

Policy Analysis

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Averting a “New Kosovo” in Indonesia Opportunities and Pitfalls for the United States

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Executive Summary

The crisis in East Timor exposed the diverging strategic interests of the United States and its allies, especially Australia, in East Asia. Washington resisted intense pressure by Canberra to assume military responsibility for stability in the region with the support of the Australian “deputy.” The surprisingly low-key U.S. involvement in resolving the East Timor crisis averted a Kosovo-like intervention in the Indonesian archipelago and reduced the danger that the United States would become the focus of anti-Western sentiment in Indonesia and elsewhere in Southeast Asia. Nevertheless, some foreign policy activists, invoking the analogy of the former Yugoslavia, are foolishly trying to expand U.S. intervention to deal with secessionist pressures in Indonesia.

Proponents of the “Indonesia-is-Yugoslavia” thesis contend that U.S. diplomatic, and perhaps even military, activism is a moral and strategic imperative to pressure Indonesia’s Javanese political elite to recognize the right of self-determination of Aceh and other provinces. An assertive U.S. role, it is argued, is needed to

prevent the threat to America’s allies in East Asia that could result from the disintegration of Indonesia and China’s alleged intention to exploit such turmoil. But U.S. military intervention in the growing civil strife in Indonesia would only encourage secessionist movements in Aceh, Maluku, Irian Jaya, and other provinces to refrain from reaching with Jakarta agreements that could provide those provinces with more political autonomy. Such agreements have the potential to transform Indonesia into a more decentralized country without leading to its Balkanization and the onset of civil war.

Moreover, high-profile U.S. military intervention in Southeast Asia is bound to create incentives for Japan, Australia, and the ASEAN governments to maintain their current “free-riding” policies. Instead, a more detached U.S. military and diplomatic approach, including support for a constructive role by China in the region, would encourage Beijing, Tokyo, Jakarta, and other key players to create an environment conducive to a stable regional balance-of-power system.

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Introduction: The East Timor Intervention and Its Implications

An inevitable diplomatic momentum to send UN peacekeeping forces to impose order in East Timor followed the escalating violence there during the summer of 1999. That momentum was provided by Portugal, the former colonial ruler of East Timor, and Australia, a Pacific and pro-Western nation that has strategic interests in maintaining stability in its own “back yard” and making sure that its “strategic shield” of friendly and stable neighbors remains intact.¹

After postreferendum violence erupted in East Timor, Canberra proposed an Australian-led “coalition of the willing”—a military force, including troops from the United States, that would enter East Timor with the blessing of the UN Security Council. On September 15, 1999, the Security Council authorized an Australian-led force of more than 8,000 troops, the International Force for East Timor (INTERFET), composed of soldiers from 16 countries, including several Southeast Asian countries. It also included a small U.S. contingent of some 400 soldiers to serve in a noncombat support role.² On October 25, 1999, the Security Council voted to replace the 16-nation peacekeeping force with a UN-led administration—the UN Transitional Administration in East Timor—of more than 10,000 personnel with civilian and military components.³

Australia’s Agenda: Get America Involved

From the beginning of the crisis, Australian opinion leaders have expressed concern that the violence in East Timor—and the potential for wider political instability in Indonesia—could bring a flood of refugees into Australia. That Australian core national interests were involved in the outcome of the crisis in East Timor was obvious. The Australians were worried that a civil war on the Indonesian archipelago could spill over into Malaysia and Singapore and possibly

involve China. Such a development would threaten stability and the overall balance of power in the region, thereby forcing the Australians to assume a more assertive and costly diplomatic and military role.

The low-key U.S. response to those concerns surprised and annoyed Australian elites. According to a prominent Australian newspaper, some U.S. officials “believe that East Timor is mainly the responsibility of Australia, because it was Australian Prime Minister John Howard who first wrote to Indonesian President B. J. Habibie urging self-determination.”⁴ (The Australians, like the Portuguese, enthusiastically backed the snap referendum on independence and made “little effort to urge caution when it became clear that neither the local elite, nor the Indonesian armed forces, supported the referendum.”)⁵

It was not surprising that Australia wanted the United States, its long-time ally and patron, to take much of the responsibility for dealing with the crisis in East Timor.⁶ As the Australians saw it, U.S. involvement would not only strengthen the diplomatic and military leverage of the UN operation vis-à-vis the Indonesians; it would also reduce the likelihood that Australia would be seen as a regional bully trying to impose its will on an Asian nation. Australia would, instead, simply be part of a “U.S.-led mission.” It is interesting to note that it was an Australian newspaper, *Melbourne Age*, that first reported (in what seemed to be a classic “trial balloon”) that U.S. officials had discussed with their Australian counterparts a plan to deploy 15,000 U.S. Marines in East Timor in a peacekeeping role. Foreign Minister Alexander Downer of Australia subsequently admitted that the United States did discuss the plan with Australia, but only “hypothetically,” and the Pentagon issued a statement on August 11, 1999, denying the reports.⁷

