

# VAN ZORGE REPORT

ON INDONESIA

*Behind the Headlines*

VOL.XI NO.7—AUG 31, 2009

## INTELLIGENCE

Tommy Suharto—and a lot of cash—shakes up the Golkar chairman race

## IN BRIEF

Implementing regulations stymie legislation on infrastructure  
State secrecy bill: “The bill is not in principle democratic.”

## SPECIAL FEATURE

Indonesia’s multi-faceted response to AIDS

## PRESENTATION

Panel Discussion: Security and Terrorism



**THE EXECUTIVE NETWORK**  
*Business Solutions for Business Leaders*

### **The Executive Network**

The Executive Network (TEN) is an exclusive, membership-based association of national and multinational corporate leaders. As a member of TEN, you will receive products and services that provide analysis and insight into the contextual issues shaping the Indonesian business environment, as well as access to the opinion leaders and government officials who shape it. TEN members are offered the chance to both understand and influence the factors affecting the business environment, while building critical relationships with the key players.

### **Products and Services**

TEN members enjoy our interactive dialogues with opinionmakers, experts, and senior government officials, our government relations and lobbying services, and our risk assessments, conferences and regular and ad-hoc print publications. Our interactive dialogues are private and informal gatherings that highlight developments that affect the business community, and are generally held once or twice times a month. Some of our dialogues are held in the form of industry-specific roundtable meetings, while others have a broader appeal, and include topics such as industrial relations, legal reform or the consequences of the Bali bombings.

### **Join Us**

Stay on top of political and economic developments in the country, engage with the key players in the country's economic and political spheres, and have a say in some of the policies that affects investment in Indonesia. Gain unique perspectives, build worthwhile relationships, and empower your business. Join us and our dynamic and influential group of members in our commitment to Indonesia.

*If you'd like to set up an appointment to speak with one of our associates about this program, call us on (6221) 5290 3993 and let us know that you're interested in TEN.*

#### **Publisher**

James Van Zorge  
Dennis Heffernan

#### **Senior Managing Editor**

Stephen Sherlock

#### **Managing Editor**

Willow Osgood

#### **Assistant Editor**

Tiarma Siboro

#### **Contributing Editor**

Michael Buehler

#### **Office:**

Sequis Center  
(S. Widjojo), Lt 8 & 10  
Jl. Jendral Sudirman Kav. 71  
Jakarta 12190  
Phone (6221) 5290 3993  
(6221) 5290 3988  
Fax (6221) 5290 3989

#### **Website:**

[www.vzreport.com](http://www.vzreport.com)

#### **Send comments to:**

[managingeditor@vzreport.com](mailto:managingeditor@vzreport.com)  
[reta@vzreport.com](mailto:reta@vzreport.com)

## Table of contents:

---

FROM THE EDITOR.....	4
<b>We made it this time – but what about 2014?</b>	
INTELLIGENCE.....	6
<b>Tommy Suharto—and a lot of cash—shakes up the Golkar chairman race</b>	
IN BRIEF.....	8
<b>Implementing regulations stymie legislation on infrastructure</b>	
<b>State secrecy bill: “This bill is not in principle democratic.”</b>	
SPECIAL FEATURE.....	13
<b>Indonesia’s multi-faceted response to AIDS</b>	
PRESENTATION.....	24
<b>Panel Discussion: Security and Terrorism</b>	

## FROM THE EDITOR...

## We made it this time – but what about 2014?

Now, finally, after multiple delays we have the definitive result for the presidential election and results for the parliamentary elections will soon be announced. The uncertainty created by legal disputes and courts contradicting each other reveals some nasty snags lurking beneath the seemingly tranquil waters of Indonesian democracy.

The cases brought to the Constitutional Court by both pairs of losing presidential and vice presidential candidates clearly had little substance. It is a testament to the good sense of the head of the Court, Mahfud, that he quickly dismissed them.

The cases seem to have been launched in a fit of pique. This is especially true in the case of Megawati, who still appears not to have come to terms even with her 2004 defeat. It is now surely time for her to bow gracefully out of her current leading role in PDI-P.

A key defining feature of a working democracy is that all parties accept defeat, in the knowledge that their turn will come and that their future victory will be respected by their opponents. The recent events suggest that many in Indonesia's political elite, still mostly products of the Suharto era, are reluctant to accept the basic principle that makes regular and peaceful transfers of power possible.

In these circumstances, it is crucially important that electoral laws and regulations are clear, well thought out and tightly written. Arcane complexity and muddled ambiguity are open invitations for political operators to manipulate the rules and play the system for all they can get.

This was exactly what happened with the thicket of unnecessary complexity in the legislation on the election of the House of Representatives (DPR). Does anyone—aside from a handful of policy wonks—actually understand how one law could produce at least three competing interpretations, each of which could produce vastly different results for the representation of parties in the House? The interpretation issued by the Supreme Court would have given grossly exaggerated representation to the major parties.

Put very simply, instead of opting for the straight forward system of allocating votes to seats that is widely used for multi-member electoral systems across the world, the drafters of the electoral law played around with a complex procedure for recounting votes at the district and provincial level that opened the door for disputes. Both local and foreign observers close to the debate on the electoral law could see that conflict and delay was inevitable.

In the case of the disputes over the presidential election, the temptation for the losers to challenge a clear and overwhelming victory was created by the mess with the voters list. But while everyone has been blaming the General Elections Commission (KPU) for this administrative train wreck, a major part of the blame must go to the antiquated system the inexperienced Commission members inherited. The respective roles and responsibilities of the KPU and the Ministry of Home Affairs are blurred and confused and the KPU is still not a fully independent body.

Reforming and simplifying the electoral law, including changing the status and composition of the KPU, should be high on the agenda for the new Yudhoyono administration. It is not enough to simply replace all or some of the existing Commission members because the problem is more than just the incompetence of some individuals.

And what about the role of the Courts? It could be said that the Constitutional Court responded effectively in dealing with the disputes, but did the very existence of the Court as a new arena to challenge administrative and policy decisions create new openings for vexatious actions? The Court's last-minute directives before the election to change procedures to allow voting for individual candidates placed the KPU under severe strain. The intervention of the Supreme Court in trying to change the application of the electoral law was highly questionable in constitutional terms.

We were lucky this time around that the presidential election result was so clear and the contrived challenges could be so easily dismissed. The public was plainly

unsympathetic to the losing parties' claims: most people just want President Yudhyono to get on with the job.

But in 2014, Yudhyono will not be on the scene and the contest may be close and bitterly contested. The Democrat Party has no-one remotely capable of filling his shoes and PDI-P has yet to move on from the Megawati era. Golkar is so desperate to find a credible new leader that even the grotesque figure of Tommy Suharto is being seriously considered in some circles. And while Prabowo received only derisory support in this election, he has won himself a role in the political game for the coming five years and will doubtlessly be using it to pursue his ambitions for 2014.

If the current system is used in the next election the prospects for conflict between evenly matched and ruthless candidates could be a serious threat to stability. It is not guaranteed that the best quality leadership will always emerge. We should not be complacent and allow in Indonesia the kind of turmoil that has shaken Thai democracy and continues to plague the Philippines. Indonesians are becoming justly proud of the achievements of three democratic elections, but beneath the surface there is major structural weakness.

With Yudhyono's currently unassailable political position, there is an opportunity to redesign the legislative and administrative infrastructure for elections. The opening should be exploited while it is still possible to do so. □

## INTELLIGENCE

**Tommy Suharto—and a lot of cash—shakes up the Golkar chairman race**

Money politics and power struggles have begun in earnest inside Golkar Party ahead of its *Musyawarah Nasional* (national congress) in early October. The most important agenda item is the election of a new party chairman, replacing Jusuf Kalla, the former vice president—turned political rival—of President Yudhoyono.

The media has named three figures as Kalla's possible successors: Coordinating Minister of People's Welfare Aburizal Bakrie, media baron Surya Paloh, and businessman—and youngest son of New Order leader Suharto—Hutomo 'Tommy' Mandala Putra Suharto.

The national congress will take place in Riau province, a territory which is considered by many as a Bakrie stronghold. The selection of the province is quite strategic especially since Bakrie may not be popular in other provinces, especially in East Java, where he has been forced to deal with the mudflow disaster that many blame on Bakrie's mining and exploring company, PT Lapindo. East Java is also considered a Paloh stronghold.

