

24/07/2001

Time for Asean to help out

INDONESIA was waiting for the moment, for President Abdurrahman Wahid to declare a state of emergency, and then for the logical consequences of such an action to unfold. The moment could have sent Indonesia either way; in the end, it did not go as Gus Dur had hoped it would: the army refused to back him and the emergency order was largely ignored. Fortunately, there was no immediate violent backlash as feared, and share prices even went up by 2 per cent. The situation appears to be under control. Now a new President of Indonesia has been installed.

The circumstances surrounding yesterday's events represent a situation that most Malaysians have not even begun to understand. Such politics has never had a place in their country and is not likely to be given one anytime soon. Yet, Malaysians must be reminded that it was not long ago that some quarters had aspired to emulate Indonesia's infamous reformasi movement that ended Suharto's regime, the same movement that brought down B.J. Habibie and replaced him with Gus Dur. That Suharto's rule had brought about some of Indonesia's best economic achievements did not seem to matter. Indonesia's reformasi had found him guilty of corruption, cronyism and nepotism. Malaysia's pale version of reformasi had also wanted to bring down Prime Minister Datuk Seri Dr Mahathir Mohamad's Government by way of streets riots and mob violence. Fortunately, most Malaysians held on to their faith in the ballot box. That more than anything else saved their country from going down Indonesia's way.

So as Malaysia deals with residues of the 1997 regional financial crisis, Indonesia is still living out the turbulence; this despite the assistance of the International Monetary Fund (IMF) and the World Bank. The republic's economic woes have, in fact, worsened since it agreed to allow the IMF to help. Jakarta implemented all kinds of economic reforms only to be told by the IMF and the World Bank that it was not doing enough and, therefore, will not be getting the billions of dollars earlier promised under the rescue package. It was a terrible blow for a nation that had lost over 20 million jobs in a matter of months and billions in investment and capital flight. Even after Suharto had to step down as president (the IMF later claimed credit for this development), the situation continued to deteriorate.

Megawati Sukarnoputri now inherits these problems from Gus Dur, and from Habibie before him. Economically, Indonesia faces a major crisis of confidence. The foreign correspondents in Jakarta had been hinting that investors wanted Megawati to replace Gus Dur, but it is unlikely that foreign direct investment will now return in a hurry. Let's not forget the euphoria when Abdurrahman was sworn in as president in October 1999. Until today, the rupiah has remained sickly, the economy is not expanding, jobs continue to be scarce, and no new wealth is being created.

Chances are Indonesia will continue to depend on the IMF and the World Bank, and Megawati will continue with the reforms they demand. But Indonesia's woes will remain, until and unless its own neighbours wake up and lend it a helping hand. So far, the other members of Asean have allowed the IMF and the World Bank to dictate terms from Washington. It is abundantly clear that not only have the two world bodies been of little help, but their policies have also brought more sufferings to the people of Indonesia. Asean must stop watching from the sidelines. It used to condemn Europe for watching and not acting against the massacre of Muslims

in Bosnia-Herzegovina by the Serbs. It also slammed the Islamic Organisation Conference for not being more pro-active in the Iraq-Kuwait crisis. If members of Asean are not willing to move in and help Indonesia and the new president, they should stop pretending that they belong to one and the same grouping.

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