IMPLICATIONS OF THE INFORMAL SECURITY SECTOR FOR BROADER STATE BUILDING PROCESSES IN INDONESIA: DILEMMAS FOR POLICY AND GOVERNANCE

A Research Report for the Australia-Indonesia Governance Research Partnership

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This study has involved targeted field work in Indonesia during 2007 but also draws on the work of several larger and ongoing research projects dealing with informal security groups and militia in Indonesia (Ian Wilson), policing and police reform in Indonesia (Adrianus Meliala) and governance, politics and markets (Richard Robison).

Two workshops were held in Jakarta in November 2007 where preliminary findings were presented. The first, held at the University of Indonesia attracted a largely academic audience and involved discussion of broader aspects of political and governance issues. The second, held at the College of Police Science (PTIK) drew an audience that included junior and senior police officers and representatives of private security companies and was largely focused on the more policy-oriented aspects of the problem.

The study has received widespread attention in the Jakarta media where several reports and interviews have been published in leading newspapers such as Kompas, Republika, Koran Tempo and Media Indonesia.

An executive summary of the project was presented at the AIGRP Forum in Jakarta on 3 December 2007.
Executive Summary

Organisations in the arena of security and protection have proliferated in post-Soeharto Indonesia. Operating at the margins of formal legal or regulatory frameworks, their unpredictable and unaccountable nature is of increasing concern to the Indonesian public. Their growth presents increasingly complex problems for policy-makers. Often deeply embedded within political organisations, they provide critical resources to powerful political and business interests. At the same time, they are more autonomous of organised state control and direction, representing an increasingly privatised sector of power.

Attempts to introduce policy solutions and constitutional or regulatory reforms have been opposed by various interests within parliament and obstructed within the bureaucracy. Their implementation is undermined by problems of capacity within the police and by the ambiguous nature of relations between the security organisations and officials. The failure of the state to provide effective security in a range of areas combined with the consolidation of social and economic conditions that reinforce a flourishing informal economy offer ongoing opportunities to informal security organisations (ISGs).

While accepting the limits of policy and the importance of long-term social and political reform, there are several short to medium term policy opportunities. Basic law and order approaches aimed at eliminating criminal and illegal behaviour can be assisted by capacity building within the police, improving the quality and consistency of legal and constitutional frameworks and enabling reforms within the judiciary.

Programmes for bringing the security and associated industries within the ambit of formal regulation will assist in weeding out predatory organisations. However, there are inherent dangers in attempts to co-opt the industry as it stands into state security functions. These often degenerate into forms of collusion and collaboration that undermine the legitimacy of the state and blur the distinction between formal and informal authority.

Policy and governances ‘fixes’ ultimately rely on shift in politics and larger social reforms that address problems of unemployment and poverty. To the extent that these can be addressed specifically to the problem at hand, targeting employment creation and education in urban slums may modify the sort of problems that lead to recruitment into ISGs.
The Indonesian case offers important insights into larger questions about the way ISGs may accompany the emergence of democracy and markets and shape different political and social outcomes. Comparing events in Indonesia with those in Russia today or Italy, Japan and China between the wars can throw light on these larger questions and may offer some insight into where the politics of ISGs in Indonesia may be heading.
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### Abbreviations and Glossary

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<th>Abbreviation</th>
<th>Full Form</th>
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<tr>
<td><strong>AMSI</strong></td>
<td>Asosiasi Manager Sekuriti Indonesia</td>
<td>Indonesian Security Manager Association</td>
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<td><strong>Banpol</strong></td>
<td>Bantuan Polisi</td>
<td>Assistant Police. A municipal level auxiliary police force.</td>
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<td><strong>Bekking</strong></td>
<td>‘Backing’. Term used to refer to the informal patronage arrangements between gangs and state officials during the New Order.</td>
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<td><strong>FPI</strong></td>
<td>Front Pembela Islam</td>
<td>Defenders of Islam Front. A vigilante style Islamic organisation established in 1998, infamous for its raids on Jakarta nightspots.</td>
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<td><strong>Garda Bangsa</strong></td>
<td>Gerakan Pemuda Kebangkitan Bangsa</td>
<td>National Awakening Youth Movement. Youth organisation affiliated to the National Awakening Party.</td>
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<td><strong>Hansip</strong></td>
<td>Pertahanan Sipil</td>
<td>Civil Security Guards. Civilian security force established by the police in the 1980s.</td>
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<td><strong>Hulubalang</strong></td>
<td>Name of civilian security guard force in Tanah Abang, Jakarta.</td>
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<td><strong>ISG</strong></td>
<td>Informal security group</td>
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<tr>
<td><strong>Jago</strong></td>
<td>A local strongman or tough.</td>
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<tr>
<td><strong>Koban</strong></td>
<td>Japanese system of community policing currently on trial in Indonesia.</td>
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<tr>
<td><strong>MUI</strong></td>
<td>Majelis Ulama Indonesia</td>
<td>Indonesian Council of Ulama</td>
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<tr>
<td><strong>Ormas</strong></td>
<td>Organisasi Masyarakat</td>
<td>Public or social organisation</td>
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<tr>
<td><strong>Pamong Praja</strong></td>
<td>Municipal government enforcement officers.</td>
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<tr>
<td><strong>Pamswakarsa</strong></td>
<td>Pasukan Pengamanan Swakarsa</td>
<td>Self-reliant security corps. Generic term for civilian-based militias.</td>
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<tr>
<td><strong>Pecalang</strong></td>
<td>‘Traditional’ civilian security guards in Bali.</td>
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<td><strong>Pemuda Pancasila</strong></td>
<td>Pancasila Youth. A Nationalist Youth Organisation prominent during the New Order and often linked to</td>
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criminal activity.

**Petrus**  
*Penembakan Misterius*: Mysterious Shootings. Refers to the wave of extrajudicial killings of petty criminals and recidivists by the New Order during the early 1980s.

**Pilkada**  
Pemilihan Kepala Daerah: Regional leader election.

**Polmas**  
*Perpolisian Masyarakat*: Community Police.

**Preman**  
Derived from the Dutch *vrijman*, or ‘free man’. Used colloquially to refer to a thug or gangster, but also a military or police out of uniform.

**Satgas Parpol**  
*Satuan Tugas Partai Politik*: Political Party Task Force. Refers to the paramilitary style units established by political parties.

**Satpam**  
*Satuan Pengamanan*: government registered security guards.

**Tramtib**  
*Ketenteraman dan Ketertiban*: Public Ordinance Officers.
1. INTRODUCTION

In a recent survey conducted by the respected Indonesian Journal, *Tempo*, Indonesian respondents cited uncertainties regarding security in everyday life as their major concern, ahead of worries about terrorism. An important part of this concern is the growing influence of informal security groups (ISGs) and various forms of militia operating at the margins of rule of law. While such organisations had been an important part of the former Soeharto regime, one key question is how they have survived and flourished despite the ending of authoritarian rule and the rise of democracy. This study is designed to provide answers, focusing on the ways in which such organisations have reinvented themselves and how their evolution is connected to larger changes in the political and social life of Indonesia, notably the rise of democracy and markets. Most important, the study will examine the various policy and governance programmes introduced to deal with the issue and assess their relative effectiveness. It will provide recommendations for future policy design. The study will draw on comparative literature and case studies to provide broader insights.

**Problems of Definition and Scope**

We have focused this study on the informal security sector. By this we mean that sector where organisations provide (or impose) various forms of security and protection across a range of levels, largely outside the scope of rule of law and the reach of formal regulation. Such activities range from, at the lowest end of the spectrum, the ubiquitous imposition of parking levies encountered on every street and in every city and town, to the provision of security and protection to various levels of commercial and business activity and within the upper reaches of the world of politics. At the same time, the boundaries of informal security and protection are not so easily isolated and any analysis confronts complexities as protection shades into other types of informal authority.

