the government.

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October bombings, permitting discussion of the causes of unrest within unofficial guidelines. At the same time, however, the police have discovered a number of unexploded bombs, but have strict orders not to disclose such incidents to the press, [redacted]

number of dissidents outside the mainstream of Muslim orthodoxy. Army Chief of Staff Rudini has tried to play down the religious aspects of the riot by suggesting that discredited remnants of the Indonesian Communist Party (PKI) may have instigated it. The East Java military commander similarly disparaged local activists. [redacted]

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Government officials have sought to play down the political significance of the incidents and to discredit radical activists, thus denying the implication that their actions reflect widespread popular attitudes. General Murdani, for instance, attributed the September riot to the work of a few irresponsible extremists who distorted Islam for their own ends. He has also addressed groups of moderate Muslim scholars to reassure them that the government believes the riot and subsequent bombings are the work of a small

Indonesian authorities claim interrogation of several suspects indicates ideological and financial ties to Libya or Iran. The Iranian Embassy is known to cultivate ties with a number of fundamentalist and youth groups in Java, and Iranian officials have

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distributed pro-Khomeini literature, provided funding for underground religious publications, and sponsored unspecified training in Iran for youth leaders. The Iranian Embassy's unauthorized pamphleteering provoked a formal protest from the Indonesian Foreign Department in October 1983 and nearly caused the expulsion of Iran's charge. [redacted]

Jakarta views the extremist ideologies of Iran and Libya as dangerous models for Indonesia's own activist elements. Security officials actively monitor the activities of students returning from the Middle East and have confiscated pro-Khomeini literature. Jakarta has also denied the Iranian Ambassador permission to travel to Yogyakarta for Indonesian language classes at Gajah Mada University. Although we believe Tehran and Tripoli will at least explore the opportunities offered by the recent disturbances, their influence does not appear to be a major factor in the events of recent months. [redacted]

Muslim Resentment

Racial and religious violence is a recurring feature of the Indonesian political scene. In Tanjung Priok, all the usual prerequisites to violence were present, although disturbances did not occur until instigators whipped up the crowds over the government's disregard of Muslim sensitivities.³ The slum area of north Jakarta is a high-crime neighborhood adjacent to a well-to-do Chinese neighborhood. Many residents emigrated from the outer islands, where Islamic fundamentalism is strong, and many are unemployed or threatened with loss of work in the port area. [redacted]

Popular resentment of financial links between the government elite and business figures in the ethnic Chinese minority has strengthened antigovernment sentiment, in our judgment. Muslim radicals have capitalized on these attitudes by openly combining criticism of the government's anti-Islamic policies with posters showing the regime's ties to the ethnic

³ Several reports of desecration of the local mosque, whether true or not, were widely believed by the Muslim community and clearly helped stir up the crowd's anger. According to one account, troops not only wore boots inside the mosque, but also threw water from a lavatory, containing human excrement, on the mosque floor. According to other reports, troops used water either from a sewer or a lavatory to remove posters criticizing Soeharto from the walls of the mosque. [redacted]

Chinese. Posters in Tanjung Priok specifically linked President Soeharto with Chinese financiers and criticized General Murdani, a Christian, as both anti-Islamic and a protector of Chinese interests. [redacted]

The current unrest also reflects increasing frustration by moderate Muslims at the lack of legitimate avenues for political expression. Even though nearly 90 percent of Indonesia's population is Muslim, Soeharto and the military leadership have prevented Islam from emerging as a dominant political force. Devout Muslims resent the regime's determination to impose the nonsectarian state ideology, *Pancasila*,⁴ as the guiding principle for all groups in society. They see this effort as a move to displace the Koran as their central guiding principle. [redacted]

Restrictions on opposition parties and campus political activism as well as resentment of the government's heavyhanded tactics in controlling the Muslim political parties have led to growing activism in the mosques. Although the authorities monitor sermons, particularly during politically sensitive periods such as the holy month of Ramadan, the regime in recent years has counterbalanced its restrictions on political organizations by permitting freer rein for political expression by mosque speakers. Furthermore, the government is reluctant to arrest Muslim preachers and teachers. Indeed, despite the growing tensions instigated by a series of fiery speeches by Muslim activists in Tanjung Priok in early September, security officials did not act until a mob attacked a police station. [redacted]

Soeharto's Perspective

Having quelled several Muslim rebellions in the past, the Soeharto government is sensitive to the potential for Islam to become a significant political force. The regime will not tolerate the development of an Islamic