A top Pentagon official and a leading congressman, visiting Australia during the week of the referendum in East Timor, sought to pour cold water on Australian ideas of having American troops take part in a peacekeeping mission. Deputy Assistant Secretary of Defense for East Asia Kurt Campbell told the

Australian-American Leadership Forum in Sydney that the United States would be reluctant to support a peacekeeping effort, and if it did, it would be with only a small force. Once the ballot was over, East Timor was Australia's problem, he stressed. Rep. Doug Bereuter (R-Neb.), the influential chairman of the Subcommittee on Asia and the Pacific of the House International Relations Committee, also told the Australians that "it was unlikely" U.S. peacekeepers would go to East Timor.⁸

Despite those statements reflecting U.S. reluctance to play a major role in peacekeeping operations, Australian officials and journalists continued to call on Washington to participate in such an effort and expressed dismay with the lukewarm official American response. Australian pressure ultimately led to limited U.S. participation—originally 200 military personnel, then expanded to more than 400 in October 1999—in the peacekeeping mission. Although the response by the Clinton administration and the American public to Canberra's request for U.S. troops disappointed Australia's leadership, Prime Minister Howard downplayed the discord. The role Australia was playing in the crisis, he insisted, indicated that his country was serving in Southeast Asia as a "deputy" to the U.S. global policeman. He then enunciated a "Howard Doctrine," according to which Australia represents the values of "Western civilization" in East Asia and supposedly advances the interests of America in the region.⁹

Washington Avoids Becoming a Scapegoat—So Far

Australia's interests are not necessarily the same as America's. Certainly, the ambitious and crusading Howard Doctrine, which has been rejected by many leading Australian politicians and commentators, is a formula for dragging Washington into military adventures and political quagmires in East Asia. Indeed, the perception that the United States is meddling could lead to anger among Indonesians and renewed tensions between

Jakarta and Washington. Even the mild initial American criticism of Indonesian policy in East Timor led several Indonesian politicians and journalists, including some moderates, to accuse Washington of devising a sinister plot to fragment the country. Using Washington as a scapegoat may have been part of a deliberate strategy on the part of some key Indonesian players. Analysts have speculated that, notwithstanding their official opposition to foreign intervention in East Timor, the Indonesian government and military were not unhappy about the United States' getting involved there.

One theory is that former president Habibie and General Wiranto, former head of the Indonesian armed forces, concluded that they had no choice but to allow East Timor to gain independence, and they were interested in fending off domestic criticism by placing the blame for the loss of East Timor on the United Nations and the United States.¹⁰ "The United States made us give up East Timor," is the kind of spin that can win some sympathy in the conspiracy-oriented and anti-American political culture of Indonesia where the Central Intelligence Agency is seen as a major behind-the-scenes manipulator. However, Washington's resistance to Australian pressure to send U.S. troops to East Timor reduced the risk of an anti-American backlash. One Indonesian observer suggested that U.S. relations with Indonesia would not suffer since Washington's policy was "more moderate" and the United States was showing "more sensitivity" than was Australia.¹¹

Hence, the relatively restrained U.S. intervention in the East Timor crisis has prevented Washington from becoming the focus of the anti-Western hostility that initially swept Indonesia following the withdrawal of its troops from East Timor. But if Washington expands its role in the UN peacekeeping mission or gets involved in trying to deal with the other secessionist conflicts in Indonesia, it could internationalize those civil wars and increase the chances that America will be caught up in Indonesia's domestic politics. It is imperative for Washington to avoid

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that trap, especially if East Timor proves to be only the first phase of major trouble in Indonesia.

Indonesia: East Asia's Yugoslavia?

The crisis in East Timor has highlighted the growing discord among the ethnic, religious, and racial groups—including Javanese Moslems, Portuguese-speaking Christians, Balinese Hindus, and animist tribes from Borneo and New Guinea—that inhabit the Indonesian archipelago. Several analysts, including American Enterprise Institute scholar John Bolton, who serves as a foreign policy adviser to presidential candidate George W. Bush, have compared post-Suharto Indonesia and the demise of Suharto's New Order regime and national ideology of Pancasila (which prescribed tolerance for the country's myriad ethnic and religious groups) with the situation in Yugoslavia following the death of Marshal Josip Broz Tito and the collapse of communism. Bolton suggests that "conditions in Indonesia today are eerily reminiscent of those in Yugoslavia in 1991–92."¹² "Fears are mounting that the Yugoslav-type ethnic and sectarian violence that has wracked Indonesia for more than a year could escalate even further," John Manguno, former Jakarta bureau chief for the *Wall Street Journal*, has written recently, pointing to the threat that "lies in the specter of Balkanization, a fracturing of the world's fourth most populous nation into hostile pieces akin to Bosnia, Croatia, Serbia and Macedonia."¹³ Interestingly enough, the danger of the "Yugoslavization" of Indonesia was raised by Indonesian observers at the time of NATO's attack on Kosovo. They warned that unless Indonesians "learn to control our narrow group loyalties and interests, it may not be difficult at all to imagine a tragedy similar to that of Yugoslavia occurring in Indonesia."¹⁴

According to the Indonesia-is-Yugoslavia analogy, both Tito and Suharto had stifled their people's participation in political and

social processes while providing some level of economic prosperity and creating a false sense of national unity among various and sometimes hostile ethnic and religious groups; both regimes outlawed the promotion of ethnic and religious hatred. Hence Suharto's forced resignation, not unlike Tito's death, has created a major power vacuum, which, coupled with Indonesia's serious economic problems, may be reviving various ethnic and religious tensions that had been kept dormant during years of strict political control and relative economic progress.