- Informal security groups may simply offer a service that is needed and requested in a situation where formal policing is inadequate and the reach of the state limited. Or they may offer protection from their own retribution or that of other illegal organisations. In other words, they may be more like formal security organisations or may operate as classic protection rackets.
- Informal security may be one part of a larger function where such organisations also operate as militias on behalf of political interests or even as proxies for elements within the state.
administration. They may be used to control opponents or to mobilise support in elections or at times of political crises and enable political figures to impose extra-legal coercion in areas where the police or the military might not so easily tread.

- In some cases, informal security groups may shade into more clearly criminal organisations. Some claim a ‘Robin Hood’ status as protectors of the exploited.
- Some informal security groups may claim a welfare function, providing jobs and income for unemployed or disenfranchised individuals, including former military and police, in very tight labour markets and where the state and the market is perceived to be ineffective.
- A more recent development since the decline of the centralised state are claims by some groups that they protect the rights of certain communities or religious groups against crime, injustice or moral assaults. In other words they perceive themselves as moral or law and order vigilantes.

Clearly, all these elements overlap and none can be quarantined. Our intention, though, is to place at the centre of the study those aspects that are concerned with providing security and protection. The major transformation we focus on is that which has accompanied the shift from state to market as the defining context and where such groups are concerned increasingly with economic self-sufficiency through the sale of their services.

**Justification of the Study: Why is it Important?**

- **The Indonesian Context:** Gangs and informal security and protection organisations have proliferated since the fall of the Soeharto state and arguably extend their influence deeper into Indonesian society at all levels. This is significant, not least because of the important implications for attempts by the new democratic governments to establish rule of law and a new kind of legitimacy based on its ability to deliver effective and accountable government. A deeper understanding of the spread and increasing complexity of these organisations and their changing nature is required to prepare policy responses. In particular, the relationship between the new forms of informal security and protection and the way state authority is organised and exercised are required. How are ISGs related to democratic change and decentralisation, or to the rise of new and powerful social forces.

- **The Policy Context:** Governments, international development organisations and donors have become increasingly aware of the importance of gangs and informal security and protection
organisations in shaping the development process. Foreign donors have been reluctant to enter this highly sensitive arena. Attempts to construct ‘good governance’ aimed at addressing this problem have confronted serious difficulties and appear to be one of the more intractable governance dilemmas. In particular, the question of whether to address the problems through institutional or social reform is central. This study will examine the successes and failures of different policies with a view to providing recommendations in the Indonesian case.

- **The Scholarly Context:** The phenomenon of gangs and informal security, militia and vigilantes is common to most developing and post-crisis societies. In several cases, in Russia for example, these have had a decisive impact of the trajectory of change. An expanding literature has emerged, seeking to explain the reason for the proliferation of such groups and for the extraordinary influence on the way business and politics operate. A central question is whether these are transitionary phenomenon or evidence of new models of power and whether there are links between informal security and protection organisations and the consolidation of illiberal political regimes? Although a full assessment of such questions are the subject of future studies, this report will draw briefly on comparative cases where they offer insights into the Indonesian case and where the latter may also contribute to the larger debate.

**What are the key questions of the study?**

- **The Indonesian context:** The study focuses on how informal security and protection organisations have changed since the fall of Soeharto and what specific threats these new manifestations pose for ‘good governance’ and social cohesion. A central question is how democratic reform and decentralisation have influenced the changing nature of these gangs and organisations. To what extent is their growing influence related to problems of declining state effectiveness in the security sector or to an increased privatisation or marketisation of security functions?

- **The Policy Context:** How have governments and international donors in Indonesia viewed the problem in policy terms and through governance programmes? What are the main policy models (if any) and the assumptions that underpin them and what successes have they had? What are the strengths and limits of approaches that focus on policing and enforcing strict legal measures as opposed to those that focus on co-option and social reform measures?
What organisations and interests support different policy approaches and why? Can policy approaches applied elsewhere be adopted in Indonesia?

- **The Scholarly Context:** We will ask whether the phenomenon of informal security and protection is part of a general transitional phase in political and economic life or represents a new systemic model for the future. A critical question is how the new arena of informal security and protection is related to larger processes of democratisation, decentralisation, globalisation and social change. Can we expect the entrenchment of middle classes and the globalisation of business to reduce the influence of informal authority and politics?

**The arguments and propositions**

- **The Indonesian Context:** In general we suggest that security and protection activities have moved from being highly integrated within a powerful central state to becoming increasingly privatised within the context of a more diffuse and ambiguous form of state authority. This implies that the organisations involved are driven by new economic pressures and a need for financial sustainability on their part. Such developments make reform more difficult because the roots of informal violence are not simply found in the needs of an authoritarian state but in the context of weak institutions and fluid social and economic conditions that require more complex policy solutions.

- **The Policy Context:** We will propose that there are two main policy approaches to the ISG problem. One is a hard-line approach that emphasises elimination of informal security groups and the imposition of strict rule of law through police and other state agencies. The other approach emphasises integration and co-option of these groups into a containment policy. We will argue that the first runs the risk of failure while the second risks undermining the credibility of the state and underpinning unhealthy relations between officials and the criminal world. While emphasising the limits of policy and governance reform, we will argue the case for approaches that focus on the professionalisation of the police and the introduction of constitutional changes in law and the wider reform of the judiciary. These can be balanced with approaches that stress, on the one hand, assisting the transformation of some informal security groups themselves into the professional mainstream of the security industry. The social dimensions of the problem, we argue, are also pivotal. Thus we introduce some propositions for the increased provision of training and small business opportunities for the members of these groups in specific industries.
• *The Scholarly Context:* We propose there is a link between the development of informal security and protection organisations in Indonesia and the way democracy and decentralisation are specifically evolving. In particular, we will argue that there is much to be learned from similar experiences where the diffusion of state authority and the increasing influence of middle classes and business within new systems of money politics have prevailed. The experience of Japan and China between the wars and the US at the turn of the twentieth century as well as Russia today offer comparative insights. Examining the way such arrangements have persisted or been terminated in these cases we will argue that the phenomenon of informal security and protection cannot be seen as transitional but, rather as a problem for the foreseeable future in the Indonesian case.
2. The Evolving Nature of Informal Security and Protection Regimes: the Indonesian Case

Designing policy responses to questions of informal security groups must necessarily take into account the specific character of the groups and the way they are related to, for example, the state bureaucracy, the military and police, or to political parties or business interests. Also important are the ways in which these groups may be embedded in larger conflicts, whether religious, ethnic or political, and the extent to which they are defined by criminal activities. In this section we examine the different aspects of informal security in Indonesia and how these have changed over time, especially following the collapse of the New Order. We examine informal security as a political mechanism involved with enforcing particular agendas, for example, religiously framed vigilantism or activities associated with candidates for political office. We assess the spill-over into larger criminal networks and how markets have transformed activities. Such an analysis provides the necessary background for the study to then examine and assess the relevance of different policy responses and questions of effective policy design.

Security and Protection in the New Order and Before: Franchise Holders for a Centralized State

Informal security groups (ISGs) in Indonesia emerged from a specific set of historical experiences in which the distinction between formal and informal security was both politically and legally ambiguous. It wasn’t until the early 20th century that the archipelago had a standing police force. Prior to this, civilians, most commonly local strongmen known as jago, were regularly contracted by colonial and indigenous authorities to carry out a policing or social control role. This ‘organic’ relationship between formal and informal security continued into the new republic and was enshrined in the 1945 constitution which states the responsibility of citizens to defend the nation. This has been used as a legal foundation for justifying the ongoing social and political role of civilian auxiliaries, militias and semi-criminal organizations. In many respects current circumstances are a direct legacy of the previous New Order regime.