⁴ *Pancasila* is a nebulous ideology incorporating five tenets—belief in a supreme being, humanitarianism, nationalism, democracy, and social justice—that was promulgated by Indonesia's first President, Sukarno. Soeharto has adopted the ideology as a tool for unifying Indonesia's diverse ethnic and religious groups and claims that *Pancasila* does not displace the Koran, but incorporates all religious faiths, including Islam, Christianity, Buddhism, Hinduism, and Javanese mysticism. [redacted]

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political party that does not fully adhere to *Pancasila*. Since 1982, the regime has been requiring all mass organizations—including religious groups and political parties—to adopt *Pancasila* officially as their sole guiding principle. Soeharto was sufficiently confident of his control over the Muslim political party—the Unity Development Party—that he permitted it to hold its first congress last August, 12 years after it was formed. In a pro forma exercise manipulated by a party chairman practically handpicked by Soeharto, the party accepted *Pancasila*—but at the cost of growing disaffection of its membership. [redacted]

Despite the current sense of unease, the incidents do not signal a breakdown in the Soeharto government's authority. Soeharto retains the loyalty of the military, control of the bureaucracy, and the respect of the majority of the population, and there is no effective organized political opposition. More than half of Indonesia's population has no personal memory of any other national leader and remains generally supportive. Furthermore, security forces are fully capable of restoring order when violence occurs. [redacted]

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The government's sharp crackdown on dissident groups and the arrests of prominent members of the Group of 50 reflect Soeharto's hardline attitude to challenges to civil authority. The government's reaction to the bombings has been equally stern. Authorities are treating them as issues of national concern and not simple police matters. General Murdani's prominent role in media coverage of both the riot and the bombings indicates Jakarta's determination to use whatever force is necessary to combat future terrorist attacks. [redacted]

The recent incidents, however, do portend continuing social unrest and pose problems for the government's economic planners. The underlying causes of discontent—poverty, anti-Chinese hostility, the lack of an effective political voice for Muslims and other opposition groups—could lead to riots at any time. Incidents, even if unrelated to these specific causes, will undoubtedly occur that will trigger violent outbursts. Foreign investors are becoming jittery and will undoubtedly reassess their investment plans if the violence continues. [redacted]

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Looking Further Ahead

Near-Term Implications

The Soeharto regime cannot now back down from its *Pancasila* campaign without appearing to surrender to opposition pressure. [redacted] the government will redouble its efforts rather than grant concessions to Muslim interests, and the intelligence apparatus will probably step up monitoring and penetration of Muslim, youth, and dissident organizations. The government may well try to discredit such groups by using agent provocateurs to create incidents. [redacted]

We believe the bombings introduce a disruptive new phase in Indonesian political life. Some observers speculate that the bombings might lead to other terrorist acts such as kidnappings and assassinations. A heavyhanded government response would probably generate increased anti-Soeharto sentiment among Muslims and other disaffected groups—precisely the result that, in our judgment, opposition elements seek. It would nevertheless be characteristic of the Soeharto government to respond forcefully to terrorist threats and to maintain its tough stance against potential opposition groups.⁵ [redacted]

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We have no indication that the regime is seeking scapegoats for the unrest, but Soeharto might seek to allay Muslim frustrations by permitting the prosecution of some blatantly corrupt—but politically inconsequential—Chinese businessmen. Chinese financier Liem Soie Liong, however, will be protected by his close and longstanding ties to the Soeharto family. The government might also conduct a show trial of some members of the Group of 50 or other political opponents, portraying them as dangerous extremists. [redacted]

[redacted]

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We do not know how Indonesian youth, particularly the large pool of underemployed and disaffected young people, views recent developments. [redacted]

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[redacted] students generally remain apolitical, [redacted]

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increasing numbers of youth are attending mosques and becoming active in more radical, mosque-affiliated study groups. They apparently prefer these groups to traditional, government-sanctioned Muslim or youth organizations. They will, in any case, be increasingly receptive to claims by Islamic radicals that peaceful methods of political opposition do not adequately serve Muslim interests. [redacted]

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Appendix A

Islam in Indonesia

Islam in Indonesia is very diverse, embracing a majority of moderate Muslims and more disparate fundamentalist minorities. Islam first arrived in outer island areas such as Aceh, Sumatera Barat (West Sumatra), Kalimantan, and Maluku, and in coastal areas of Java. The smaller groups in the outer islands tended to convert to stricter forms of orthodox Islam, but, on the main island of Java, Islam was absorbed into a traditional body of beliefs that combined Javanese mysticism with Hindu and Buddhist strains. As a result, except for pockets of orthodoxy, Indonesian Islam lacks the more doctrinaire elements of the Middle Eastern varieties.