As in Yugoslavia, a strong central government, backed by military force and legitimized by a national doctrine that stressed "togetherness among people of different races and creeds who find themselves rubbing shoulders with one another under one umbrella of state"¹⁵ was able to hold Indonesia's far-flung provinces together. However, once Indonesia, like post-Tito Yugoslavia, was no longer held together by a strong leader, its forced cohesion began to unravel. The current ethnic and religious troubles are raising the specter of Indonesia's sinking, as did Yugoslavia, into political chaos and ethnic violence and perhaps even breaking up. And disintegration could threaten the interests of Indonesia's neighbors, including Australia, Singapore, Malaysia, and Japan, which also happen to be key military allies and economic partners of the United States, in the same way that the breakup of Yugoslavia affected the interests of Washington's NATO allies—especially Italy, Greece, and Turkey.

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East Timor as an Omen?

Not surprisingly, the results of the referendum on independence for East Timor and the ensuing crisis have heightened concerns about the unity of Indonesia, a country of more than 13,000 islands and more than 300 ethnic groups and languages. For 32 years President Suharto, representing the interests of the poor Java region (home to 60 percent of the country's population and to the capital, Jakarta), while espousing the national motto of "Unity in Diversity" (Bhinneka

Tunggal Ika), ruled Indonesia with the help of armies of civil servants sent from Jakarta and battalions of soldiers dispatched to control local affairs and suppress separatist revolts. (If one applies the Balkans analogy, Java's dominant status in Indonesia can be likened to that of Serbia in the former Yugoslavia.)

Those Jakarta-centric policies helped turn such regions as Aceh, with its rich oil and gas fields, and Irian Jaya, with its copper mines, into neglected backwaters. The various regions yielded the lion's share of their revenues from mineral resources as taxes to the government in Jakarta. That situation produced resentment and fomented separatist sentiment, not only in Aceh in northern Sumatra and Irian Jaya (West Irian) on the western half of the island of New Guinea, but also in the predominantly Hindu region of Bali, Kalimantan, Maluku (the Spice Islands), and, of course, East Timor, which was occupied by Indonesian troops in 1975 after Portugal withdrew from its former colony.

The collapse of the Suharto regime has encouraged provinces and local districts to demand more power and control over their affairs, including a greater share of the taxes generated locally (especially from exploitation of natural resources), local elections to choose officials, and authority over schools.¹⁶ Former president Habibie, hoping that a plan for regional autonomy would create the foundation for continued unity and long-term stability, proposed legislation that would allow provinces and municipalities, whose resources had been drained to support the more populous and poor Java, to keep a greater share of the tax revenues derived from local sources.

Members of the military and the bureaucracy expressed strong opposition to the plan since they were aware that any devolution of power to the provinces would erode their ability to control political and financial power. Several nationalist figures, including former presidential candidate (and now vice president) Megawati Sukarnoputri, from

Java have also expressed concern over the danger of losing national control over such strategic commodities as oil. (Indeed, one of the reasons for the Indonesian refusal to give up East Timor was the belief that there are rich deposits of oil and gas in the seas between Timor and Australia.)

The response in the provinces to the autonomy proposals has been quite favorable, leading many local leaders to conclude that the best way to correct past misdeeds is, not through separatism, but through new local autonomy legislation, the Regional Autonomy Bill, "which promises provinces and districts a bigger share of the power and money."¹⁷ Abdurrahman Wahid, who replaced Habibie as Indonesia's president, has vowed to continue pursuing the idea of revenue sharing in the context of greater autonomy for the provinces, while maintaining the country's national unity. He has expressed support for the Regional Autonomy Bill, which is now before the House of Representatives, and suggested that it could be fine-tuned to include more political and administrative independence for the regions.¹⁸

Despite the effort to encourage a peaceful devolution of power to the regions, "Jakarta has been unable to keep far-flung mixed communities free of violent conflict," concluded the *Far Eastern Economic Review*.¹⁹ Now that independence is becoming a political reality in East Timor, some analysts are questioning whether "other remote provinces with secessionist movements like Irian Jaya and Aceh will follow." And if so, "will other areas with strong local identities, like Maluku, South Sulawesi and even North Sumatra catch the autonomy bug?"²⁰

The Growing Turmoil in Aceh

Indeed, the increasing violence and rising support for political independence in Aceh in the aftermath of East Timor's independence seems to support the view of people (including the leaders of the Indonesian military) who had predicted

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that the secession of East Timor was bound to have a domino effect on the other provinces striving for autonomy (in the same way that the secession of Slovenia and Croatia from Yugoslavia accelerated the pressure for independence in Bosnia and Kosovo and, now, Montenegro).