Bakrie is also said to be receiving support from President Yudhoyono. "Upon listening to a team of presidential advisors, including top level officials from State Intelligence Agency (BIN), the President has agreed to let Bakrie win the Golkar chairmanship. The President believes that Bakrie will be able to bring Golkar back into coalition with the government. So, the move will unify nationalist-based parties," a Golkar official—who has been slotted to be the party's secretary general alongside Bakrie—told the *Report*. "The government does not want to see Golkar becoming the opposition."

The relationship between Bakrie and Yudhoyono goes back to 2004, when Bakrie began to give political and financial support to Yudhoyono.

Despite the support of the President and top level BIN officials, Bakrie is likely to face tough competition against Paloh and Tommy. With the race heating, large amounts of money are being thrown around.

"As Bakrie disbursed funds to representatives of Golkar's regional offices at district level (DPD II), Paloh and Tommy have at the same time given promises and allocated large amount of funds," a Golkar source said.

According to the source, Bakrie has intensified his schedule of meetings with the party's regional representatives and has given Rp 25 million (US\$ 2,500) to Rp 35 million to each representative at every meeting. Not to be outdone, Paloh has reportedly distributed similar funds to Golkar's DPD II 447 branch offices nationwide.

Meanwhile, according to a member of the Golkar inner circle, Tommy promised Golkar executives at the regional chapters to disburse Rp 1 billion (US\$ 100, 000) as compensation for their votes.

Another source doubted that Bakrie would defeat Paloh easily, as a recent survey conducted by LSI showed that more than 50 percent of Golkar's DPD II questioned Bakrie's loyalty to the party, especially after its staggering defeat in the 2009 election. The source told the *Report* that Bakrie was very upset upon learning of the survey result, especially given that the survey was financed by Bakrie-funded Fox Indonesia.

Although a tough challenge may come from Paloh and his supporters, Bakrie would likely not have problems defeating Tommy. "Administratively, Tommy will not meet the requirements to fill the position as Golkar chairman because he has never served in the party's executive structure," the source said.

The source was referring to the party's internal regulation which states that every candidate should have the experience of serving as executive of the party for at least one session. During the last days of Suharto's administration, Tommy was elected only as a member of People's Consultative Assembly (MPR), and not as the party's representative.

In fact Tommy's motivation may only be to split Bakrie's vote. Should Tommy insist on competing in the Golkar's chairmanship contest, it may not be the win the position himself but may be a ploy to eliminate support for Bakrie. Such a move could be supported by Golkar cadres who disagree with Bakrie's idea of bringing Golkar into Yudhoyono's coalition. Paloh is known as a Kalla loyalist and supports the idea of taking the party into the opposition against Yudhoyono's Democrat Party.

Rifts between several executives of Golkar and Yudhoyono came to the surface after Yudhoyono publicly announced that he would not team up with Kalla in his 2009 presidential bid. Yudhoyono's decision sparked anger among several Golkar executives, who ended up by withdrawing political support for Yudhoyono. □

**IN BRIEF****Implementing regulations stymie legislation on infrastructure**

The Yudhoyono government recognises that a return to sustained economic growth requires rebalancing the roles of the state and the private sector in the economy and a new regulatory environment. But it is increasingly clear that passing laws to that effect is only the first step in the process.

During the Suharto days, the DPR passed any number of laws. The regime was highly legalistic: most government actions had some legal instrument to validate them. But laws were vague and imprecise, with clauses sometimes contradicting each other and often inconsistent with provisions in other laws.

None of this really mattered because the real legal instruments were implementing regulations drawn up by officials in the bureaucracy. There is nothing wrong in principle with filling out legislative detail in regulations: it is common international procedure. But under Suharto, legislation was deliberately left with gaping holes and ambiguities. This gave maximum discretion to officials to enforce the law in a way that provided wealth and influence to ministers, senior bureaucrats, the military and their friends in business.

Unfortunately, practices of this kind have continued into the post-reformasi era. We still see badly drafted laws, implementing regulations that are wide open to interpretation and official discretion and, most of all, huge delays in the issuing of regulations. Sometimes this is deliberate rent-seeking, other times it is simply the legacy of poor drafting skills and lack of technical capacity in the ministry to turn policy objectives into legal instruments.

This kind of problem has become very clear in the efforts to reform the regulatory environment for infrastructure. There has been some apparent progress in recent years with the passage of a number of laws. These have included Law 28/2004 on road transport, 23/2007 on railways, 27/2007 on coastal planning, 30/2007 on energy, 17/2008 on sea transport and 1/2009 on air transport.

The basic objective behind all of this legislative activity has been to introduce new principles that would supersede the approach followed under the Suharto regime, including:

- An end to the state's stranglehold over investment and operation of infrastructure by encouraging private sector participation in "commercially viable" infrastructure, with "non-commercial" infrastructure, such as in rural areas, funded by the government.
- The separation of regulatory and operating functions.



**IN BRIEF**

- The establishment of independent regulatory bodies.
- Encouragement of regional government involvement in infrastructure development.
- Setting of prices and tariffs on a cost-recovery basis.

But the implementation of virtually none of these new principles has been fully elucidated in the various pieces of legislation. They must be given practical effect in regulations that are still being debated and drafted.

Since the regulations involve a fundamental rearrangement of the balance of power between ministries, state-owned corporations and private businesses, as well as civil society organisations and the public, they have been very slow in coming. An array of vested interests have been keen to see that the regulations are delayed or are slanted in particular ways.

In sea transport and ports, it has proved very difficult to draw up guidelines to determine whether a particular port is commercially viable and thus whether it is open to private sector involvement. The proposal for port authorities in different areas has blurred the distinction between an operator and a regulator, functions that were supposed to be clearly separated according to the legislation.

In the railway sector, issues that need clarity include the respective positions of the owner of the track and the operator of the rolling stock. The involvement of provincial governments in the operation of railways also becomes an issue when a railway, such as the North Sumatra railway, is entirely within the boundaries of one province.

In the area of marine and coastal development, Law 27/2007 introduced the concept of “right of business in coastal waters” (HP3). The idea was to provide legal certainty for development in marine areas, but the elucidation of the concept was left to government regulation. Concerns that HP3 will lead to the appropriation of tracts of coastal waters by big business, together with problems in integrating regional government involvement, have ensured that the regulation has been stalled since 2007.

Ministries that were most dominated by the military under Suharto, such as transport and communications, drafted legislation that was most in need of clarification by regulation. And it has been in these sectors that the production of the necessary regulations has continued to be the most problematic.

## IN BRIEF

**State secrecy bill: “The bill is not in principle democratic.”\***

Despite consistent and pointed criticism from civil society and human rights groups, the state secrets bill will be passed by the House of Representatives in September, according to the Ministry of Defense, which has spearheaded the bill. When the bill goes into effect, it could be a major obstacle to efforts at rooting out government corruption and hindrance to efforts at developing transparency in the Indonesian government.

Though the bill has been under debate since 2004, it has not undergone significant revisions. Indonesian Legal Aid Foundation (YLBHI), Indonesia Corruption Watch (ICW), and Commission for the Disappeared and Victims of Violence (Kontras), among other civil and human rights groups, have publicly voiced concerns over the bill, including:

- **The scope:** Articles 1, 3 and 4 state that information, goods or activities may be classified as secret if their dissemination threatens the defense or sovereignty of Indonesia. The sectors specified include: defense, security, international relations, economic resilience, national cryptology, and law enforcement. This is an extremely broad definition and is open to interpretations that could include vast areas of government policy.
- **Who decides:** Articles 24 and 25 establish a State Secrecy Council, which reports to the president and is chaired by the minister of defense. Permanent members of the council are the ministers of foreign affairs, home affairs, justice and human rights, and communication and information, the attorney general, the commander of the Indonesian army, the head of the state intelligence agency, the chief of the national police, and the head of the national archives. Non-permanent members are appointed by the minister of defense. This focuses authority in very few hands and gives the president enormous control.
- **No mechanism for challenge of classification:** There is no mention in the bill of judicial or legislative mechanisms through which the status of information can be challenged.
- **The state secrecy bill runs roughshod over the Freedom of Public Information Law:** The bill does not balance the state’s authority to withhold information with the public’s right to information.
- **Criminal penalties:** Article 35 outlines penalties for intentionally distributing Top secret information: 7 years to a life sentence, fines

---

\* *Military analyst Andi Widjajanto*

**IN BRIEF**

from five hundred million to one billion Rupiah. In the context of the draconian provision of the state secrets bill, these penalties would represent a major deterrent to anyone attempting to challenge the government's power to restrict access to information.

