

Three Contexts Of Terror In Indonesia

by Donald K. Emmerson

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Last Friday's attack on the Marriott hotel in Jakarta has, for me, a personal aspect, alongside its economic and political repercussions.

This is personal. Jim Castle is a friend of mine. I have known him since we were graduate students in Indonesia in the late 1960s. While I labored in academe he went on to found and grow CastleAsia into what is arguably the most highly regarded private-sector consultancy for informing and interfacing expatriate and domestic investors and managers in Indonesia. Friday mornings he hosts a breakfast gathering of business executives at his favorite hotel, the JW Marriott in Jakarta.

Or he did, until the morning of July 17, 2009. On that Friday, shortly before 8 am, a man pulling a suitcase on wheels strolled into the Marriott's Lobby Lounge, where Jim and his colleagues were meeting, and detonated the contents of his luggage. Almost simultaneously, in the Airlangga restaurant at the Ritz Carlton hotel across the street, a confederate destroyed himself, killing or wounding a second set of victims. As of this writing, the toll stands at nine dead (including the killers) and more than 50 injured.

Upon learning that Jim had been at the Marriott, I became frantic to learn if he were still alive. A mere 16 hours later, to my immense relief, he answered my email with excellent news. He was out of the hospital, having sustained what he called "trivial injuries," including a fortunately temporary loss of hearing. Of the nearly 20 people at the roundtable meeting, however, four died and others were badly hurt. Jim's number two at CastleAsia lost part of one leg.

The Marriott had been bombed before, in 2003. That explosion killed 12 people. Eight of them were Indonesian citizens, who also made up the great majority of the roughly 150 people wounded in that attack – and most of these Indonesian victims were Muslims. This distribution undercut the claim of the country's jihadist fringe to be defending Islam's local adherents against foreign infidels.

But if last Friday's killers hoped to gain the sympathy of Indonesians this time around by attacking Jim and his expatriate colleagues and thereby lowering the proportion of domestic casualties, they failed. Of the 37 victims whose

names and nationalities were known as of Monday following the event, 60 percent were Indonesians, and that figure was almost certain to rise as more bodies were identified. The selective public acceptance of slaughter to which the targeting of infidel foreigners might have catered is, of course, grotesquely inhumane.

This is economic. Since Susilo Bambang Yudhoyono (SBY) was elected president in 2004, Indonesia's real GDP has averaged around 6 percent annual growth. In 2008 only four of East Asia's 19 economies achieved rates higher than Indonesia's 6.1 percent. In the first quarter of 2009, measured year-on-year, while the recession-hit economies of Malaysia, Singapore, and Thailand all shrank, Indonesia's grew 4.4 percent. In the first half of 2009, the Jakarta Stock Exchange soared.

The economy is hardly all roses. Poverty and corruption remain pervasive. Unemployment and underemployment persist. The country's infrastructure badly needs repair. And the economy's performance in attracting foreign direct investment (FDI) has been subpar: the \$2 billion in FDI that went to Indonesia in 2008 was less than a third of the \$7 billion inflow enjoyed by Thailand's far smaller economy, notwithstanding Indonesia's far more stable politics. Nevertheless, all things considered, the macro-economy in SBY's first term did reasonably well.

We may never know whether the killer at the Marriott aimed to maximize economic harm. According to another expat consultant in Jakarta, Kevin O'Rourke, the day's victims included 10 of the top 50 business leaders in the city. "It could have been a coincidence," he said, or the bombers could have "known just what they were doing."

Imputing rationality to savagery is tricky business. But the attackers probably did hope to damage the Indonesian economy, notably foreign tourism and investment. In that context, the American provenance and patronage of the two hotels would have heightened their appeal as targets.

Second-round revenge against the Marriott may also have played a role – assaulting a place that had rebuilt and recovered so quickly after being attacked in 2003. Spiteful retribution may have influenced the decision to re-attack the Kuta tourist area in Bali in 2005 after that neighborhood's recovery from the carnage of 2002. Arguable, too, is the notion that 9/11 in 2001 was meant to finish the job started with the first bombing of the Twin Towers in 1993. And in all of these instances, the economy – Indonesian or American – suffered the consequences.

Panic buttons are not being pushed, however. Indonesian stock analyst Haryajid Ramelan's expectation seems plausible: confidence in the economy will return if those who plotted the blasts are soon found and punished, and if investors can be

convinced that these were “purely terrorist attacks” unrelated to domestic politics – the third and final context I wish to discuss.

This is political. Sympathy for terrorism in Indonesia is far too sparse for Friday’s explosions to destabilize the country. But they occurred merely nine days after SBY’s landslide re-election as president on July 8, with three months to go before the anticipated inauguration of his new administration on Oct. 20. That timing ensured that someone would speculate that the killers wanted to deprive the president of his second five-year term. The president fed this speculation at his press conference on July 18, the day after the attacks. He brandished photographs of unnamed shooters with handguns using his picture for target practice. He reported the discovery of a plan to seize the headquarters of the election commission and prevent his victory from being announced. “There was a statement that there would be a revolution if SBY wins,” he said. “This is an intelligence report,” he continued, “not rumors, nor gossip. Other statements said they wished to turn Indonesia into [a country like] Iran. And the last statement said that no matter what, SBY should not and would not be inaugurated.”

Had Yudhoyono lost the election, or had he won it by only a thin margin, his remarks might have been read as an effort to garner sympathy and deflect attention from his unpopularity. The presidential candidates who lost to his landslide, Megawati Sukarnoputri and Jusuf Kalla, have criticized how the polling was done. And there were shortcomings. But even without them, Yudhoyono would still have won. In this context, speaking as he did from a position of personal popularity and political strength, the net effect of his comments was probably to encourage public support for stopping terrorism.

One may also admire the calculated vagueness of his references to those – “they” – who wished him and the country harm. Not once did he refer to Jemaah Islamiyah, the network that is the culprit of choice for most analysts of the twin hotel attacks. Had he directly fingered that violently jihadist group, ambitious Islamist politicians such as Din Syamsuddin – head of Muhammadiyah, the country’s second-largest Muslim organization – would have charged him with defaming Islam because Jemaah Islamiyah literally means “the Islamic group” or “the Islamic community.”

One may hope that Din’s ability to turn his Islamist supporters against jihadist terrorism and in favor of religious freedom and liberal democracy will someday catch up to his energy in policing language. Yet Yudhoyono was right not to mention Jemaah Islamiyah. Doing so would have complicated unnecessarily the president’s relations with Muslim politicians whose support he may need when it comes to getting the legislature to turn his proposals into laws. Nor is it even clear that Jemaah Islamiyah is still an entity coherent enough to have, in fact, masterminded last Friday’s attacks.

Peering into the future, one may conclude that the bombings’ repercussions will neither annul Yudhoyono’s landslide victory nor derail the inauguration of his next administration. Nor will they do more than temporary damage to the Indonesian economy. As for the personal aspect of what

happened Friday, while mourning the dead, I am grateful that Jim and others, foreign and Indonesian, are alive.