Aceh is a strongly conservative Moslem province that has been waging low-intensity battle for secession for 15 years. Human rights abuses by the Indonesian military have been reported, and around 2,000 Acehnese died in the past year during a special military operation to crush the escalating rebellion. Unlike East Timor, which depended on Jakarta for its spending needs, Aceh contributes nearly 5 percent to Indonesia's gross domestic product from its oil and gas production. The Acehnese population views that as a prime example of Javanese economic exploitation of the non-Javanese provinces.

A demonstration of more than 500,000 people calling for a referendum on independence from Indonesia, much like the one achieved by East Timor, took place in the capital, Bande Aceh, on November 8, 1999. Political leaders of the independence movement gave President Wahid a deadline of December 4 to approve their wish for a vote, and members of the Free Aceh Movement, known by its Indonesia acronym, GAM, who enjoy popular support in the region, have threatened to continue fighting against the Indonesian troops until Indonesia relinquishes control of the province.²¹ Indonesia's parliament (which voted to approve East Timor's decision to secede) and the military reacted to the unrest in Aceh by calling on President Wahid to take swift action, including the possible use of military force, to resolve the situation there.

Wahid, who had to cut short an overseas trip and return to Jakarta to deal with the crisis in the province, surprised even some of his supporters by expressing his willingness to allow the Acehnese to hold a referendum, but he refrained from committing himself to a date. "I support a referendum as their right," he said in a press conference. "If we

can do that in East Timor, why not in Aceh? But the question is when it will be held."²² As a gesture of accommodation, he ordered his military commander to pull back all combat troops, including those of the army's Special Force and Strategic Reserve Command—the most hated units—from the province. The military commander for the province has also been replaced with a native Acehnese. Wahid pledged to prosecute alleged violators of human rights in the provinces and indicated that he may even be ready to negotiate with the guerrillas who lead GAM.²³

Rising Violence in Maluku

While the secessionist unrest in Aceh pits a Moslem-led guerrilla movement against the Moslem-controlled regime in Jakarta, the anti-government violence that has been raging for several months on the eastern Indonesian island of Ambon and neighboring islands in Maluku province involves fighting between Christians and Moslems. The communal killings in Ambon began after an incident between a taxi driver and a drunken local man at the end of the Moslem fasting months in January 1999.²⁴ Fighting has claimed at least 1,500 lives in Ambon and the surrounding islands (hundreds of islands in eastern Indonesia known also as the Spice Islands). The violence reached an especially deadly climax in the last week of 1999, when, according to the government's count, about 550 people were killed, making it "the worst of any religious conflict" in Indonesia's history.²⁵ However, the remoteness of the Moluccas and poor communication make an accurate count very difficult.

The unrest in Ambon and the rest of Maluku reflects the explosive mix of religious groups (Moslem, Catholic, and Protestant) there as well as the growing tensions between Christians and Moslems throughout Indonesia. Violence between the two religious groups reached new heights after the downfall of President Suharto; fierce religious fighting took place in Jakarta in November 1998. The historical sources of the religious violence in the Moluccas are

part of the colonial legacy of the islands. The Dutch, British, and Portuguese contested control of the Moluccas, a valuable source of nutmeg and cloves. The Dutch, who controlled the islands until Indonesia's independence, recruited Ambonese Christians as soldiers to pacify the rest of Indonesia. Colonial officials provided the Ambonese with economic and political power, as well as education; in return, the Ambonese supported the Dutch against the mainly Java-based independence movement. After Indonesia gained its independence in 1949, the Ambonese fought to win their own state, the Republic of South Moluccas, before being overpowered by the Indonesian government. Thousands of Moluccans then fled to the Netherlands, which became a base for political (ironically, including anti-Dutch) terrorist activity in the 1970s.

Yet, according to one analyst, while secessionism has broken out in other parts of the Indonesian archipelago, the Moluccans "seemed reconciled to being an integral part of Indonesia." Even during the rising violence in 1999, "few Moluccans talk about forming an independent state" or even about political autonomy. Instead, they are putting more emphasis on demands for religious freedom. Few of the Moslem and Christian militants fighting each other "have clear objectives"; they seem to be "motivated by a deep fear and mistrust of the other side which has probably been there for many years."²⁶

Some Moslem leaders accuse the Christians of trying to drive them out of the islands and to stifle their efforts to gain economic and political power. The Christians are concerned that the Moslems, backed by their coreligionists in Jakarta and the Moslem diaspora, are trying to erode the Christians' dominant political and economic position in the Spice Islands where they are already in the minority (44 percent).²⁷ The tensions between Moslems and Christians in Maluku, and in some other parts of the archipelago, may reflect Christians' perception that, whereas Suharto included many Christians in his government and the mili-

tary, the new political leadership has stronger Moslem religious roots (President Wahid and parliamentary leader Amien Rais are Moslems). In other words, the religious communal violence in Ambon and other portions of Maluku, although nasty, is not necessarily evidence of a well-developed independence agenda.