As initial support for the Soeharto regime began to wane in the 1970s and internal tensions surfaced, it sought to bolster its power by cultivating relations with gangs, many of which had been mobilized in the violent purges of 1965 that brought Suharto to power. For the new regime a gang
alliance was a logical one; many gangs operated as virtual ‘mini-states’ so their incorporation was crucial to consolidating power. The industrialization and rapid economic growth of the 1970s had resulted in increasing commercial activity and commercial spaces such as factories and shopping complexes as well as penetration of the cash economy. This opened up a wealth of opportunities for racketeering and security services. In some areas the role of these groups in day-to-day policing became greater than that of the police themselves leading to increasing tensions and rivalry. A private security-business nexus that circumvented state control was unacceptable as it challenged monopoly claims over security and opportunities for rent-seeking. The failure to establish a workable format for gang-state relations prompted the state to undertake a radical reconfiguration of the relationship. In 1982, on the authorization of chief of police Awaloeddin Djamin, a decree was issued that outlawed private security businesses. The proliferation of private providers of security and protection, the largest of which had evolved out of gangs and networks of recidivists, caused alarm amongst the authorities who feared that if left unchecked they could grow and coalesce into larger structural organizations that posed a direct threat to state power. The Sicilian mafia and Japanese yakuza were cited as examples of the types of organized crime that the New Order feared could emerge. To circumvent this possibility the state initiated a two-pronged strategy of integration and elimination to reassert its power.

Integration: After the forced dissolution of security businesses the police introduced a new security paradigm known as *siskamling* or ‘integrated environment security system’. Based upon a territorial system similar to that of the military, siskamling involved networks of local security posts manned by a combination of local residents and registered security guards under the direction of the police. The system created new official roles for local gangs. Civil Security guards (*Hansip*) and night patrols (*ronda malam*) were designated as responsible for neighbourhood security while ‘security guards’ (*satpam*) had the task of guarding businesses, bus stations and public places. Coordinated by the police, Hansip and Satpam were required to participate in regular training courses, after which they were given a license and a uniform.

The attempt to make instrumental use of gangs may have strengthened state authority but it compromised what remained of the institutional integrity and legitimacy of the police. To an important extent, it could be said that the police were ‘criminalized’ while gangsters were ‘militarized’. If local communities benefited little from *siskamling*, from the perspective of the state
the system served the purpose of superficially ‘eliminating crime’ by appropriating its sources at the local level and integrating them within the organs of the state. The other move was to institutionalize criminal elements in order to more easily facilitate their monitoring and control. This manifested in the expansion of military backed nationalist youth groups such as Pemuda Pancasila and Ikatan Pemuda Karya. These groups were entrusted with regime maintenance chores such as the harassment and intimidation of student demonstrators and labor activists. Gangs of thugs also played a crucial role in internal power struggles between members of the political elite. In this respect comparisons can be made with the role played by the mafia in post-WWII Sicily, who were utilized by the Christian Democrats Party to dispose of socialists and trade unionists in return for tacit support of their black market activities, control of the rural economy and protection rackets.

Elimination: Despite the introduction of siskamling and the institutionalization of gangsters the new framework was not completely successful. Increasingly violent competition between remaining groups and networks was used by the state as a pretext for a more dramatic course of action; summary executions. The imperative for the move was heightened by the fostering and mobilization of criminal networks as part of inter-elite political rivalries. The disbandment of security businesses and the institutionalization of criminal networks made it easy to characterize those who continued to operate outside of these frameworks as criminal deviants justifying the suspension of the law in the interests of preserving national stability. Beginning in 1983 the so-called Petrus Mysterious shootings of the 1980s resulted in an estimated 10,000 individuals being executed by state authorities. The objects of the killings were petty criminals and recidivists. Many amongst them were also members of outlawed security businesses made up of recidivists such as Prems (Preman Sadar: Áware Preman). According to President Suharto the purpose of Petrus was as ‘shock therapy’ to violent criminals, and by extension those whose security businesses continued to challenge state power. The message sent was that final authority rested with the centralized state. As a result of Petrus, membership of state-backed organizations such as Pemuda Pancasila increased dramatically as gangsters sought protection from the state by joining its affiliates. Gangsters were eliminated physically, but also in so far as they now wore the uniforms of state backed organizations.

By the end of the 1980’s a new paradigm of state-criminal relations was firmly in place, one that was to persist until the New Order regime collapsed in 1998. Commonly referred to as ‘bekking’ (or backing) this relationship allowed an array of gangs and security groups to operate free from
legal sanction, including control of black markets and protection rackets, so long as a portion of the profits made their way through the state bureaucracy. In order to secure state patronage groups also had to be amenable to defending state interests. As middle-men, agent provocateurs, thugs for hire and state auxiliaries, these groups formed part of a parallel sub-contracted system of taxation, coercion and social control. The state franchised itself, violent entrepreneurs acting on its behalf as a ‘loyal nationalist for hire’.

The reliance of the New Order state upon these extra-state elements in the maintenance of power, whose loyalty was contingent upon material rewards and concessions, created a system that consequently rested upon an inherently unstable basis, what Timothy Lindsey has called an “insecurity state”. The fact that bekking was dependent upon a personalistic and patrimonial system meant that the resultant distribution of resources and policing functions was never effectively institutionalized, allowing the incubation of intense rivalries and tensions. Despite the appearance of a unified regime gangs, paramilitary groups and providers of informal security engaged in constant struggles over territory and patronage. Nevertheless these arrangements retained durability and predictability so long as the strong centralized state remained as the focal source of patronage and ‘protection’. Commentators such as John Sidel have argued that it was this powerful centre which prevented the emergence of autonomous local strongmen such as occurred in Thailand and the Philippines. However as the New Order state began to fracture in the late 1990’s patronage and contracting patterns began to splinter, grow more self-sufficient and in some cases taking on new ideological garb. The states use of sub-contracted criminal elements became increasingly transparent, such as in the mobilization of gangsters in the storming of the PDI headquarters in 1997, further undermining the legitimacy of the military and police.

To summarize, the New Order’s relationship with entrepreneurs in violence rested upon three central strategies; integration into state-created institutions, elimination via purges, and creating dependency based upon contingent patronage. The New Order state set a model for the contracting of private violence for the pursuit of both private and public ends, one that was to have significant consequences for post-New Order Indonesia as new political players continued to use these same strategies, but in a dramatically different social and political context.

Post-1998
If the relationship between informal and formal security groups during the New Order can be characterized as a franchise system then the situation post-1998 has been crudely analogous to a mafia without a boss. The removal of Suharto in 1998 meant not the complete collapse of patrimonial networks and authoritarian structures, but rather the loss of their central focal hub, so that they devolved into decentralized and competing power centres. Gangsters and vigilantes have emerged as major beneficiaries of the reforms introduced to decentralize power in Indonesia. This new system, which has given greater autonomy and power to regional and local government, has led to gangsters becoming a valuable form of political capital and influential power brokers in their own right. A variety of ISGs emerged to fill governance voids in the provision of security, protection and ‘public order’. This trend was further heightened by the public’s distrust of the police and military. The introduction of multi-party electoral democracy also created new opportunities for gangsters and entrepreneurs in violence both as ‘rent-a-crowds’, sub-contracted party paramilitaries, and in some cases, due to their influence in the local sphere, as political candidates themselves.