The combination of these provisions together poses a grave danger to citizens' rights to information about the policies and activities of their government, as well as undermining the fight against corruption.

The scope of Indonesia's states secrets is very similar to the policy of the United States. Indeed, Minister of Defense Juwono has often sought to quell concerns over the state secrecy bill by pointing out that countries like the United States and Australia have state secrecy laws. However, in other countries with state secrecy laws there are legal mechanisms for judicial and legislative oversight and challenges. The government must defend its classification of the information based on the potential harm created by releasing the information.

Allowing ministers to classify information without external accountability aggravates the issues of scope and criminal penalties, and makes the state secrecy bill a multi-pronged attack on anti-corruption efforts and human rights

First, the bill may allow the classification of budgets and transactions. This opens the way for graft in any ministry that is under the scope of the bill. Considering the scope, this may be nearly all ministries and certainly includes the Ministry of Defense and economic and financial ministries.

Even if corruption is uncovered through non-classified means, and individuals are caught and brought to trial, classified documents cannot be used in court, nor do judges have the ability to challenge the classification.

Since documents are not admissible in court cases, it is likely that human rights and anti-corruption bodies, such as the Corruption Eradication Commission (KPK) or the National Commission for Human Rights, will be seeing fewer cases or weaker cases.

The possibility of criminal sanction may lead would-be whistleblowers to think twice about bringing complaints to these bodies. There are no penalties specified for state institutions or individuals in the event that they are responsible for the leak.

The state secrecy bill is often presented as a necessary corollary to the Freedom of Public Information (FOI) law (*see Van Zorge Report, August 28, 2007*), which will enter into effect in 2010. The FOI law has been praised as an important step toward building an open and democratic Indonesia.

**IN BRIEF**

It will establish independent public information commissions that will mediate disputes between public requests for information and government agencies. The FOI law specified several sectors that would not be under the new commissions' mandate including: state intelligence, law enforcement, business competitiveness, economic interests, and issues of national defense, security and resources.

The problem, however, is that the state secrecy bill stands in direct contradiction to the FOI. The principle at the center of the FOI is allowing maximum access to information with minimum exemptions. The burden rests with the government to provide reasons why information cannot be shared. The State Secrets Bill, however, works under the principle of maximum exemptions and minimum access. The bill does not require the government to provide reasons based on the possible harm to national security or sovereignty that could result from the information becoming public.

Even if piecemeal changes are made to the state secrecy bill, this principle will remain. What that amounts to, says YLBH chairman A. Patra M. Zen, is the government's use of an outmoded paradigm that continues to privilege national security over human security. □

## SPECIAL FEATURE

Indonesia's multi-faceted response to AIDS:  
 Administrative red tape, Inertia of political Leaders,  
 Discrimination of patients, Subversion of donor money\*

*The 9<sup>th</sup> International Congress on AIDS in Asia and the Pacific (ICAAP) was held in Bali, 9-13 August 2009. This issue's special feature provides a snapshot of the state of HIV/AIDS in Indonesia and evaluates the government's response towards the epidemic. All information provided below is based on official documents.*

### HIV/AIDS epidemic on the rise in Indonesia

The HIV epidemic in Indonesia is amongst the fastest-growing in Asia. The number of HIV/AIDS cases has risen exponentially in the last five years. More than 270,000 Indonesians were estimated to have HIV/AIDS in 2008. This accounts for around 0.3 percent of 15 to 49 year olds.

The Indonesian authorities, however, appear to be in a state of denial about the problem and government policy has in some ways gone backwards in the last five years. The government is both unwilling and incapable of coming up with a comprehensive approach for both prevention and treatment of HIV/AIDS in the archipelago.

In comparison with much of Southeast Asia, epidemic trends in Indonesia are disturbing. The picture in the region varies, but Myanmar, Thailand and Cambodia show declines in HIV prevalence. Well-funded, politically supported campaigns in Cambodia and Thailand have led to significant declines in HIV-infection levels. HIV prevention aimed at sex workers and their clients has played a large role in these achievements, discouraging risky sexual behavior, making condoms more widely available, and providing efficient testing and treatment centers.

In contrast, Indonesia (along with Vietnam) shows a significant increase in HIV prevalence. The number of people infected with HIV in Jakarta alone reached 3,761 in October 2008, with an estimated 25,000 unreported cases. The figure stood at 3,486 for the same period in 2007. HIV cases were also increasing in Bali<sup>1</sup>, Eastern Indonesia (Nusa Tenggara Barat and Nusa Tenggara Timur)<sup>2</sup> as well as Papua.

---

• *The following special feature was provided by Michael Buebler, Postdoctoral Fellow in Modern Southeast Asian Studies at Columbia University in New York. He can be reached at mb3120@columbia.edu. His article on how corruption and administrative incompetence in Indonesia's health sector affect people living with HIV in Jakarta is available at: <http://www.insideindonesia.org/content/view/1150/47/>*

<sup>1</sup> Putu Ayu Utami Dewi. 2009. *Empowering People with HIV through Support Groups in Bali*. Bali: JCAAP.

<sup>2</sup> Linda Rae Bennet, Sari Andajani, Iko Safika. 2009. *Women's Vulnerability to HIV/AIDS in Eastern Indonesia: Deficiencies in Information, Power and Policy*. Bali: JCAAP.

## **HIV/AIDS no longer confined to ‘most-at-risk’ groups in Indonesia?**

While some experts predict that Asia may eventually overtake Africa as the part of the world with the highest number of people living with HIV/AIDS, others argue that the epidemics in Southeast Asia are on a different trajectory. In African countries HIV/AIDS has become prevalent among all sections of society, while in Asia it mainly occurs among members of ‘most-at-risk’ populations such as Injecting Drug Users (IDUs) or sex workers.

Injecting drug use has been responsible for most of HIV-infections amongst men in most parts of Indonesia, while sexual transmission was the main risk factor among women.

However, recent developments seem to be pointing in another direction. There are indications that the HIV/AIDS epidemic is no longer confined to IDUs and female sex workers (FSW) but has started to make inroads into other parts of society. While the HIV epidemic initially clustered largely among IDUs, many non-injecting sex partners, prisoners, and clients of sex workers have become infected in recent years. New studies also suggest that HIV/AIDS infections are growing rapidly amongst Indonesia’s elderly<sup>3</sup>, as well as amongst young people<sup>4</sup>, women and children. Recent UNICEF statistics offer the rough estimation that there are somewhere between 3,300 and 5,300 pregnant women living with HIV across the archipelago. Some of these sub-epidemics occurred entirely outside previous ‘most-at-risk’ groups.

### **Government inertia and incompetence major reason for spreading epidemic**

Since the outbreak of the epidemic in the country two decades ago, the Indonesian government has largely failed to prevent the transmission of HIV/AIDS through the promotion of safe sex practices including use of condoms, harm reduction among IDUs as well as the provision of easy access to blood testing for the population overall.

- **Lack of political will to promote condom use**

The Government of Indonesia has failed to establish an infrastructure where ordinary Indonesians could obtain condoms at low costs. Currently, there are 25 automatic condom dispensers installed across the entire archipelago. While Indonesia is still a step ahead of neighboring Malaysia, which does not have a single condom vending

---

<sup>3</sup> *Indah Mahdi, Hepa Susami, Samsuridjal Djauzi, Sari Arumdati. 2009. Characteristic HIV/AIDS and Elderly in Cipto Mangunkusumo Hospital and Dharmais Cancer Hospital. Bali: JCAAP.*

<sup>4</sup> *Romadbon Yunianto. 2009. Youth Speak Up! Building a Collective Voice and Sustainable HIV/AIDS Peer Education Network. Bali: JCAAP.*

machine, the situation is bleak compared to Thailand. In a country that boasts a quarter of Indonesia's population, authorities had installed 9,730 condom vending machines through 2008, focusing on hotels, dormitories, hospitals, health centers, department stores and cinemas. This triggered an increase of condom use in Thailand.<sup>7</sup>

In Indonesia it appears that the government feared a political backlash if it installed condom machines, particularly in places where they would be of use such as red light districts, karaoke bars and massage parlors.