Dealing with Secessionist Pressures

As the secessionist campaign in Aceh and the violence in Maluku and other provinces demonstrate, there is no doubt that Indonesia, as Yugoslavia did throughout the 1990s, must deal with growing pressure for separatism. Separatist sentiment has also surfaced in many other nation-states, including Russia, Czechoslovakia, Canada, Turkey, several countries in sub-Saharan Africa, and even Great Britain. A variety of factors—economic globalization and regionalization, the weakening of central governments, and the waning of unifying national ideologies—has strengthened local political power and energized ethnic and religious groups. In addition, with the end of the superpower rivalry, global powers, including the United States, are not under such intense geostrategic pressure to come to the support of regimes in client states.

The more detached approach of the United States tends to strengthen the power of opposition forces, including those in secessionist provinces. The problem that Yugoslavia and Indonesia are facing is that, unlike countries such as Britain, Canada, and the former Czechoslovakia, they may lack the political or social mechanisms for managing a peaceful transition to decentralization or the acceptance of secession. It was the democratic framework, for example, that made possible the reasonably amicable political divorce of the Czechs and the Slovaks.

The problems of both Yugoslavia and Indonesia in dealing with ethnic and religious diversity and conflict go beyond the inability of their respective regimes to manage the transition. Yugoslavia and Indonesia were artificial political entities created by

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outside powers that imposed their will on a multiplicity of ethnic groups, cultures, and religions, as those outside powers tried to realize their strategic interests and apply their ideological biases. (The World War I victors set up Yugoslavia, and the Dutch—and later the Japanese—formed Indonesia politically during their periods of colonial control.)

It is not surprising, therefore, that some observers ask “whether Indonesia even qualifies as a nation” and argue that it may be “a geographic and political absurdity—its sole *raison d'être* was the Netherlands’ and other colonial powers’ desire to grab as much territory as possible.”²⁸ That assertion, whose advocates can draw on the recent experience in the Balkans, often leads to the conclusion that Indonesia can be maintained as a unified and viable political entity only through the use of force by a domestic or a foreign power, or both. The fact that the Indonesian archipelago is even more ethnically diverse and regionally diffuse than the Balkans would suggest that its disintegration could be more turbulent than that of the former Yugoslavia.

A Breakup Is Possible but Not Inevitable

The mounting violence in Aceh and other provinces is certainly cause for doubt about Indonesia’s viability and unity. However, observers who argue that the only choices Indonesia has as a state are continuing central and repressive control from Jakarta or some form of foreign intervention to protect East Timor, and perhaps other secessionist-minded provinces, may be oversimplifying matters.

They ignore signs that the country is attempting to move toward a more open and democratic future, including the possible establishment of a quasi-federalist system that would provide some form of autonomy to major provinces. Contrary to some of the earlier and more apocalyptic predictions

about the political and economic future of Indonesia, this huge Southeast Asian nation has been more successful in transitioning to a democratic system than have many other authoritarian states, most notably Yugoslavia. It is even more remarkable that the transition to an open political system, which made it possible to hold the first democratic parliamentary elections, has taken place during a period in which Indonesia has had to recover from a major economic crisis and begin reforming its system of crony capitalism.

Moreover, all of that happened without any attempt on the part of the United States or other nations to use their military power to force Indonesia to reform its political and economic institutions. That development tends to reinforce the view of free-market advocates that a nation that adopts a capitalist system and integrates itself into the global economy creates an environment that is conducive to political reform and democratization of its authoritarian system. In that context, Indonesia seems to be following in the footsteps of Taiwan and South Korea; one could also point to similar political transformations that are starting to take place in Malaysia, Singapore, and China.²⁹

It is, therefore, at least possible that the pressure for autonomy coming from the different provinces will not bring about a Yugoslavia-like chaotic, violent breakup of Indonesia. Instead, the country may succeed in gradually devolving power to the regions and establishing a more decentralized political system. Alternatively, the Javanese elite might accept the secession of some of the more dissatisfied provinces, albeit reluctantly. The process would probably not be as peaceful as the partition of Czechoslovakia. It is more likely that it would resemble the route taken by the Soviet Union—a long and messy shift of power to the various republics and then another shift to the provinces within the Russian Federation. Some of those changes were achieved through peaceful means and some through violence.