A number of identifiable trends have emerged in the post-1998 environment in relation to the organization of informal security. This has followed several different but interrelated trajectories:

1. Security Companies

In response to a perceived breakdown in law and order professional security services have become a highly sought after commodity by the private sector. Prior to 1998 there were only 50 registered security companies. By 2003 the number has grown to 200 in Jakarta alone. These range from international operations such as Securicor and PT Shields to small-scale localized groupings. Former and serving members of the police or military run many of these smaller local companies, such as marines operated PT. Bass. Generally these companies seek to maintain a degree of professionalism in the interests of maintaining competitive advantage, requiring intensive screening of employees and ongoing training programs. Clients include international businesses, shopping malls and banks. Several security industry associations have been established, the largest of which is the Indonesian Security Manager Association (AMSI) which currently has 300 affiliate companies. The national police liaise with AMSI affiliates and are responsible for monitoring their activities and assisting in training. However the actual level of supervision by the police appears be minimal and is often undermined by a lack of clear procedural guidelines. AMSI also accounts for only a small percentage of the overall number of security providers, the majority of whom operate almost entirely outside of any regulatory framework. While these companies generally steer clear of direct
involvement in politics, the process of securing contracts lacks transparency and often appears to be deeply intertwined with local political interests.

2. Vigilantism

Vigilantism, often religious in nature, whereby groups and communities claim a right to enforce “order” and take on a state-proxy role due to what is claimed as the absence of effective law enforcement by the police, has also flourished. Initially the government welcomed the presence of these groups as bolstering the overstretched resources of the police. However it soon became apparent that many pursue notions of justice at odds with civil and criminal law. The rationales of these groups extend from ‘anti-vice’ movements aimed at eliminating behaviour deemed immoral or criminal to broader ideological agendas such as the implementation and enforcement of Islamic law. Perhaps the best known of these groups is the Defenders of Islam Front who since 1998 has conducted sporadic but violent vigilante campaigns against Jakarta’s pubs and clubs. Vigilante groups have been mobilized on behalf of political interests, such during the public debate over proposed anti-pornography legislation and Syaria bylaws. Another disturbing manifestation of vigilantism has been the violent apprehension and sometimes lynching of suspected criminals by community based security groups. In both cases vigilantism stems from a widespread perception that state authorities have failed in their responsibility to maintain law and order. This has been fed by the failure of the state to take decisive action in curtailing the actions of these groups.

Of greater complexity has been the growth of social and ethnic organizations that either offer or impose security and protection services. Regional autonomy laws, that in principle promise representation for indigenous communities, have been used as justification for illicit rent-seeking with groups claiming exclusivist rights to extract tribute from local businesses, traders, and public transport. Many are registered as legally recognized organizations with broad social and cultural agendas. These groups also frequently claim to be performing a social welfare function by providing members with jobs. Despite strong statements from the central government condemning the actions of these groups this has not been followed up with the enforcement of existing laws or the implementation of legal reforms that would allow for their disbandment. For example in 2006 a proposal by a group of 17 parliamentarians to amend regulations regarding social organizations that would allow for their disbandment was quashed due to pressure from political supporters of the groups. This has been a recurrent problem, with previous parliamentary debates over the legality of
these groups suffering the same fate. Hard won freedoms ensuring the autonomy of civil society to organize have been manipulated to protect uncivil elements.

3. Gangs and Criminal Networks

Since 1998 there has been a significant expansion and proliferation in local gangs and preman. These range from criminal individuals, unemployed youths and small groups to organizations and networks that are national in scale. The activities of these groups clearly fall within of the sphere of criminal racketeering and extortion. Gangs typically operate in areas of commercial activity such as markets and bus and train terminals where the provision of protection is used as a rationale for the expansion of ‘turf’ and the extraction of illegal fees from street vendors, transport workers and local businesses. Due to their imbedded ness in local communities, there is often a general reluctance to seek assistance from the authorities. This is heightened by the perception that criminal gangs often work in collusion with the police. As during the New Order these gangs are available for hire and are frequently used in conflicts over land acquisition, the intimidation of business and political rivals and as violent rent-a-crowds. Gangs may have regular clients but unlike during the New Order are rarely tied a particular patron. As agents of street level authority local stakeholders have regularly made use of their political utility. The links and interpenetration between the gangs and the state that existed during the New Order remain but are more complex, fluid and the power relations are more confused. It is often difficult to assess who is in charge.

4. The emergence of partisan political groups.

The introduction of multi-party elections in 1999 triggered what media commentators described as a ‘party arms race’. The plethora of new political parties reproduced the New Order’s militarism by establishing large paramilitary units or satgas parpol as well as fostering militia-like supporter groups. Criminal elements flocked to join and were welcomed with open arms. For gangs the satgas units provided a powerful vehicle for strengthening their claims for monopolization of local protection rackets and access to new line of political; patronage. For political parties gangsters helped consolidate party support at the local level through intimidation. Ostensibly the purpose of satgas is to guard party assets and supervise party events. In practice however they have operated as something akin to private armies. The use of military style uniforms, insignia and rank by party satgas appears to both confuse and undermine the legitimacy of the armed forces and police. The introduction of stricter regulations limiting the mobilization of satgas in the 2004 elections resulted in a reduction of their overall political usefulness. Becoming a drain on resources, some political parties have moved to disband their satgas units however this provoked strong resistance from the
satgas themselves. A number of satgas units have morphed into freelance security companies, such as Brigass, while others have become embroiled in internal party politics. In the regional Pilkada elections satgas have been a recurrent violent and intimidating actor, whose presence clearly challenges democratic process.

The overall result of these trajectories has been the emergence of a large, highly competitive, politicized and for the most part unregulated market in security. The state is confronted by a variety of players asserting legitimacy in the use of coercive force. It is important to recognize that such a market exists due to demand. In part this is due to the failure of government to adequately enforce the rule of law, but also as ISGs can be used to further economic and political advantage via extra-legal means. This market in what is commonly considered to be a sovereign function of the state presents its own particular challenges and the desire for competitive advantage has had a number of identifiable effects:

- **Physical clashes over ‘turf’ and constituencies between rival groups**: Notions of territoriality and attendant ‘rights’ are a significant factor amongst ISGs. Groups often negotiate agreements regarding the demarcation of boundaries. Despite this physical clashes are common and often result in loss of life and serious injury to those directly involved, and trauma, property damage and loss of income to the local community. These turf battles often intersect with the political and economic interests of various local stakeholders making resolution more complex. Frequently the police appear as partisan participants in these clashes, or passive observers, leading to accusations of collusion and corruption. The impact of turf wars for those living from the informal economy is immense. For example a recent conflict between rival ethnic gangs in Kemayoran over control of a market resulted in substantial lose of livelihood due to the market being temporarily shut down by the police.

- **The fostering of alliances with political figures in order to assist in a territorial monopolization over security**: The desire for competitive advantage in an increasingly privatized market in security often leads to collusion with political actors. The ability of gangs and security groups to mobilize followers to engage in street-level politics and the informal authority wielded by them at this level has transformed then into a highly sought after form of political capital. For local political actors the support of ISGs is considered crucial to electoral success. This in turn allows security groups to dictate terms and exert disproportionate levels of influence.
• The invocation of religion and ethnicity as rationales for performing role in security/protection: This has been most prevalent in the ‘anti-vice’ campaigns of self-styled religious vigilantes. Enforcement of religious values is frequently used as a cover for extortion and racketeering. Regional autonomy has seen local governments and religious organizations utilize such groups to create political pressure for the introduction of controversial Syaria-bylaws and intimidate minority religious and ethnic groups.

• Informal arrangements regarding the provision of security that involve coercion and extortion. Here informal security makes the transition to criminal racketeering and extortion. This is especially rife in the informal economy where the fragile economic and social status of the population makes them especially vulnerable to threats and stand-over tactics. Street vendors and workers in the public transport sector particular are frequently coerced into paying ‘rent’ under threat of violence.