Many religious leaders and politicians continue to deny the realities of Indonesia's sexual landscape. In 2006, for example, the influential Indonesia Ulama Council (MUI) tried to ban condom machines. While this may be the efforts of a few hardliners only, the fact is that most mainstream figures of Indonesia's religious and political establishment continue to reject the promotion of condom use. Aburizal Bakrie, Coordinating Minister for Social Welfare, stated during a conference held for World Aids Day in December 2008, that condoms were only for those who sin outside the confines of traditional marriage.<sup>10</sup> In April 2009, the city administration of Jakarta refused to use the term 'condom' in a new local by-law, instead using the term 'prevention device'.

Many Indonesian leaders believe that harm-minimization policies would ultimately be regarded as promoting immoral policies. The standard argument against condom campaigns in prisons is that this would foster homosexuality or that setting up condom machines in red light districts could be seen as legitimizing prostitution. Indonesian politicians' timid approach to promoting safe sex can be well summarized by a quote from Elisabeth Pisani, an HIV/AIDS activist in Indonesia. In a country where more than 10 million ordinary Indonesian men are frequently visiting prostitutes according to government estimates, '[c]alling your voters hypocrites does not play well at the polls' as Pisani, points out.<sup>11</sup>

It is this lack of political will that accounts for the fact that the Indonesian government refuses to work together with the sex industry in the fight against HIV/AIDS.<sup>12</sup> The failure to promote condom use accounts for the fact that less than two percent of Indonesian men

<sup>7</sup> Cheewanan Lertpiriyasuwat, Sombat Thanprasertsuk, Nuchanart Kaeodumkoeng Vinida Chawanangkoon. 2009. *Access to Condom through Condom Vending Machine in Thailand: Development and Community Participation*. Bali: JCAAP.

<sup>10</sup> Katie Hamman. 2008. *Social Taboos Spur AIDS in Indonesia*. Available at <http://www.thenational.ae/article/20081205/FOREIGN/908295822/1002>

<sup>11</sup> Elisabeth Pisani. 2008. *The Wisdom of Whores: Bureaucrats, Brothels and the Business of AIDS*. New York: Norton Company Inc. Available at <http://www.wisdomofwhores.com/>





use condoms. Likewise, (or maybe consequently), most Indonesian FSW do not engage in safe sex practices. The frequency of condom use amongst Jakarta's estimated 10,000 FSW was still very low in 2009.<sup>14</sup> Consequently local HIV/AIDS epidemics continue to grow among most-at-risk-groups.<sup>15</sup>

Against this backdrop, it is of no surprise that the National Aids Commission released figures in December 2008 that suggested that unsafe sex will soon be the leading cause of HIV infections across the archipelago. Overall, 46 percent of new infections in 2008 resulted from unprotected sex, a figure that rises up to 94 percent in the province of Papua.

### Discriminatory laws cripple harm reduction efforts for drug users

The Indonesian government's approach to promoting harm-reduction practices among other 'most-at-risk' populations is characterized by incompetence and counterproductive policies. This is most visible in relation to injecting drug users.

Various government campaigns have virtually demonized drug users in recent years (see poster beside), and draconian drug laws foster discrimination against drug users. Law No. 5/1997 on Psychotropics and Law No. 22/1997 on Narcotics both criminalize drug consumption. Article 78 of the Narcotics law, for example, makes almost no distinction between drug users and drug dealers. A surge in funding for law enforcement in recent years, partially paid for by foreign donors promoting 'good governance', has provided the Yudhoyono administration with the financial means to enforce these laws and take a hardline approach on drugs. "The policy on drugs is much harsher right now than 10 years ago. Former president Abdurrahman Wahid's drug user policy put it as a social issue but since Susilo Bambang Yudhoyono, drugs have been put on the level of security," Asmin Fransiska, Law Lecturer at Atma Jaya University, said in a recent interview.

Yudhoyono's 'war against drugs' is responsible for an HIV/AIDS explosion in Indonesian prisons. The immediate consequence of

<sup>12</sup> I Dewo Nyoman Suyetna. 2009. *Contractual Agreement between 'Pimps', Government, as Strategy for 100% Condom Use in Bali*. Bali: JCAAP.

<sup>14</sup> Naomi Esteria Tobing. 2009. *Condom Use among Female Sex Workers*. Bali: JCAAP.

<sup>15</sup> James Sinaya, Robert Magnani, Adi Purwanto, H.M. Fauzi, Tri Ghozalli, Tijam Prayitno. 2009. *Mobilizing the Community to Address HIV/AIDS among Most-At-Risk-Groups in Malang District, East Java*. Bali: JCAAP. Zabroh Shalubiyah, Antono Suryoputro. 2009. *Young Gay Men Sexual Relationships: A Contextual Understanding of Sexual Risks and HIV/AIDS Prevention*. Bali: JCAAP.



treating drug users with the same harsh punishments as dealers is the flooding of Indonesia's prison system with HIV positive inmates. Of the roughly 12,000 people locked up in the capital's prisons in 2009, almost 6,900 were imprisoned for substance abuse. Most prisons provide no health services at all, forcing inmates to engage in practices that carry a high risk of HIV transmission.<sup>16</sup> The going rate for a used needle in a Jakarta prison is said to be Rp 2,000 Rp (US\$.20) per shot. Similar to the argument that promoting condom use will encourage immoral behavior like extramarital affairs, the standard argument of Indonesian politicians is that if the state provides clean needles, it is promoting injecting drugs. The effects of such an approach are evident. Many inmates acquire HIV/AIDS soon after their imprisonment. Statistics from May 2009 reveal that a third of prison deaths recorded were due to HIV/AIDS.

The situation is equally bleak when looking at harm-reduction strategies for IDUs not locked up in detention facilities. The fear of discrimination and government harassment is one of the main reasons why only a very low number of IDUs access health facilities. The Ministry of Health (MoH) estimated in 2006 that there were more than 33,000 IDUs in Jakarta alone, 51 percent of whom were HIV positive. Various NGOs started programs to encourage drug users to return used needles and syringes as far back as 2003. As part of their efforts, more than 50 sites scattered throughout the capital were provided with needles and syringes in 2008. But only a third were returned because most drug users reported that they feared being caught by the police when returning needles and picking up new ones.<sup>17</sup>

The pattern holds true for the rest of Java. Of the 26,000 estimated IDUs living in East Java province, only a small number were said to access health services due to a lack of information, stigma and discrimination. Most IDUs were also concerned about police harassment.<sup>19</sup>

No doubt, there are some success stories. Family Health International, a public health and development organization, established a project together with the MoH and 18 NGOs in 31 districts and cities across Indonesia, including 37 prisons. By promoting safe injecting practices they greatly reduced the incidence of needle sharing and there is evidence that this has reduced the rate of HIV infection amongst newer drug users.

---

<sup>16</sup> Puput Nugroho, Babrul Ulum, Dr. Mohammad Adib Solahuddin. 2009. *Preventing HIV Infection among Prisoners in Malang City*. Bali: JCAAP.

<sup>17</sup> Lamganda Sihombing. 2009. *Managing used Needle to prevent Needle Injuries among Injecting Drug Users and People in Communities*. Bali: JCAAP.

<sup>19</sup> James Rowan Blogg, Inang Winarso, Amala Rahmah, Patri Handoyo. 2009. *How to Improve Quality of HIV Harm Reduction Services? A Needs Assessment of Injecting Drug Users in 7 Cities in Java*. Bali: JCAAP.