In fact, as Benedict Anderson of Cornell University points out, the historical experi-

ence of postindependence Indonesia reflects only limited public support for separatism. In the regional rebellions that followed the 1955 elections (in which ethnic parties did relatively badly), “all except the separatist movement in Maluku were ‘aimed at improving the position of the ethnic groups within Indonesia.’” Even when West Sumatra declared “revolutionary government” in 1958, “it still professed loyalty to the republic and claimed the support of all Indonesians.”³⁰

East Timor’s struggle for independence could, therefore, be very different from the experience of the other provinces in their search for autonomy. Although there is dissatisfaction with Jakarta’s rule in many other areas of Indonesia, no other region is harboring a rebellion as fully developed as East Timor’s, and none of them enjoys the kind of international support, including that of the UN, that the East Timorese have succeeded in gaining since 1975. With the exception of Australia, no UN member recognized the former colony’s annexation. And Jakarta never succeeded in integrating East Timor, where the majority of the population is Christian and speaks Portuguese.

Indeed, as one Indonesia analyst has concluded, “East Timor can be seen as unique,” and its secession should not be regarded as a signal that all of Indonesia is about to break up.³¹ Both Irian Jaya, which was only incorporated into Indonesia in 1969, and Aceh, a province that resisted Dutch rule until 1903, long after the rest of the East Indies fell under Amsterdam’s authority, have, as does East Timor, distinctive and proud histories. Nevertheless, both were under Dutch control like the rest of Indonesia and have therefore always been a more integral part of the country. Indeed, the shared history of coming together in the 1940s, after a long and bitter revolutionary fight against the Dutch, “serves as a powerful glue, augmented over the decades by a common language, intermarriage and international migration,” as millions of people from Sumatra, Sulawesi, Kalimantan, and other parts of the country have flocked to Java for education or jobs.

And “similar numbers of Javanese went the other way, many as part of the government’s controversial transmigration program.”³² One can argue, therefore, that the effort by Sukarno and Suharto to create a sense of national unity has been more successful than similar attempts by Tito to unify Yugoslavia.

Indonesia in the Balance

The case against the inevitability of fragmentation is bolstered by other factors. With more than 300 ethnic groups scattered across 13,000-plus islands, most of the identifiable groups are too small to exist as separate nations. There is also the fear that, should Indonesia disintegrate into microstates, new territorial rivalries and economic competition would emerge that would outweigh new opportunities for trade and investment. Indeed, unlike Yugoslavia, one of Europe’s economic basket cases, Indonesia is still regarded as an economic success story—despite the impact of the East Asian financial crisis—and its inhabitants have a vested interest in making sure that the country’s economic pie continues to grow, not shrink.

Maintaining the country’s unity while allowing the provinces to collect and keep substantial revenues and transforming Aceh, South Sumatra, East and West Kalimantan, South and North Sulawesi, and mineral-rich Irian Jaya into new dynamic centers of trade and investment would help Indonesia achieve additional economic growth and improve the standard of living of the entire population. Indeed, the idea of a “United States of Indonesia,” the forging of nationhood through federalism à la Malaysia and India, as proposed by the powerful speaker of the Indonesian parliament, Amien Rais, could emerge as a long-term realistic option.³³

But a peaceful transition toward devolution and the establishment of a quasi-federal system are by no means guaranteed. Despite President Wahid’s support for the Regional Autonomy Bill, opposition to it is still very strong, especially among members of the

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Washington's Limited Influence

In any case, the United States can have only limited influence on the choices the people of Indonesia will have to make in the coming years. The intervention of the United States and the “international community” to resolve ethnic conflicts and save “failed states” can, at best, lead to an ambiguous compromise like the Dayton Accord or the kind of forced agreement that was imposed on Kosovo. The result of that approach is the creation of international protectorates whose security becomes largely the responsibility of the United States. As military analyst Edward Luttwak noted recently in a controversial *Foreign Affairs* article, resolution of ethnic conflicts, such as those plaguing Yugoslavia or Indonesia, can be reached only “when all belligerents become exhausted or when one side wins decisively.” Either way, he wrote, “the key is that the fighting must continue until a resolution is reached.” Imposed armistices “artificially freeze conflict and perpetuate a state of war indefinitely by shielding the weaker side from the consequences of refusing to make concessions for peace.”³⁹

In that context, the pressure by the West to force Jakarta to grant independence to East Timor may have created a perverse incentive structure elsewhere in the Indonesian archipelago. The main difference between Kosovo and East Timor, however, is that in East Timor the United States was unwilling to use its military power on a significant scale to shield the weaker side from the consequences of challenging the more powerful player. That restraint should send a constructive message from Washington to the other secessionist movements in Indonesia: We sympathize with your quest for independence, but don’t expect us to come to your defense. That, in turn, may create an environment that will allow President Wahid to pursue the very delicate business of expanding the political and economic power of the provinces, including, possibly, allowing an Acehnese referen-

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military and the Javanese political elite. In addition, even many moderates have made it clear that they would not consider granting Aceh, Irian Jaya, and Ambon the kind of “special status” given to East Timor, and the newly elected parliament has expressed opposition to President Wahid’s suggestion of allowing Aceh to vote on its future.³⁴ A continuing economic recession or a new wave of political instability would certainly not be conducive to granting the provinces political autonomy.