Threats to governance

The trends indicated so far pose serious and substantive challenges to endeavours to realize good governance reforms. The opening up of markets has not been accompanied by clear laws and legislation, and where they do exist the state is ill-equipped to enforce them, resulting in a demand for alternative sources of protection. The process of decentralization and democratization has suffered from a lack of commensurate levels of law enforcement allowing informal security to grow in ways that threaten to undermine the political gains that have been made. Even military figures previously known for their patronage of particular gangs have conceded that in the current political environment they are not capable of controlling them as they previously did. The continued lack of transparency in the interaction of the police with ISGs has also done little to restore public trust in an institution still suffering a crisis of legitimacy due to its politicized role during the New Order.

What emerges is a complex intertwining of political interest, commercial enterprise, criminality and legitimate policing functions. A clear conflict of interest emerges when private groups pursuing particular political, economic and social agendas take on security roles in public space. For example in the 2007 elections for governor in Jakarta, local security groups exercised their influence within their areas of territorial control to campaign vigorously on behalf of their preferred candidate. This resulted in an intimidating atmosphere at odds with democratic process.
This is one example amongst many where the impartial and legally accountable provision of security and law enforcement is subverted by its convergence with political and politicized interest.

For predatory interests, decentralization and regional autonomy laws have provided a new discursive framework in which to articulate and stake territorial claims based upon local, ethnic and religious identity rather than vertical lines of political patronage. The fragmentation of patronage and political authority all the way down to the street level has meant that control of the streets is in effect up for grabs. In this politically contested space, ISGs have emerged as a new nexus of criminal interest and political power. The model of the territorial gang, which protects its constituents while preying upon its neighbours, has translated well in the context of decentralized politics and party based political rivalries. At this level democracy has been interpreted as an often violent struggle over resources and constituencies. While formal electoral democracy has been established in post New Order Indonesia, a burgeoning and diverse civil society, non-state groups and actors employing violence and coercive strategies for the achievement of long and short term social, political and economic gain have hi-jacked reform. Civil society and this ‘uncivil society’ coexist in an uneasy tension. Faced with myriad autonomous groups employing violence, the Indonesian state struggles to maintain unconditional priority in those very areas that constitute it: protection, taxation and law enforcement.

In the face of contradictory and largely ineffective responses from the weakened state, it has been the market that has emerged as one of the most significant shaping factors in relation to the proliferation of entrepreneurs in violence. From rent-a-crowds, debt collection, land brokering, private security and religious vigilantism, Jakarta represents a huge and dynamic market for those trading in protection, violence and coercion. The constant pressure of a highly competitive ‘free market’ in the use of force and direct competition with each other as well as state agencies has resulted in a some gangs ‘professionalizing’ operations, away from crude extortion to negotiated working agreements and alliances with community stakeholders, including the police. However despite this potentially positive direction, the imperative for financial gain continues to encourage the tendency for ISGs to be predisposed towards criminality.
3. Attempts to Deal with the Issue: Policy and Governance Approaches

Just as the issue of informal security has always been part of Indonesia’s political landscape, there have always been attempts by governments to both benefit from such arrangements and to contain the highly unpredictable dynamics unleashed. The policy tasks confronted by the current government are clearly more complex and less certain than those which occupied the Soeharto regime where arbitrary measures could be adopted. In this section we examine how the democratic administration has attempted to build its policy approach and assess the different policy measures and approaches that are in place. We look at the sort of interests and forces involved in struggles over different policy agendas and how these have facilitated or inhibited beneficial outcomes. Most important, we pose questions about the policies that will form the basis of the concluding section which asks, “where to now?”

A: The Players:

While the government and various interests within it decided policy strategies towards informal security under the New Order, things are more complicated now. The fragmentation and diffusion of power from central to provincial government and from an authoritarian state apparatus towards the less controlled arena of party and parliamentary politics has contributed to the new complications. Elsewhere, although it remains difficult to clearly define where the private interest and the public sphere begins, it is clear that business exerts a substantial influence over the operation of officials and public institutions like courts.

Because of the hugely volatile influences at work on government policy we see mixed messages emerging from the central government and a failure to articulate a coherent policy statement. At the same time, private security in general has become more useful to fill a widening black hole where the capacity of the state to provide effective security is less certain.

National Government and Bureaucracy

Post-New Order governments have offered policies and statements, which in some cases provide tacit support and actively encourage ISGs and in others, seek to condemn or curtail them. This failure to adhere to a consistent line or articulate a coherent policy approach reflects the fact that these groups continue to serve the interests of different elements within the state and that the
central government is not able, in any case, to exercise the kind of authority that could underpin a
decisive policy initiative.

Within the government and bureaucracy there are powerful interests for whom ISG’s offer political and administrative advantages. For example hard-line remnants of the Soeharto era found civilian militias, i.e. the so called Pamswakarsa, useful for suppressing ongoing civil demonstrations calling for radical reform or even liberal reform. At the same time the host of political parties and social and religious organizations that found themselves operating in the context of a weakened state also found militias and paramilitary groups politically useful. This has led to a rapid proliferation in the number of groups. Thereafter we found that all the post-Soeharto Presidents have utilized paramilitary style supporter groups when they were perceived to be under threat. As we will indicate below political parties enthusiastically used ISGs to mobilize support or intimidate opponents when elections became crucial mechanism for gaining power.

A. The Military:

In a host of other countries, especially Latin America, the military has been at the forefront of using paramilitary groups who are able to impose to authority without legal constraints. In Indonesia this was also the case, specifically in East Timor and Aceh where military sponsored militias operated. But it is much less so in main urban centers. On the one hand the military was apprehensive at growth of ISGs especially when they used uniforms and usurped the role of military on behalf of other interests. In 2002 the Chief of the Armed Forces publicly called for the disbandment of paramilitary groups using military style insignia. At same time there is little doubt that the military has engaged in the use of its own people out of uniform and sub-contracted groups to act on its behalf.

The other attitude found within government is that if ISGs can’t be effectively controlled due to lack of capacity, the most pragmatic approach is to co-opt them. It is a common opinion within government that the existence of identifiable informal groups is a preferable option to their dissolution, as the groups are considered, at least minimally, to provide some degree of guidance and structure to their members. As one senior bureaucrat commented, accepting the existence of these groups is “the lesser of two evils”. On the other hand there are elements and interests within government bureaucracy that vehemently oppose ISGs and urge a policy of no tolerance and imposition of rule of law. However the inability of the state to provide social welfare, employment opportunities or guarantee security has served to undermine its criticisms of ISGs. Groups
themselves commonly respond to government condemnation by stating that they exist due to the failure of the state to provide these basic services to the public.

B. Local government:

The proliferation of local security groups have been an integral part of the decentralisation of government started in 2001. Because neither the military nor police were decentralised local governments were left with no mechanism by which to ensure security. The formation and use of local security groups was portrayed as an empowerment of local communities to self-police. In particular, ISGs have proven useful to provincial governments in revenue raising exercises, particular the collection of taxes and levies which form a large part of local budgets. Another factor has been the introduction of Islamic law into some districts as a de-facto part of local government and this has facilitated the increased prominence of religious vigilantes. Overall, dependence upon civilian militias has made local governments susceptible to demands for concessions and political favours.

The Police:

Overall the police oppose the existence and proliferation of ISGs because they threaten their authority, contribute to increased levels of crime and because ISG’s compete for informal revenue-raising. While there is a natural inclination for the police to oppose these groups, there is an acceptance that different forms of accommodation are required simply because the police do not possess sufficient resources to guarantee public security and perform many other ancillary functions. Police officers have conveyed to the research team that due to insufficient human resources they often have little option but to co-operate with ISGs, including gangs, in carrying out their tasks such as in security of public events such as New Years celebrations. The links between some ISGs and elements of the political elites along with a lack of clarity in relation to relevant laws was also cited as being behind apprehension on the part of the police to take action against them when they violate the law.