However, the overall situation remains dismal. Programs are often not very effective due to the low capacity of the Indonesian state apparatus due to endemic corruption and red-tape. A survey in 2002 showed that government outreach programs were largely ineffective, reaching around 20 percent of drug users in Indonesian cities.<sup>21</sup>

In short, the lack of political will and counterproductive policies are responsible for the failings of ‘harm-reduction’ programs. While there are, no doubt, progressive political leaders such as Tarmizi Taher, Religious Affairs Minister between 1993 and 1998, who supported the establishment of methadone clinics and needle exchange programs for drug users as a means to contain HIV-transmission, the majority of Indonesia’s religious and political leaders is not interested in promoting policies that lead to harm reduction in populations most at risk of acquiring HIV/AIDS. A 2009 survey among five major Indonesian parties showed that none of the parties had incorporated HIV/AIDS prevention in their health platforms nor did they have concrete policy plans to address the issue.<sup>23</sup>

While there is a global trend towards softening the approach to drug users, a development many countries in Southeast Asia have taken up—reports from Vietnam, for example, suggest that the country’s police has changed its approach, no longer targeting people carrying condoms, starting to focus on drug dealers rather than criminalizing drug consumption and encouraging drug users to participate in needle distribution programs<sup>24</sup>—Indonesia decided to take a different path.

This situation is likely to get worse in the future. The newly elected Indonesian parliament will soon be discussing harsh and counterproductive amendments to the current drug laws. These amendments would, for example, increase the maximum penalty for possession of one gram of heroin from 15 years in prison to death. The amendment would also upgrade the criminal status of drug users, increasing the maximum amount of hours a drug user can be detained from 24 hours to 72 hours or making it a crime if one does not report drug users in the neighborhood. Overall, the amendments would

---

<sup>21</sup> Rizky Ika Syafitri, Ignatius Praptoraharjo, Nasrun Hadi, Octavery Kamil, Theo Zaenoeri, Ade Aulia Erwin. 2009. *Application of a Coupon Scheme to Reach New Injection Drug Users (IDUs) into HIV Interventions Bali: JCAAP.*

<sup>23</sup> Ois Sriyani. 2009. *Policy of Political Parties in Prevention of HIV-AIDS in Jakarta. Bali: JCAAP.*

<sup>24</sup> PengFei Zhao, Ngyuen Danh Lam, Lai Kim Anh, Nguyen Thi Huynh, Nguyen Thi Minh Tam, Nguyen Thien Nha, David Jacka, Masami Fujita, Ngyuen Thanh Long. 2009. *High Coverage of Condom Use and Increased Distribution of Needle& Syringe in Can Tho, Vietnam. Bali: JCAAP.*

provide police with new powers to place drug users in overcrowded prisons, were they are most likely to become infected with HIV/AIDS. If the amendment is passed it will most certainly fuel the spiral of HIV-transmission in Indonesia.

## Early testing

Indonesians are usually diagnosed with HIV/AIDS at a stage when immunosuppression is already far advanced. In a recent report, the MoH estimated that there are currently 4000 people living with HIV in Bali, 50 percent of whom learned of their status only after falling ill or being hospitalized.<sup>26</sup> In fact, many patients have already progressed to AIDS when first diagnosed<sup>27</sup> and many will never know that they are HIV positive.

Screening and earlier treatment of HIV would result not only in improved survival rates but also in reduced HIV-transmission to others.<sup>28</sup> Many women in Indonesia discover their status only after their husband or partner becomes seriously ill or dies.<sup>29</sup> Many children are born with HIV because their mothers did not know that they were HIV-positive while pregnant.

A combination of factors explains why the uptake of HIV-testing in Indonesia is very low. These include lack of knowledge, distance to health facilities, transportation costs and a mind-set among many Indonesians that one should only consult a doctor when feeling ill. Indonesia's health system is plagued by underfunding, a lack of qualified staff, rising medical costs and outdated equipment and above all by bureaucratic hurdles and red tape. This all has an impact on people's willingness to check their HIV-status. In a system where extortion of money from patients goes unpunished and in which corruption is the norm, it is understandable that HIV Counseling and Testing is generally low and that most Indonesians shy away from getting regular health tests.

Despite the Indonesian government's claim that it is a lack of knowledge amongst drug users that keeps them away from HIV testing centers,

<sup>26</sup> Putu Ayu Utami Dewi. 2009. *Empowering People with HIV through Support Groups in Bali*. Bali: JCAAP.

<sup>27</sup> Zabrotur Rusdya Hinduan, Nirmala Kesumah, Reinout van Crevel. Harm Hospers. 2009. *Characteristics of Subjects Counseled and Tested for HIV in an Indonesian Hospital: Seroprevalence*. Bali: JCAAP.

<sup>28</sup> Reinout van Crevel. Hinta Meijerink, Rudi Wisaksana, Sena Sopaheluwaka. 2009. *A Model on Natural Decline of CD4-Cells and reduced Mortality through HIV-Screening in Indonesia*. Bali: JCAAP.

<sup>29</sup> Erna Herawati, Irma Anintya Tasya, Diba AEP Basar, Lucas Pinxten. 2009. *HIV, Sexuality and Disclosure: An In-Depth Interview Among HIV-Infected Couples*. Bali: JCAAP.

recent survey results from the city of Bandung show that drug users were actually well informed about opportunities to get medical treatment. But they stayed away from hospitals because of inefficient procedures at HIV testing facilities, high costs, and above all, discrimination by health sector personnel and lack of confidentiality.

## Treatment

While most observers of Indonesia's approach to tackling the exploding HIV/AIDS epidemic agree that the government has failed on the prevention side (the cheap and easy part), until recently the verdict was still out on the performance of the Indonesian government regarding the treatment of people living with HIV/AIDS.

Antiretroviral (ARV) drugs have become the global cornerstone of HIV care and treatment. ARV medicines can suppress the replication of HIV and dramatically reduce the amount of the virus in a person's system, restoring immunity and greatly prolonging life and good health. ARV treatment also reduces the possibility of transmission from people living with HIV to others. Finally, ARV treatment can lower mother-to-child-HIV-transmission down to around 2 percent.

The Indonesian government, in cooperation with foreign donors, has increased ARV programs in the last few years, but, estimates suggest that only a lucky few receive treatment. In 2008, only around 10 percent of the 270,000 people living with HIV were on ARV treatment, according to a report of the MoH. In 2007, only 2 percent of the overall number of Indonesian women known to be HIV-positive received ARV treatment. This is in stark contrast to other Southeast Asian countries. In 2008, the national coverage in the region was 20 percent on average. Cambodia, Laos and Thailand, the 'best performers' in the region, all reached over 60 percent of ARV coverage, according to a recent UNAIDS report.<sup>32</sup>

Indonesia's ARV drug distribution system has been marred by problems. Theoretically, ARV therapies and blood tests are free, but corruption prevents the system from working in practice. Doctors overprescribe medication, getting rewards and kick-backs from pharmaceutical companies, while hospital staff ask for bribes to speed up administrative procedures.

---

<sup>32</sup> Marwaan Macan-Markar. 2008. *South-East Asia: Record Gain in Antiretroviral Coverage*. Bangkok: Interpress Service. Available at <http://www.aegis.com/news/ips/2008/IP080711.html>

A recent study on obstacles for getting treatment in West Sumatra shows how the hidden costs of Indonesian's health system prevent people living with HIV/AIDS from getting treatment. Ideally, ARV therapy is monitored by regular blood tests to monitor a HIV-positive person's immune system and the progress of ARV therapy. But the West Sumatra survey revealed that 80 percent of those surveyed could not afford CD4 blood tests, despite the fact that it is supposed to be for free.<sup>33</sup>

Even for those who can afford the bribes and exorbitant doctor's fees, challenges to get ARV medication are plentiful. ARV medications in Indonesia are not available in pharmacies upon presenting a prescription by a doctor. Instead, ARV medications have to be collected in specially assigned government hospitals.

Once ARV treatment begins, it is vital that there are no interruptions to the therapy, otherwise resistance to ARV will develop forcing patients to take more expensive second-line pills. Unfortunately, the ARV distribution system in Indonesia has suffered from supply problems and shortages. Imported ARVs are often stuck in government custody for months at a time, exacerbating existing supply issues.

Consequently, thousands of Indonesians living with HIV are now forced to return to hospital several times a month, if not a week, to see if the medication they need has arrived. Many patients are also forced to abandon treatment, sometimes for months at a time, while waiting for more stocks to arrive.

