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NEW DIRECTIONS FOR INDONESIA-SINGAPORE RELATIONS

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Indonesia-Singapore relations have been jostled out of its comfort zone of predictability and stability where they had nestled since the 1970s by the shocks that have ripped through Indonesia since the 1997 financial crisis. These were the collapse of Suharto's highly centralised regime, the decline of *Golkar* and the military's hegemony in the political process, and the emergence of political Islam.

Bilateral relations are in transition between the Suharto era structures and the uncertainty surrounding the new social and political forces emerging in the post-Suharto era. Can a new set of beliefs influence the bilateral relationship? How will such ideas over time influence changes to existing rules and norms?

Strains in Bilateral Ties

Relations between Indonesia and Singapore were subjected to severe stresses and strains during the brief and turbulent presidencies of B. J. Habibie and Abdulrahman Wahid. The reasons had more to do with the crisis of confidence in Indonesia and the displacing of the TNI's central role in foreign policy, than any bilateral issue. They also reflected unrealistic expectations among Indonesian leaders of the assistance that Singapore could provide Indonesia during the economic crisis. While relations have improved and settled down to an even keel under Megawati Sukarnoputri's administration, the relationship continues to be fragile, again because of poor conditions within Indonesia and a desire to discuss bilateral issues which were put on the backburner during the Suharto era.

Perpetual "Muddling Through"!

President Megawati's tenure of office may have one redeeming feature: it has not been marred by the instability and uncertainty that has marked her predecessors' administrations. However, Megawati's declining popularity prompts observers to question whether her prospects for holding on to the presidency are dwindling. If Megawati were to be voted out of office who would or could take over?

With the leaders of major political parties tainted by corruption scandals or criminal charges, and the smaller parties lacking finance and organization to become serious contenders, the search for an "acceptable" candidate my be elusive. By default, Megawati, despite her indecisiveness and lack of leadership skills, may win the 2004 election in the

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absence of serious competition.

A Looming Crisis

Indonesia has muddled through five years of poor governance. Can it afford another seven years of "muddling through" if President Megawati stays on for another five years in 2004? At some point, governance by "muddling through" will become unsustainable and a major discontinuity will result exacerbating the cracks already evident in Indonesia's body politic. As the terrorist attacks and threat have starkly highlighted, Singapore cannot be insulated from what goes on in Indonesia. It is pertinent to ask, what would be our response if Indonesia were embroiled in another crisis?

Should we just wait it out and search for a new leader whose mindset and temperament closely matches Suharto's? Or hope that someone from the TNI would seize power, with the argument that a country the size of Indonesia cannot be democratically governed? Or, cognizant of the size differential between our two states, declare that there is little Singapore can do to assist an Indonesia in crisis?

Uncertainties can lead one to rely on commonly held beliefs as guides to action even if those ideas do not lead to benefits for the overall bilateral relationship. First, the belief that there is a paucity of leadership talent in Indonesia. Singapore's perceived obsession with picking "winners" makes little sense in a fluid political environment where the absence of strong leadership will be normal in the short to medium term. Second, Indonesians do not want to return to the militaristic structures that became the norm during the New Order era. Furthermore, the post-Bali investigations will increase the profile of the Police, thereby raising the prospect that a more assertive and confident Police will contest the TNI's hegemony in the provision of domestic security. Legislation demarcating the responsibilities of the two security forces promulgated in 1999 accords the Police with principal responsibility for internal security. Singapore's special relationship with the TNI is important and must be cultivated. However, the TNI should now be seen as one part of the sum total of our relationships with the new socio-political forces emerging. Third, if the "muddling through' scenario continues, there is every likelihood that a crisis will be inevitable. A failing Indonesia would not only be detrimental to Singapore but would have adverse consequences for the security of Southeast Asia. In the context of such challenges, can we afford to adopt a reactive foreign policy stance?

Why Bilateral Relations Won't Improve

Singapore's preoccupation with the economic aspects of the bilateral relationship frames our understanding of what we think may be best for Indonesia. The two major economic initiatives in 1998 and 2000 crafted to stimulate the Indonesian economy, though well-meaning, brought with it the unwanted perception that on the one hand, Singapore was overly cautious in its prescriptions, but on the other, was unable to *deliver* on its initiatives.

Such great expectations on the part of the Indonesian people, whether warranted or not, coupled with a catalogue of differences ranging from Singapore's poor understanding of Islam; its reluctance to sign an extradition treaty; environmental damage owing to sand mining in Riau; the maritime boundary problem with Indonesia in relation to its land reclamation projects; the issue of Indonesian citizens who have served national service; the treatment of Indonesian domestic maids; and the comments made by Singapore leaders over

the terrorist threat posed by militants based in Indonesia; have done little to assuage the Indonesian public's annoyance at Singapore's perceived "arrogance". Faced with such obstacles, how can we overcome discontinuities in bilateral relations?

It is hard to envisage under present conditions how bilateral relations can be improved. However an important principle needs to be enunciated. The excellent economic cooperation between the two countries in the Riau Archipelago could only be attained with a confident Indonesia. Such a condition was evident in the 1980s when Suharto grew progressively confident in the bilateral relationship. Without such self-confidence, insecurity would characterise the bilateral relationship, as the perceptions of Singaporean exploitation of Indonesia shape Indonesian mindsets. Such mindsets in time will be socialised in the younger generation of leaders and at some point institutionalised, as Indonesia's worldview and causal beliefs change with *reformasi*. Singapore needs to be proactive to prevent such perceptions taking root in the Indonesian body politic.

Institution Building: The Way Ahead

How do we break free from such perceptions? While win-win economic opportunities must be emphasized, foreign policy should not be based predominantly on investment relations but should seek as its new focus an emphasis on building institutions and institutional capacity. It is through institutions in both the government and NGO sectors that the next generation of Indonesian leaders will emerge. More effort should be made in this aspect to create an environment where ideas can affect policy by providing principled or causal road maps. A programme targeted at building institutional capacity particularly in areas of governance and public policy in Indonesia would be useful starting points to influence ideas and mediate policy outcomes.

While many of the thorny bilateral issues may seem intractable, opening more channels for dialogue may create better understanding. Through such dialogues, we could enable Indonesia to better understand that Singapore is no longer the "vulnerable" neophyte state that emerged by caesarean section of Malaysia in 1965, and that it should treat Singapore as an equal and accept its unique role as a financial and business hub. Singapore on its part must quickly grasp the enormity of changes that have taken place in post-Suharto Indonesia and seek to absorb these changes by going beyond developing close ties with political and business elites to reach out to the broadest spectrum of Indonesians possible, and develop a new causal map for better bilateral relations. In this regard, ideas developed in interactive institutions may in time become institutionalised thereby playing a role in generalising rules and linking issue areas.

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