Similar sets of problems also apply to other divisions of government law enforcement agencies such as Public Ordinance Officers (Tramtib) and Municipal government enforcement officers (Satuan Pamong Praja). Gangs and ISGs often participate in operations conducted by both on the pretext that the municipal authorities lack sufficient resources. The end result is often
excessive use of force, the intertwining of personal and public interest, as well as the perception amongst the public that government agencies work in tandem with groups considered to be violent and criminal in nature. The expansion of Tramtib, Banpol (Assistant Police) and Satpol PP to compensate for lack of police personnel has resulted in criminal elements being recruited in their ranks, which has done little to in some instances has created further legitimacy problems.

**Political parties:**

Democratic reforms meant that parliament and elections have become the new frameworks of politics, and political parties could no longer rely on the mechanisms of state, having to go out and fight for votes. Getting votes involved money politics on a large scale as well as intimidation of opponents, not only in other parties, but also factions within the party. These dynamics meant that political parties had a much more direct interest in utilising the services of ISGs. Subsequently, the position of political parties regarding the existence of ISGs has been deeply intertwined with political struggles and vested interests. This has led to contradictory stances, with parties opposing the existence of groups supporting a rival agenda whilst defending the legitimacy of their own paramilitary groups.

One interesting development came with the decision in 2004 to curtail the use of Satgas in the campaign period. The decision by political parties to not use its Satgas forces in line with decision of the Indonesian Electoral Commission probably reflects the growing counterproductive nature of these tactics, resistance of voters to them and the drain on party resources. The reduction of their external political role has seen Satgas increasingly embroiled in internal party struggles, such as in conflicts of party candidates for governor. In the context of decentralised politics, Satgas have also devolved into loyalist militias for party factional leaders.

**Business:**

The costs to business of ISGs are substantial. Essentially, ISGs offer to provide services that may be useful not required or non-existent. The Land Transport Association for example has estimated that the sector pays approximately 18 trillion rupiah a year in illegal fees, on top of 50 trillion in legal license fees. This is also the case for retail businesses where it is not uncommon for those operating at the lower levels to pay local security groups, approximately 20% of total profits. In general it is estimated that the cost to companies of such illegal protection fees is around 2.1% of overall operational costs. For street traders the financial impact can be even more devastating, and
this has been a factor leading to an increase in vigilante attacks. Traders can pay between Rupiah 5000-25,000r per day on top of fees to government officials such as Civil Ordinance officers, a considerable amount considering their economic vulnerability.

The response of business has been varied, partly due to the different power and resources available to various levels of business. While business has been a vocal critic of ISGs it is also a major client. The inevitability that informal groups will approach a business has prompted many to take pre-emptive action, seeking out a well-established group with a reputation in order to gain protection. Big business, including the corporate sector, is better able to protect itself and many have created their own security services that aside from protecting company assets and personnel have been used to intimidate rivals and critics, including the press. As a general rule, the bigger the business the less problems they have with ISGs.

**Civil society:**

At the peak of the reform period there was some feeling that empowerment of the people involved them taking responsibility for some of the activities commonly performed by the now discredited police and military. But the fact that these groups have got out of hand, became violent and involved in criminal has changed this initial naïve support. Public concern over perceived increases in crime and the proliferation of ISGs has remained constantly high since the end of the New Order, and civil society groups have been the most vocal advocates of measures to curtail the activities of ISG’s. Sectoral groups, such as lawyers, journalists, transport workers, women’s groups and trade unions have lobbied and presented petitions to parliament calling for harsher action against militias and the disbandment of ISGs. Several ‘anti-preman’ alliances have formed, such as *Garda Bangsa*, and the anti-thuggery alliance led by former first lady Siti Nuriah. Both have advocated a strong ‘zero-tolerance’ law and order approach. In recent years an alarming trend within civil society as reflected in the media has been a growing nostalgia for a return to Petrus style extrajudicial killings. Overall the response from civil society has been fragmented and had little direct impact upon policy. The civil society organisations have failed to translate their agendas into policy within the government or the main players in the state apparatus.

Other elements of civil society have been supporters of ISGs, for example the government funded Indonesian Council of Ulama, who have advocated strongly on behalf of Islamic vigilantes. The use of ethnic and religious symbolism by some ISGs has been used successfully to garner support amongst the broader community. Within poorer communities local ISG’s are often relied
upon as an agent of conflict resolution and intermediary with government agencies, and hence command loyalty.

**Foreign donors:**

Foreign donors have largely steered clear of the issue of ISG’s due to its contentious nature and intersection with local political struggles. Instead the focus of programs funded by the UNDP, World Bank and others has been upon police reform and training, especially in relation to counter terrorism measures and community policing initiatives. Recently interest has been shown in further investing in the training and professionalization of the Satpol PP municipal police force.

**The groups themselves:**

The most significant factor in relation to ISG’s themselves is that they have increasingly become players in their own right rather than simple appendages to larger political, social or economic forces. This is especially the case in the context of decentralised politics where local politicians often consider the support of ISGs to be crucial to electoral success. As social and political conflict opens financial opportunities for ISGs they have also been linked to agitation and incitement aimed at provocating or prolonging conflict.

**B: Existing regulations/policy**

There are a number of laws that hold implications for the existence, regulation and potential curtailment of ISG’s:

1. **Ormas laws:**

Public organisation (Ormas) laws were integral to giving a legitimate role to organizations that were state controlled during the New Order. Regulation 8/1985 regarding the existence of public organisations contains provisions for the dissolution of groups proven to have breached one or more of three criteria: 1. disturbing public order, 2. receiving foreign assistance without government approval and 3. If the social organisation assists foreign interests in a way that conflicts with the national interest. In mid 2006 in the wake of violent actions by ethnic and religious militias, the laws became the object of heated public debate with some suggesting that it should undergo revision to further clarify the circumstances under which an organisation could be disbanded. However modification of the laws held broader implications and concerns were expressed that it could be
perceived as a retrograde move towards New Order style authoritarianism. The police have also stated that they are often reluctant to take action against groups with a religious or ethnic dimension for fear of accusations of discrimination. For their part, the groups themselves have asserted that it is sufficient for the authorities to take action against individual members who have breached the law. The end result has been that government has reiterated the best approach to be one of continued ‘guidance’.

3. Police regulations facilitating cooperation with informal security groups:

The constitution itself provides for role of citizens in provision of security and this is also reflected in police law. Article 30 of the 1945 Indonesian Constitution states that every citizen has a right and obligation to defend the state. Law No.3/2002 changed the concept of ‘total people’s security’ forged during the formative years of the republic to that of ‘total defence’ however it failed to establish the state as the sole legitimate body for the use of force. This is echoed in Police Law No.2 2002 which stipulates that in the carrying out of its policing role the police will be assisted by ‘voluntary civilian security groups’. However the absence of clear guidelines for the actual interaction between the police and these groups has resulted in a lack of transparency and a high degree of informality which could be seen as further undermining the legitimacy of the police.

2. Regulations regarding the security industry:

The significant growth of the security industry since 1998 has been accompanied by a number of formal registration procedures. Security companies are granted a license to operate issued by the Indonesian National Police Headquarters (Mabes Polri). Once registered, businesses are issued a tax number from the Directorate of Taxation. Security businesses are required to submit three monthly reports to the police on their general activities together with basic information on personnel and clients. Police have the authority to withdraw the license of a security business if it fails on three consecutive occasions to submit its three monthly reports. However there is no evidence to suggest that unregistered businesses are subject to sanction and groups that have their licenses revoked are able to re-apply immediately by using a new business name.

Chief of Police Decision No. 1183/1999 states that security businesses also fall under the mantle of civilian groups able to assist the police in law enforcement. Despite this, the actual operations of security companies are not subject to police scrutiny with the reason that this is protected by partner-client confidentiality. Qualifications or training are also not required. The high
level of involvement of former and serving military and police in private security companies has contributed to a general reluctance on the part of government and the bureaucracy to take serious steps towards increased regulation, and an overall laxness in the issuing of licenses. There is an identifiable correlation between the reduced socio-political role of the military since 1999 and an increase in ISG’s led by former military.