Additionally, many of the counseling and information services provided by the referral hospitals are inadequate and people trying to receive treatment are given the wrong information. According a 2007 Ministry of Health report, only 59.5 percent of the people taking ARVs received counseling on a regular basis. This has led to some people taking their medication incorrectly with others dropping out of treatment completely. "It is actually not HIV that kills us but the hospital administration," an Indonesian woman living with HIV told the *Report* under conditions of anonymity.

People with HIV/AIDS are more infectious without proper ARV therapy than if given proper care and they die from the infection. In the last year in Jakarta, the number of deaths due to AIDS-related illnesses has risen from 17 percent to 20 percent. A high-ranking

---

<sup>33</sup> Hendry Salfriandi. 2009. *Government Commitment: Role of Leaders to Increase Access for Quality PLWHIV in West Sumatra*. Bali: JCAAP.

official at the Sub-Directorate AIDS at the Ministry of Health, speaking to the *Report* under conditions of anonymity, claimed that this increase was mainly caused by the frequent stock-outs in the capital's hospitals. After years of setting up a distribution system for ARV medication, the Indonesian government cannot assure ARV treatment in the big, well-funded, teaching hospitals in Jakarta, let alone in other parts of Java or Outer Island Indonesia.

Meanwhile, the Indonesian government, especially the MoH, is busy engaging in far-from transparent activities with funds obtained from foreign donor agencies. Indonesian health officials, for example, have pushed for years to establish a local production industry for HIV/AIDS medications, arguing that the country has to strive for ARV self-sufficiency. While not much is known about the composition of locally produced medication—ARV generics re-packaged by Kimia Farma, a state-owned pharmaceutical company, do not fulfill the World Health Organization's pre-qualification standards—it is clear that producing ARV medication locally is an expensive option that seems to mainly increase the financial burden on the health infrastructure for Indonesians living with HIV/AIDS.

Costs for a bottle of Kimia Farma produced AZT/3TC pills, currently the standard therapy in Indonesia, was Rp 170,000 (US\$ 17.00), while UNICEF provided AZT/3TC pills amounted to costs of Rp126,000 (US\$ 12.60) per bottle, according to official data the *Report* obtained from the MoH. Kimia Farma products of importance to HIV/AIDS patients are also high. The Kimia Farma generic for Fluconazole, for example, an antifungal drug used in the treatment and prevention of superficial and systemic fungal infections, is 10 times as high as the generic version available in Thailand. While the Indonesian state slaps a 30%-40% import tax on ingredients needed to produce ARVs and other medications in Indonesia, the high prices are undoubtedly also a result of rent-seeking.

There is neither oversight over the production of Kimia Farma nor an incentives structure to produce cost-effectively. Kimia Farma is one of those state-owned companies providing opportunities to former state officials to fill their pockets for many more years after retirement. Of the current six members of the board (*komisaris*) of Kimia Farma, two are former military figures (Efendi Rangkuti and Dr Darmansyah) and one is a retiree from the Ministry of Health (Dr Syafii Ahmad). Corruption and rent-seeking in the close relationship between the MoH and Kimia Farma was made quite apparent by the arrest of former Health Minister Ahmad Sujudi on

22 August 2009 on charges of kick-backs for providing government contracts to Kimia Farma. Already in March 2009, the Corruption Eradication Commission had requested the Justice Ministry to block not only Sujudi from leaving the country, but to extend a travel ban request for Achmad Hardiman, Former Director General for Medical Services at the MoH, Sri Astuti, Director General for Medical Services at the MoH, and two former directors of Kimia Farma, Gunawan Pranoto and Suharno.

To sum up, Indonesia has failed in its prevention strategy while its treatment efforts are characterized by inefficiency, frequently out of stock medications, and medications sold at above-market prices due predatory taxes, corruption and rent-seeking. So far, the Indonesian government has pocketed in more than US\$400 million of foreign money to deal with HIV/AIDS, paid mostly by North American and European tax payers. Another US\$ 130 will soon be made available through the Global Fund. The costs of the damage done to the Indonesian population can only be imagined. □



## PRESENTATION

### Panel Discussion: Security and Terrorism

*Following the 17 July bombings in Mega Kuningan, the Executive Network (TEN) invited a panel of experts on issues of security and terrorism to discuss the current situation.*

*The discussion began with Nick Duder, the president director of Hill & Associates in Indonesia, and currently head of the Risk Reporting Practice. Duder presented security advice for businesses and individuals.*

*Sidney Jones, senior adviser for the International Crisis Group's Asia program, discussed current information regarding the attacks on 17 July, including recruitment techniques and networks of the suspected mastermind, Noordin M. Top.*

*Noor Huda Ismael is executive director of the International Institute for Peacebuilding and graduate of the Al Mukmin school in Ngruki, where he shared a room with one of the first Bali bombers. Huda published a prescient feature in the June 2, 2009 Report in which he warned of the continuing danger posed by Jemaah Islamiyah (JI) splinter groups. Huda discussed aspects of the bombing that point to an evolution in tactics used by the bombers and indicate that Noordin's network is wider than was previously believed.*

*Minister of Defense Juwono Sudarsono gave the final remarks before the panel took questions from TEN guests. Minister Juwono stressed the importance of improving social welfare and combating corruption in the fight against terrorism.*

**Nick Duder:** My brief today is on the impact of the Marriot and Ritz Carlton bombings on corporations and individuals and how they can respond. My client concerns predominantly focus around a number of key issues. Such as: Are their corporations a target? How can they protect their businesses and their people, assets,

reputations? What is the possible impact on customers who no longer want to attend their premises and on the security of dependents, especially of expatriates who aren't familiar with the city.

The answer to all those concerns is having both proactive measures in place to prevent becoming a victim: lowering your profile. The other way is more reactive measures that include business planning and continuity planning.

Let's look at protection of businesses. Essentially, being informed is critical. You must understand what is happening in the environment through the media and from organisations that put out daily advisories or look at specific issues.

---

**“IN THEIR THINKING, THE  
BUSINESS COMMUNITY IS  
PERSECUTING MUSLIMS  
AROUND THE WORLD.”**

---

On the other hand, you have to be very careful about the information. There were some SMSs going around that caused consternation in the community and resulted in people moving out of hotels. Information about risk has to be managed. If you are

receiving information, it is better to triangulate it with other sources so you're not overly dependent on one.

The next step is staying alert and security awareness. This is usually done by means of briefing and trainings for both expatriate and national staff. We often are provided with lists of potential targets. What you have to do is take it upon yourself and decide for yourself whether you want to go to some of these events and venues. Lowering your profile is just being sensible.

As for reactive measures, currently we are tasked to look at measures in offices, hotels and residences. This is certainly the first line of defense, not just the physical measures but procedural measures. Security personnel must understand their roles and responsibilities and understand how to use their equipment. Businesses should control who has access.



This was highlighted with the recent attack at the hotels. It is important to know who you have in your organization and who are your suppliers and vendors, who are being allowed entry into your organization.

Moving on to emergency response plans. Many companies often have safety places for building evacuations and fires. These need to be constantly reviewed, updated and rehearsed. Businesses need to make sure that their own building management has these procedures and you need to feel comfortable with them and feel that they are complimentary to your own procedures and that they are rehearsed.

On the more reactive side, if something were to occur, you need to be able to get back up to speed with minimum damage in terms of revenue, personnel, and reputation. This is where your emergency response plans come into place. Having a crisis management team who can manage such an event, having a location where you can manage the incident and also having emergency response plans for each likely eventuality. Historically, many organisations have these but they just sit on shelves, so they need to be rehearsed and practiced.

I remember in 1998, there were mass evacuations from the country. It was the companies that had plans that were able to time their departure appropriately so that they were not caught on airport roads. Their procedures had been rehearsed so it was almost routine for them. Whereas for those companies who didn't, there was panic, people got caught up in the wrong place at the wrong time.

In terms of security of dependents, if you're part of a corporation you are sitting in offices with good security, while the most vulnerable are often your spouse and your children who are often out and about in the city.

They should be reporting in on their movements, and keeping in regular contact, having emergency numbers

on speed dial, to their spouse and to relevant contacts who may be able to assist them in an emergency. Have preferred hospitals identified, and keep regular contact with embassies. Many expatriates are part of warden systems. Make sure you're a part of those and that you're being contacted and are participating in them.