The independence of East Timor may also act as a boost to the other secessionist movements, while simultaneously strengthening the hand of the Indonesian military—which has been at the forefront of the opposition to regional autonomy. Repressive tactics by the military in suppressing the rebellions and the violent countermeasures by secessionist guerrilla forces are likely to produce the all-too-familiar “cycles of violence,” such as the one that has occurred in Aceh in recent months,³⁵ and stifle further talk about political decentralization. In Aceh “the separatist insurgency is far more volatile and violent than East Timor ever was,” according to one report. Acehnese rebel commander Abdul Syafii told reporters: “If East Timor gets its independence, then any other area that has been colonized by the Indonesian government has the right to its independence.”³⁶

In a worst-case scenario, granting greater political and economic autonomy to Aceh, a large and rich region, may not be enough to prevent a gradual breakup of the archipelago nation.³⁷ Indeed, as Singapore’s senior statesman Lee Kuan Yew has suggested, a move to provide Aceh with some form of autonomy could “lead to so many other special autonomies in so many other provinces that Indonesia will have quite a problem in coordinating all these semi-autonomous and very autonomous regions.”³⁸ The bottom line is that it is impossible to predict whether Indonesia will fragment or achieve a reasonably orderly transition to a more democratic and decentralized political system.

dum on self-determination, without undermining the unity of the Indonesian state and triggering the Balkanization of Indonesia.

Misapplying a Balkans Analogy to Southeast Asia

Comparing Indonesia with Yugoslavia is, of course, more than just an interesting academic exercise. People who emphasize the parallels between the situation in Yugoslavia earlier in this decade and the current situation in the Indonesian archipelago, and liken the secessionist movements in East Timor, Aceh, Irian Jaya, and other provinces to the ethnic and religious conflicts that led to the breakdown of Yugoslavia, are usually advancing a specific, highly intrusive policy agenda.

Simplistic “Lessons” from the Balkan Crisis

According to the “Indonesia is the next Yugoslavia” school, the United States and its West European allies erred by not intervening militarily in Yugoslavia in the early 1990s, when the Serbian political and military leadership resisted moves toward political independence by Slovenia, Croatia, and Bosnia. As a result, the argument goes, Washington and the European Union allowed the ethnic tensions in the Balkans to escalate into full-blown, bloody civil wars and found themselves subsequently playing a more complicated and costly role in trying to resolve the crisis there. As John Bolton, an assistant secretary of state in the Bush administration, argues, the lessons of Yugoslavia are, “First, U.S. interests were not served by deferring to the EU, and, second, almost no one’s interests (except perhaps the Serbs’) were served by the installment approach.”⁴⁰ Bolton then suggests that the United States and its allies in East Asia should become active sooner rather than later and use military force, if necessary, to deal with the current ethnic problems in Indonesia.

People who are sympathetic to the idea

of a U.S.-led UN military mission in East Timor are therefore using the Yugoslavia analogy to argue that Washington should not make the same mistake it supposedly made in Bosnia in the first months of that civil war. They believe that intervening militarily and imposing a settlement could have prevented the ensuing bloodshed and led to a more peaceful resolution of the ethnic and religious problems there. Instead, by “appeasing” the Serbian leaders and excluding military intervention as a viable option, the United States only made a bad situation worse, the argument goes, creating incentives for all parties to continue fighting.

Ultimately, the United States was forced to send troops under far more difficult conditions, resulting in heavier costs to itself as well as the regional players. Moreover, according to this logic, there is a straight line of causation extending from Bosnia to Kosovo: If the United States had asserted its military power in the earlier stages of the civil war in Bosnia, it would have made it clear to the Serbs that they had no choice but to provide autonomy to the ethnic Albanians in Kosovo. That wise policy would have prevented another costly U.S. military intervention and refugee problem.

Historical memories and analogies play an important role in setting the agenda of a debate on foreign policy and, eventually, in influencing the policy choices themselves. The “lessons of World War II,” encapsulated in the Munich analogy, played a critical role in shaping the foreign policy vision of the post-1945 generations of American leaders, fanning fears of potential aggressors and propelling Washington toward interventionist policies. The Vietnam War had almost the opposite effect on the U.S. foreign policy establishment; that experience imposed political and psychological constraints on leaders as they considered sending American troops to hot spots around the world. The war in Kosovo—and the entire U.S. intervention in the civil wars in Yugoslavia—has created another historical precedent and advanced new “lessons” that are being used

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The new humanitarian interventionist doctrine also has a “realistic” component.

by people who support increased U.S. military intervention abroad in the post-Cold War era.

The Dangerous New Balkan Analogy

Hence, in the same way that “Munich” served as a rallying cry for the post-World War II interventionists in the West, raising the specter of “Bosnia” and “Kosovo” is now helping to promote the agenda of the new interventionists of the post-Cold War era. They argue that, unless the United States now plays a decisive leadership role in the intervention in East Timor, America will risk paying a heavier price trying to resolve future “Kosovos” in Indonesia. The promotion of U.S. intervention in Indonesia is based on the increasingly prominent “idealistic” notion that the West has the right and obligation to use force to intervene in the domestic affairs of a sovereign nation to avert potential humanitarian disaster. But the new humanitarian interventionist doctrine also has a “realistic” component.