4. Public order laws.

Public order laws such as Jakarta regional law no. 11/1988, recently revised in law no.8/2007, allows for the arrest and removal of those considered to be creating a public disturbance. In principle these laws allow for the curtailing of ISGs, especially street-level gangs. However in practice the laws have also served to bolster the street level authority of the groups as the authorities have often turned to ISG’s to assist Tramtib and Banpol in public order campaigns. This has especially been the case in relation to the eviction of squatters and street vendors, regular targets of illegal rent seeking by ISGs. In other instances local ISGs have come into conflict with the authorities when they have defended their clients or constituents.

5. Criminal law:

These include laws prohibiting extortion, racketeering, theft, robbery, assault and murder. There has been noticeable inconsistency in the application of these laws in relation to ISGs. For example the state prosecutor in the case against FPI leader Habib Rizieq asked for a minimal 7 month term rather than the maximum of 7 years on the grounds that Rizieq had “only intended to improve society”. Members of other groups on charges ranging from assault, destruction of property, libel and extortion have also received light sentences or been acquitted after lobbying from the groups network of high profile supporters. The police have displayed inconsistency in the apprehension of ISG members, for example in the case of religious vigilantism, something they attribute to a lack of legal clarity and the interference of elite political interests.

C: Attempts to implement policies and their outcomes

Existing policy approaches to date have followed two general themes: ‘elimination’ via law enforcement drives and ‘integration’ through co-option of ISG’s into state-sanctioned security bodies as well as more specific measures aimed at regulating the security industry and:
1. **Law enforcement:**

   The law and order approach towards ISGs has manifested primarily in so called ‘anti-preman campaigns’ usually conducted as part of broader public order drives. For example, since 2001 the Jakarta regional government has conducted several of these campaigns, the focus of which has been upon the arrest of petty criminals and thugs believed to be disturbing public order. The campaigns have been largely symbolic in value, and appear aimed at a short-term appeasement of public concerns over street crime with little long-term impact. In practice, the campaigns have had a negative effect on two fronts. Firstly, the identification and ensuing arrest of ‘preman’ has been conducted in a way that undermines the presumption of innocence and due legal process. The campaigns have been the sole responsibility of the police, with little or no co-ordination with other relevant arms of government such as the department of social welfare. Subsequently, those arrested have been detained for up to several weeks before being released back into the streets.

   Secondly, as with the Petrus campaigns of the 1980s, the campaigns have avoided targeting established organizations. Subsequently many criminal elements have joined these groups in order to gain ‘invulnerability’ from the law. During the 2005 anti-preman campaigns in Jakarta for example, local militias experienced a 300% increase in new members. Throughout the duration of these campaigns public complaints of extortion and corruption on the part of the police increased threefold, suggesting that some police used the campaigns as an opportunity to reclaim sources of illegal rent extraction taken from them by ISG’s.

2. **Co-option:**

   There have been a number of initiatives aimed at the co-option of informal security groups. These have taken two directions; the granting of state sanction to existing private security groups, and the recruitment of informal security actors into a variety of state created bodies. These initiatives have to date been fraught with difficulties. In the case of Tanah Abang for example, the granting of government support to ISGs, including those popularly considered to be criminal gangs, prompted strikes by transport workers and widespread public complaint. Initially these moves also increased pre-existing tensions between rival groups over perceived favouritism that resulted in outbreaks of violence. These measures at co-option resulted in serious legitimacy problems and did not stop complaints of illegal protection fees. Similarly in Bali, the establishment of *Pecalang* civilian security groups has been the object of accusations of human rights violations.
Other co-option initiatives have included the establishment of a variety of largely temporary state-created security bodies such as Civilian Militia (Rakyat Terlatih, Ratih), People’s Security Force (Keamanan Rakyat, Kamra), Peoples’ Defence (Perlawanan Rakyat, Wanra), Community Protection (Perlindungan Masyarakat, Linmas) and Assistant Police (Bantuan Polisi, Banpol). In each of these cases recruitment and training has been done in a makeshift way, and primarily aimed at addressing immediate short-term needs in relation to a shortage in security personnel. The largest of these initiatives has been the expansion of municipal police units (Satpol PP). The criteria and screening procedures for Satpol PP remain vague and training programs and supervision by the police and related authorities are clearly low and need to be strengthened. In policy workshops conducted by the research team, police identified programs to integrate local security groups and unemployed youth into municipal police units as a viable option for circumventing their involvement in crime so long as the were provided with adequate human and administrative resources.

The transformation of informal security into state sanctioned security remains fraught with dangers that are increased by the lack of police resources and the ad-hoc manner in which they have been carried out. In order to avoid further undermining of the institutional legitimacy of law enforcement agencies future co-option initiatives need to be backed up with sufficient degrees of as well as substantial consultation with local community stakeholders. In this way problems arising from the perception in the community that such groups lack legitimacy can be avoided.

3. Community Policing:

As community policing initiatives (Polisi Masyarakat, PolmasPOLMAS) such as the Japanese government sponsored Koban trials in Bekasi are still in their infancy, it is not yet possible to assess their impact. It is however important to recognise that such programs need to be aware of the constraints imposed by the authoritarian legacies of the past. In some communities efforts by the police to integrate into local communities have been greeted with suspicion, reflective of a more general continuing distrust of the institution.

Summary

Overall there has been a disjointed fluctuation between tactics that attempt to crack down on ISGs and those that seek to domesticate them. Policy measures to date have replicated the tactics of the New Order, focusing upon law and order and co-option strategies. However the situation has changed in ways that have made these strategies ineffective and politically contentious, further
exacerbated by the lack of co-ordination between relevant arms of government. The web of vested political interests linking elements within political parties, parliaments, the bureaucracy and police to ISGs has prevented the articulation of a coherent and consistent approach. There has yet to be a comprehensive and co-ordinated response from the Indonesian government to the problem of ISGs in Indonesia.

Many of the problems indicated have arisen as by-products of the haphazard manner in which decentralization reforms have been implemented. The ineffectiveness of the post-New Order state to enforce the rule of law has contributed to a general sense of lawlessness, which in turn has facilitated the growth of ISGs. The growing influence of these informal groups is directly related to problems of declining state effectiveness in the security sector and to an increased privatization or ‘marketisation’ of security functions without appropriate regulatory constraints. As was the case in post-Soviet Russia, the opening up of markets precipitated a period of intense unregulated competition. There was a gradual process of elimination amongst competing security groups after this period of intense and violent rivalry. Having established a degree of territorial control and becoming recognized guarantors of business transactions, these stronger groups made a conscious choice of an economic policy of reasonable taxation and reliable protection of property, thus creating a relatively secure environment and becoming recognised as legitimate enterprises. The question that remains in the case of Indonesia is what sought of ISGs will survive and prosper, and what practical measures can the state take to determine the outcome?
4. Where to Now? Possibilities for Policy and Governance

While a range of social and political problems may be constructively addressed by policy and institutional measures it is critical to realise that there are important limits to such options. Policies and institutions may indeed change behaviour by altering the incentives and costs for individuals but not always in the way favoured by market reformers. Not only are efforts to introduce governance reforms plagued with effective resistance or simply ignored, in other cases, they are often hijacked and can be useful to a range of highly illiberal interests as many efforts at economic deregulation, political democratisation and administrative decentralisation attest. In other words, established power relations are often highly resilient and highly adaptive to institutional changes and attempts to introduce new modes of governance.