Schools are another area of concern. Many schools are proactive and have good measures in place, but people are most vulnerable at entrance and exit points to the schools where traffic can get built up. So the schools may be well protected but you may be vulnerable somewhere else and you need to try to manage that as best you can.

**Sidney Jones:** I'll go through a bit about what we do and don't know about Noordin and his group. No one knows with any exactitude how big Noordin's network actually is. He broke away from JI in 2003-2004 and he's been able to recruit from different groups that have different geographical bases in Central and East Java. He has also drawn routinely from a faction of

Darul Islam in the Banten area known as Ring Banten, a group of about 200 people. This is the group that he drew on as field operatives for the Australian Embassy bombing and the first Bali bombing by Mukhlas Samudra. I don't think that all 200 members of that group who would be interested in taking part [in

his operations], but what he can do is recruit from a variety of different malcontents and Ring Banten is certainly one.

For every operation Noordin has undertaken, he has been able to specifically recruit people. This looks like what happened with Dani, the 18-year-old [suicide bomber in the 17 July attack]. There are new people who come into the network within 4-5 months of their initial contact with the group. Every person who gets recruited, gets recruited through direct face to face interaction with someone from within that network. There's a lot of talk about self-radicalization over the

---

**“THEY WANT ATTENTION  
AND THEY WANT, IN  
THEIR WORDS, FOR  
WESTERN NATIONS  
TO TREMBLE.”**

---

internet. There's no tradition of that here: it doesn't happen. People are directly in contact with people who are already active in one of these networks.

If you look at the sophistication and coordination of both the hotel bombings with this plan to attack Cikeas— and there's a lot we still don't know about that second plot— you're dealing with a minimum of 20 people. Getting the financing, doing the surveillance, doing the logistics, renting the supplies, renting the house and so on, this is not just a small group of four or five people.

In terms of the financing, with this kind of coordination and sophistication, there had to be money from outside the group. We don't know if it was from inside or outside Indonesia but this looks like it can't just be the group itself raising funds through armed robberies. Finding the money trail and understanding how it works is going to be a critical part of this investigation.

This also has implications because Noordin calls himself *Al Qaeda Indonesia*. If it turns out that there was any outside funding in this, it means that if Noordin was arrested, or even if his whole inner circle is arrested, and taken out of circulation, those outside donors could be looking for new partners in Indonesia and there are other partners to work with. So knowing where the money is coming from is critical.

In terms of targets, it's quite interesting that Noordin very much follows at one level the Al Qaeda fatwa from February 1998 which urges all Muslims to make war on America and its allies however, whenever, and wherever possible. And that means that in their thinking it's not just symbolic landmarks with an American or Western name but it's also civilians and the military who are paying taxes and who are funding the war machine and who, in their view, is killing Muslims in Iraq, Afghanistan, Palestine and so on.

There's a lot of literature that Noordin or people around Noordin have written or translated from the Arabic about the hegemonic control of the business community. So it's clear that in their thinking, the business community is persecuting Muslims around the world. This came up in the second Bali bombings when the planners said they wanted to go to Jimbaran, and not Kuta, because it was more likely to have members of the foreign business community in Jimbaran, not just young tourists, and their deaths were believed to have a larger impact.

Another thing the planners of the second Bali bombing said was that the only two places really worth attacking in Indonesia were Jakarta and Bali because those are the only two places with international media coverage. They want attention and they want, in their words, for Western nations to tremble. They are proud of their ability to cause fear, and they

write about this notion of causing fear as one of their goals.

Another target that hasn't gotten much attention is the *taghut* which is used to describe Muslims who have somehow betray the faith by allying with enemies of Islam. If SBY or any other government official is seen as pro-Western or sympathetic to Americans or Australians they can immediately be put in the *taghut* category. There's also been some suggestion that SBY might have become a target in retaliation for the execution of the Bali bombers. The group in Palembang arrested in August 2008 were discussing, but never got around to planning, the bombing of the Supreme Court in retaliation for the [execution of the] Bali bombers. So we've had various discussions in the radical community of carrying out attacks against *taghut*. We've heard of discussions of targeting Megawati, once when she was president and once when she was vice president. So the idea of attacking an Indonesian official is not new.

---

“NOORDIN’S GROUP  
UNDERSTANDS TARGETED  
ASSASSINATION AND  
HAS EXPERTS IN SHARP  
SHOOTING AMONG  
ITS MEMBERS.”

---

One of the big issues for many people is why Noordin has not been caught when he's been at large in Indonesia now for seven years. He came to Indonesia in early 2002 and he has been on the run ever since from the Malaysian government and, since the first Marriott bomb, from the Indonesian government. In addition to the numbers of people in his network, which if you're just considering plans for things we've seen thus far, we're talking maybe twenty people, the network has got to be larger than that, so maybe at a minimum 30-40.

Then there's a network of supporters around him who will not turn him in, who provide assistance like accommodation even when they don't agree with what he's doing. The strongest network is schools affiliated to JI where some teachers recruit students through extra curricular activities. There's nothing the government could do or should do to shut down these schools because there's nothing criminal going on inside them. If you look at the pattern of who takes part in these activities, over and over again you get schools within this network of 50 coming up.

Figuring out a way to address the problem of these schools is critical. This is a population potentially vulnerable to recruitment and a place where extremists have shelter. It takes just one person visiting a school for a period of two weeks to recruit someone new. We saw this in Palembang.

The director of the school was opposed to Noordin-style of violence, but he had two visitors that he put up because they were being hunted by the police. Those two visitors in a relatively short period of time were able to radicalize some of the others in the school.

Figuring out who should be responsible for these schools, what kind of programs of engagement you can undertake to draw out some of the student population into other more constructive activities is something

that has got to be thought through. If we don't address it, we are going to see another generation of potential leaders coming out of these schools.

While we've had mostly bombings in Jakarta and Bali thus far, you should remember that in Poso in Central Sulawesi, which was a vital recruiting area for JI and several other radical groups, targeted assassinations were common. They targeted informers, and their local enemies: Christian priests, police officials, and others. Because no foreigners were killed, except for one Italian tourist in August 2003, nobody paid attention to that as a method. But this group understands that method, has experts in sharp shooting among its members, and that shouldn't be discounted as something that may be used, even if it hasn't been used in Jakarta or Bali.

**Noor Huda Ismael:** I found several aspects of the recent bombings disturbing. First, they were employing sleeper cells who were waiting for the right moment to deploy. Also, in the past, what was usually used was a truck from outside and now they use someone inside despite all the surveillance.

The third thing is that we learned new names that we had never heard before. The guy named Ibrohim, who is he? This suggests that Noordin Top's network is larger than we had assumed in the past. There is evidence that Noordin has

managed to transfer his recruitment skill so he doesn't need to do recruitment himself. He can just ask someone else to do it and then he can just apply the finishing touches.

A friend of mine shared the same mosque as one of the suicide bombers. He talked with him and considered him to be a very nice individual. Within two months, he left without any news. My friend was shocked to learn that the man who used to sit by him in the

---

“CORRUPTION IN PUBLIC  
OFFICE AND PRIVATE  
SECTOR TENDS TO  
EXACERBATE THE NOTION  
OF RELATIVE DEPRIVATION  
IN THESE YOUNG PEOPLE,  
PARTICULARLY IF THEY ARE  
AT THE FRINGE OF SOCIETY.”

---

mosque was actually one of the suicide bombers. In only two months, this individual was transformed into a suicide bomber.

How has Noordin evaded arrest? First, he enjoys support from society, from those who believe that Noordin is a *mujahideen*, a fighter for Islam. Also, in Islamic tradition, he is a guest, and in Islam, you have to respect the guest for at least three days. If not yourself, you must pass on the guest to someone else. That's tradition. Noordin moves from location to location only through recommendation from his trusted members. He only chooses based on a recommendation and then cross-checks. Individuals close to Noordin can earn his trust by participating in any violent activities.