As part of a broader nationalist movement, Islam underwent a domestic revival in the early part of the 20th century when influential educational, philanthropic, and political organizations were formed. Indonesian Muslims, however, have not been able to translate their numerical dominance—88 percent of the nearly 160 million population—into political power since independence. After failing to dominate Indonesian politics in the 1950s, the fractious Muslim political parties hoped for a more influential role as a result of the active role Muslims played in supporting Soeharto's anti-Communist crusade in the mid-1960s. Since consolidating his power, however, Soeharto has steadily diminished the role of the Muslim parties. He established the ruling party, Golkar, in the early 1970s as the regime's mechanism for maintaining political control and forced the four legal Muslim parties to consolidate into one despite their political and religious differences.

Most moderate Muslims do not advocate an Islamic state, preferring a system in which Islamic principles are incorporated into laws and in which Muslim leaders play a prominent policymaking role. These goals, however, conflict with the preference of Soeharto and his ruling military elite for a nonsectarian state based on traditional Javanese culture. Although most Muslim leaders are resigned to continuing government dominance, the regime's virtual

emasculatation of the Muslim political party—the Unity Development Party—at its August 1984 congress angered devout Muslims and has given radicals political ammunition. Thus, although some younger intellectuals are trying to unite traditional Muslim groups, fringe groups have attempted such farfetched actions as trying to revive the Darul Islam separatist movement, which was crushed in the 1960s, or attempting to declare an independent Islamic state in Sulawesi Selatan (South Sulawesi).

The lack of national leaders acceptable to opposing Muslim factions, historical differences between traditional and modernizing groups, and a broad national consensus favoring Soeharto's goals of economic development and political stability, however, make an Islamic political ascendancy highly unlikely for the near term. Furthermore, we expect the Soeharto regime—which considers Islamic extremism one of its greatest internal threats—to continue efforts to stifle the emergence of any independent Muslim political voice.

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Appendix B

Solidaritas Islam and the Terrorist Threat

The Tanjung Priok riot could well have been a spontaneous outburst, and some of the fires that have destroyed major department stores, damaged office buildings and hotels, and set off explosions at a military ammunition depot in suburban Jakarta may have been accidental, but [redacted] the bombings of Chinese-owned businesses and some of the fires clearly were premeditated. There have been no published reports of terrorist groups claiming responsibility for any of the incidents. [redacted]

[redacted] Indonesian media are complying with a government request not to publicize the name of a group calling itself Solidaritas Islam, which security officials suspect of committing a number of acts of violence. Both the US and Australian Embassies have received threatening letters from this group. [redacted]

Security officials have been aggressively investigating opposition political groups and Muslim and youth organizations since the disturbances began, and have detained a large number of suspects. Interrogations of the suspects indicate that many of the incidents, including the Tanjung Priok riot, have not been spontaneous, but have been planned and committed by Solidaritas Islam. The group reportedly draws its leadership from the more radical elements of the Indonesian Muslim Students' Association and the Islamic Students' Association. Its general membership is drawn from a Muslim youth organization. [redacted]

Indonesian officials have long been more concerned with internal security than external threats and are quick to fix blame for any unrest on radical or extremist groups. They apparently believe Solidaritas Islam is responsible for many of the recent incidents. The Indonesians are also suspicious of involvement by radical Islamic regimes such as Iran and Libya. In the wake of the recent disturbances, Jakarta's Minister of

Religion warned the Iranian Ambassador not to interfere in Indonesia's domestic politics. [redacted]

There is a strong possibility that Indonesia will be the scene of continuing terrorist activity. Poverty, racial hostility, and the lack of a legitimate political voice for Indonesia's Muslim majority create a fertile breeding ground for terrorism in Indonesia. Furthermore, the sheer number of incidents and threats since September suggests that fires and bombings are now fashionable means of challenging the authorities or settling private disputes. If terrorist acts continue, US installations and private US businesses may become more frequent targets. In addition to the Embassy and other official installations, terrorists could target many of the US firms that have offices in Jakarta. Oil company installations, although generally isolated from urban areas, offer lucrative targets for attack. [redacted]

We cannot yet predict whether the domestic security situation will deteriorate or if additional US targets will be singled out. Careful monitoring of potential terrorist activity will be necessary to determine whether the current activity represents a temporary phenomenon or the beginning of a longer term disruption. [redacted]

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