Having said this, the option of sitting back and waiting for evolutionary, or sometimes revolutionary, shifts in power and ideas within societies and political systems to move in one way or another is not a realistic one. Policy and institutional changes can open doors to new interests and force old alliances to reorganise themselves and the possibilities to move forward can be enhanced. We assess below a range of policy initiatives potentially useful in addressing the issue of informal security. None are stand-alone options. It is also critical that policy agendas are co-ordinated across these different options and between different agencies. Lack of coherence in policy direction and lack of co-ordination between agencies was a major criticism offered by younger police officers at a workshop held by researchers in this group in Jakarta in November.

Regulation

Although a system of clear and consistent regulation is no guarantee of reforming the informal sector in general and the security and protection sector in particular, the absence or incoherence of regulation means there is not even a reference point for directing policy initiatives. Thus there are opportunities for reform in this area.

- At the constitutional level we have discussed earlier the confusion in laws relating to the role of citizens in defending the state. Revisiting laws, such as Article 30 of the 1945 Constitution, originally inspired in a time where ‘defending the revolution’ was a central theme in Indonesian political life, may be able to address the circumstances of the post-
nationalist period and more realistically define the rights and limits of citizen’s activities in the security area.

- Existing arrangements governing the role of organisations (Such as Regulation 8/1985 regarding the existence of public organisations) also needs revisiting and for the same reasons. Current laws are based on former corporatist ideas of political and social organisation that are useful to some elements of society but can be dysfunctional in modern economic and political systems. They offer loopholes to informal security activities that need to be closed.

- Regulations governing the activities of private security organisations and the security industry and the authority of the police in this sector are disorganised. The provision of clear and consistent regulations can provide a potential means whereby security organisations can be required to fulfil specific requirements.

Law and Order

One of the major approaches to the informal security problem has focused on simply enforcing laws and eliminating transgressors. This approach confronts the problems of capacity in the police and judiciary and a lack of will in the political system as we discussed in the previous section. Measures to enforce the law have taken the form of periodic crackdowns that are rarely followed up and sometimes have degenerated into extra-legal projects and undermine the legitimacy of the police and other enforcement agencies in the government. The success of any sustained law and order programme depends upon at least vigorous efforts to build capacity within the police and to pursue ongoing reform of this apparatus. By their very nature, police forces are susceptible to highly ambiguous relationships with political and criminal interests even in Western countries with a long history of public policing.

However, consideration of some targeted reform measures are suggested by experiences elsewhere and argued by reform advocates in Indonesia.

- At a basic level, some consideration has to be given to increasing the numbers of police in Indonesia which are extremely low relative to the population even in comparison with Asian neighbours. The possibility of expanding police auxiliaries for specific purposes should be systematically considered. This may include training and incorporating members of private security organisations into auxiliaries so long as they are under the formal jurisdiction of the
police. The example of the *Tramtib*, sometimes used at the provincial level should be assessed.

- Community policing approaches in specific circumstances may be one way of addressing problems of trust between police and citizens and there is interest among donors in this aspect of assistance. One programme is currently sponsored and managed by the Japanese government and this deserves serious scrutiny and analysis with a view to assessing the benefits of extending such programmes. It should be emphasised that community policing is considered here in the context of policing by the police and not by private auxiliaries whose dangers are spelt out below.

- Police require guidelines and guidance for dealing with informal security organisations and this is an issue raised by police at the November workshop mentioned earlier. At the moment formal advice about these issues by police leadership appears to be fragmented, ad hoc and arbitrary where it exists. Police leadership could be assisted in developing guidelines for police ranks and measures for enforcement.

- Decentralisation and the fragmentation of state authority have led to a range of solutions to the security question. Many local and district authorities have adopted informal arrangements with private groups to address security concerns. The government should ensure a consistent approach and develop common national regulation of the private security sector and how it is involved in relations with the police and local government.

It should be emphasised that police reforms are dependent upon reforms in as range of other areas, not least the judiciary. The existence of a vast informal economy operating outside any formal tax or regulatory framework also offers a continuing arena for informal commercial and security activity and the progress of regulation in this sector is important.

**Co-option**

A second theme in policy approaches to informal security has been that of co-option. The rationale is seemingly attractive; drafting ISGs into police-led programmes for providing security addresses both the capacity shortfalls in police and other formal security organisations and brings the informal organisations at least under some form of oversight and discipline. There have been numerous examples of attempts to co-opt ISGs to perform security functions under highly informal
arrangements. Examples include the Hulubalang security force in Tanah Abang and the Pecalang ‘traditional security’ in Bali.

Nevertheless, co-option always produces highly ambiguous relations between government, the police and the ISGs. Where civilian auxiliaries are recruited from informal security groups that continue to operate as political militias or in the arena of political criminal activity or intimidation and protection rackets, the legitimacy of the authorities are invariably damaged and attempts by the police to build trust with the public are undermined. The highly porous borders established between the police and ISGs in co-option exercises also create more opportunities for corruption. We therefore recommend no co-option on this basis and any civilian auxiliaries recruited should be under the formal authority of the police as a police auxiliary.

Social Policy Options

There is little doubt that the informal security sector flourishes where poverty and unemployment exist and where the informal sector of the economy is large. Realistically, we must expect that the problems of ISGs will remain to a substantial degree so long as these problems remain. There are, however, some strategies that can be adopted to target specific aspects of the problem.

- At one level, targeted trade-oriented education for at-risk youth may potentially reduce the need for some individuals to drift into the informal security and protection sector and associated militia and criminal activities.
- This must be complemented with targeted employment generating programmes. Support for small-scale companies in waste management and collection, for example, is one potential area of attention suggested by our research. It could build on activities already done informally and inadequately as part of some informal security arrangements and offer both means of income and employment as well as providing a critical social service.

5. The Big Picture

What can we say about the medium to long-term prospects for the regulation and containment of informal security groups and, indeed, other informal militia and vigilante groups in Indonesia? There are important lessons to be drawn from other cases where such informal groups have also played important roles as societies and political systems have been transformed by dramatic political changes, industrialisation and globalisation. Can we draw from policy and
institutional measures introduced elsewhere? Does the answer lie in policy design? Policy-makers have grappled with the same issues in a range of countries. 

The governance measures introduced in Hong Kong in the 1980s and 1990s are widely cited as models for dealing with corruption and extra-legal activities within the public service and police and the resulting relationships with informal security and criminal groups. There is little doubt that Indonesia can learn from policy solutions to the problem under study. But policy design has its limits. The success of policy initiatives has always been highly dependent upon how politicians and powerful interests in society view the problem of private coercion and how they are connected to groups working at the extra-legal margin. In Italy, China and Japan between the major 20th century wars, for example, different fascist and nationalist political parties made extensive use of extra-legal organisations to defeat opponents with contending agendas, notably labour organisations or liberal reformers. When these groups outlived their usefulness, authoritarian governments were able to simply eradicate them using violent means. This experience of the Soeharto era has some parallels to this. But things have changed.

Much of the changed circumstances are the result of the unravelling of the highly cohesive and centralised form of state power that prevailed under Soeharto. A similar process occurred when the fall of the Soviet Union and the privatisation of the state economy opened the door to widespread gangsterism and oligarchy. Under Yeltsin, these forces were useful to politicians who required both funds and protection. However, in Russia, these forces have been domesticated under Putin and harnessed to the needs of the newly resurgent, highly centralised and anti-democratic state authority. This option is not one available for Indonesia. On the one hand, the old centralised authoritarian state has unravelled to what appears to be an unredeemable extent. While the new political class that has emerged has become enmeshed to varying degrees with extra-legal forms of coercion in the context of money politics, it remains highly fragmented and disorganised. While the opportunities for different forms of informal security have opened widely in Indonesia, both from the vacuum left by the ending of the powerful Soeharto state and the demand from new political elites, it is more difficult to see who would throw their weight behind new policy and governance initiatives designed to regulate and contain the informal security sector.
References

Indonesia:


Comparative:


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