Unreconciled jihadis who are released from prison can re-energize the movement. There are some 200 who have been released but I don't think they will all want to return to play in the game. The guy who was killed in the raid in Bekasi was actually arrested briefly and then released. Because he was only kept for a short period of time, other members of the group wondered if he had not made a deal with the police. Then he couldn't go back to the mainstream JI because he was tainted—he had revealed the secrets of the organization to the police. So he could no longer be a part of the mainstream JI or part of society.

**Minister Juwono:** My feeling after reading the reports of last night and this morning is that it's sad that these young men fell into this state of despair. One of the concerns in the Ministry of Defense is to encompass the notion of social justice as part of our defense. That means we must consider the 33 million Indonesians who live on less than a dollar and half a day, those who are not employed, the 3 million of them who are mostly young Muslims who do not have the skills or opportunity to climb the social ladder and who are prone to be attracted to radical ideologies—whether those ideologies are secular or religious.

We are now trying to recalibrate the role of the defense force, particularly of the army and special forces, who had been very successful in the past at anticipating

terror. The territorial command was instrumental in successfully anticipating acts of terror by groups from the extreme right and extreme left in the past.

Now in our democracy with accountability and rule of law, we have yielded the role to civil authorities. The police, the attorney general's office, and the courts are point lead agencies to deal with acts of terrorism.

Underlying all of this are the roots causes that lead these young men to acts of violence. One is the inequity of development. Not every young man in this country will have the opportunity and skills to thrive in this era of instant globalization and instant deprivation. If you don't have the skill, then you won't be able to make it which is one of the reasons why in these cases, you can see that it is desperation, poverty, marginalization, social, economic and cultural that makes them attracted to these handlers.

The second cause is the corruption in the public office and private sector that tends to exacerbate the notion of relative deprivation in these young people, particularly if they are at the fringe of society and have no chance within their lifetime of making it up the social and economic ladder. Poverty by itself does not ultimately lead to people resorting to violence, but poverty among Muslim youth can be a justification used by extremist groups to act on their behalf and to attract some of them.

### Questions from the floor

*Sidney Jones asks Minister Juwono about the role of Kopassus in the anti-terror efforts.*

Minister Juwono: Kopassus has a problem of image which of course concerns the President especially now that his brother-in-law is the head of Kopassus. The president has been very careful in limiting the role of Kopassus. The president has been careful to put the civil authorities in the forefront in the war against terror.

On the other hand, the last five days have shown the danger of the president being the target of an



assassination plot, so perhaps it's time the special forces took charge of security of the president, which is their discrete and proper role— by law the military is in charge of the president's safety.

*H.S. Dillon asks about decentralized development and its relationship to poverty and terrorism.*

**Sidney Jones:** I would take issue a bit with the idea that people are turning to these groups out of desperation and poverty because the bulk of the evidence suggests that that's not the key factor. Even suicide bombers, the dispensable ones, can be middle class or lower middle class. The bomber at the Marriott hotel certainly wasn't the poorest of the poor: he owned a Xerox kiosk. Of the three suicide bombers in the second Bali bombing, two were probably affected by poverty, but one had gone through a succession of JI schools and was at least better educated than the other two.

If you look at why people join these groups, there isn't one explanation. It varies tremendously. If you look at who joined in Poso, they joined for clear reasons: grievances, a sense of injustice, they had lost their relatives and didn't believe there was fair prosecution, or they had lost their property. But that's a very different group than those who were recruited from West Java and Central Java. Even the people who were recruited in Central Java were recruited for different reasons, and very frequently, it's family members drawing other family members in. In the end, family links may become more important than any economic factor.

*Zabantu Ngoobo, Counsellor of the Embassy of the Republic of South African: Does the oxygen of publicity act as a trigger for terrorist acts?*

---

“THE CONVICTED BALI  
BOMBERS DON'T HAVE  
A RIGHT TO BE GIVEN  
ACCESS TO THE *BBC*  
AND *AL JAZEERA*.”

---



---

“I AM CONCERNED ABOUT  
NOORDIN BECOMING A  
ROBIN HOOD FIGURE  
FOR YOUNG PEOPLE  
WHO ARE ATTRACTED  
BY HIS TACTICS.”

---

**Sidney Jones:** I remember reading a deposition of one of the people arrested for his role in the Australian embassy bombing and he noted that the first time he was introduced to Noordin, Noordin came out of the room in the safe house and said, 'Hi, see this headline,' and he was holding with pride a paper that said something like 'Noordin Top, Most Dangerous Man in Southeast Asia.' To the extent that

that kind of publicity feeds the legend of the elusive Noordin Mohammad Top, the sexier in some ways his role becomes. A deposition from the Palembang group had a man from Noordin's network meeting with someone from Palembang and he said, 'When you go back to Palembang, tell your members that you met Noordin because you'll have greater credibility.' So, I think the oxygen issue is right.

I've worked in human rights all my life and defended freedom of expression all my life but there's no right that the convicted Bali bombers be given access to the *BBC* and *Al Jazeera*. It's perfectly within the capacity and the ability of the Indonesian government to say that's one area where the press cannot have access. It's not a right of suspects to be interviewed by major media. Likewise, when serious security operations are underway, it's perfectly within the rights of the Indonesian government to limit media access to operations taking place.

**Minister Juwono:** In this era of democracy, we have to live with freedom of the press. My concern is not so much in catching Noordin Top. I am more concerned with his example as a Robin Hood figure, that might catch on among young people who are attracted by his tactics, by his publicity as a figure fighting against injustice. Even if he is arrested in the next couple of

weeks, the legacy of his resistance against this ‘infidel’ government, against injustice, would probably be attractive for young people. As I said earlier, it’s not so much poverty as a direct cause, but it’s used by the educated and skilled as a way of recruiting.

*James Van Zorge: If we know where these roughly 50 pesantren are that are linked to JI and are recruiting pools for Noordin, why doesn’t the government shut them down?*

**Minister Juwono:** I think that would be the very last thing that I’d do. That’s the way to recruit more and more people—it will inflame and increase the oxygen of publicity. The best way to illustrate that is with Abu Bakar Ba’asyir, who 5-7 years ago was using the media as a way of projecting himself as this leader of Jemaah Islamiyah and was able to attract so many young people. I believe that the actual conditions within Ngruki itself, they didn’t actually respect Abu Bakar Ba’asyir. Now, he’s a spent force. Take away the oxygen of publicity and he’s finished. The school itself is not the problem. Noor [Huda] is evidence that you can overcome what many people believe to be a nest of terrorists.

**Noor Huda Ismail:** It comes down to freedom of speech. I may hate what you say but you must have the right to say. You still have the Ku Klux Klan in America, even with a black president. I love living in Indonesia where you have a frenzy of different ideas. This is the price we have pay in a democracy. Many students died in the fight for this democracy. I don’t want to go back to the way things were during the Suharto era.

*H.E. Victor Zmeter, Ambassador of Lebanon, asks about state intervention in education programs to increase the availability of programs not focused on religious training, and about dissemination of radical ideologies.*

**Sidney Jones:** Indonesia has been great at the law enforcement side. But what is more difficult is how we

counter some of these teachings. It’s difficult because we have to understand where the geographical areas are—where there are vulnerable pockets where the ideology has stronger roots than elsewhere.

There could be pilot programs developed to target youth with other activities and to work with people who run the mosques in these areas, and to establish enterprises that would provide people coming out of those schools with career options. You have to do it in a very targeted way because you can’t just throw it out there and hope that it will succeed. For example, we’ve seen the government try to counter radical interpretations of jihad

with other interpretations but if they aren’t read, there’s no point.

You can buy magazines of JI monthly outside of the mosque across the street from my office, along with the one sheet fliers from Hizbut Tahrir and the one sheet flyer from Darul Islam. The scope and outreach of the message that we want to counter is just enormous. □

---

“WHY CAN’T THE  
GOVERNMENT SHUT  
DOWN SCHOOLS LINKED  
TO JEMAAH ISLAMIYAH?”

---



**Van Zorge Report | The Executive Network**

**PT Mitra Dinamika Abadi**

*Sequis Center (S. Widjaja) 8th & 10th fl | Jl. Jendral Sudirman Kav. 71 | Jakarta 12190 - Indonesia  
Phone: (6221) 5290 3993 | Fax: (6221) 5290 3996 | Website: [www.vzreport.com](http://www.vzreport.com)*