A major argument for U.S. military intervention in the Balkans was that it was necessary to assert U.S. “leadership” in Europe in the post-Cold War era and preserve NATO. Similarly, a U.S. military role in Indonesia would be part of a larger policy aimed at maintaining the U.S. “strategic role” throughout East Asia. Or to put it differently, showing off U.S. power in the “periphery” serves long-term American strategic interests in the “core.” The war in Kosovo and the containment of allegedly dangerous “spillover” effects—a flood of refugees and new local conflicts in the rest of Europe—has supposedly helped to strengthen British, French, and German confidence in the continuing U.S. commitment to maintain stability in Europe and to deter Russia. As one pro-interventionist analyst, former assistant secretary of defense Joseph Nye, put it, “If the United States had then pulled the rug from its pro-interventionist allies [in Kosovo], it would have produced a NATO crisis on the scale of Suez in 1956.” The U.S. intervention in Kosovo, he argues, helped to project “a strate-

gic interest in the future of the American alliance with Europe.”⁴¹

A decisive U.S. leadership role in East Timor would supposedly avert similar “spillover” effects and provide a sense of security to Australia, Singapore, Japan, and other U.S. “friends” who are concerned about potential attempts by China and other players to challenge the status quo in the region. Indeed, proponents of the Indonesia-is-Yugoslavia thesis have a more ambitious agenda than the one that drove the intervention in Kosovo. In the Balkans, the United States was able to activate and lead an existing regional security organization (NATO). That option does not exist in East Asia. Hence U.S. military leadership in trying to deal with the breakup of Indonesia would be designed to help Washington establish the foundation of a U.S.-led East Asian security system. And the long-term mission of that new regional security system would be to contain China.

The Exaggerated “China Threat” Thesis

The notion expressed by Bolton that “China could gain enormously from the confusion and disunity entailed by a long, painful disintegration of Indonesia” and that Indonesia could become a fertile ground for “mainland China adventurism”⁴² seems to fit well with the growing calls of many conservative foreign policy activists to “contain” the People’s Republic of China and focus on that country as America’s new post-Cold War strategic threat. Ironically, some of those China-bashing figures have been more skeptical of the suggestion that Russia could exploit a crisis in the Balkans to advance its interests in the region and have supported Moscow in its effort to broker an agreement between NATO and Belgrade on Kosovo. The hostility to the military intervention in Kosovo that characterized the reaction of the majority of Republican lawmakers and such Realpolitik advocates as Henry Kissinger and Brent Scowcroft made it difficult for the Clinton

administration to form a bipartisan coalition in support of the war. But the current anti-Chinese mood among Republicans could provide the Clinton administration or its successor with more political flexibility if it decides to escalate the U.S. role in East Timor or elsewhere in Indonesia as part of a long-term strategy to deter the expansion of China's influence.

Beijing's Incentives for Caution

Using the specter of a "China threat" to justify a larger U.S. role in Indonesia would be a cynical ploy. The notion that China is interested in exploiting political and economic chaos in Indonesia is nonsensical. First, it is the ethnic Chinese minority in Indonesia, with which China maintains cultural and business ties, that would be the first victim of political instability in Indonesia. (Indeed, extremely violent anti-Chinese riots erupted in Indonesia during the early stages of the 1997-98 financial crisis, as the Chinese became a scapegoat for the country's economic troubles.) Second, China, preoccupied with trying to develop an effective strategy to deal with a more independent and assertive Taiwan, does not have the military capacity required for an intervention in Indonesia and a possible confrontation with the powerful armed forces of that country. Third, the Chinese are trying to reform their economy and sustain its growth and have taken risky steps to help contain the financial crisis in East Asia, including their decision not to lower their interest rates despite the slowdown in their economy. The possible collapse of the Indonesian political and economic system would only worsen China's chances for robust economic growth. Finally, given Indonesia's long-standing suspicion of China's intentions—Indonesia broke off diplomatic relations after accusing Beijing of playing a role in the attempted coup in 1965, and formal relations between the two countries resumed only in the 1990s—any meddling by Beijing would elicit a strong, negative reaction from Jakarta.

Indeed, China has been very sensitive to

the concerns of Jakarta and other Southeast Asian governments during the recent economic and political turmoil in Indonesia, and Beijing's restraint during the anti-Chinese rioting that accompanied Suharto's fall in 1998 contrasted with the meddlesome role China played in the 1960s. Then, the PRC dispatched ships to evacuate Chinese refugees; this time, it described the anti-Chinese riots as an internal Indonesian problem and called on Jakarta to protect the Chinese minority and other ethnic groups. It is clear that maintaining stability in Indonesia and the rest of Southeast Asia, with its important strategic and economic position and a large Chinese population, is even more critical to China than to the United States.

China has been trying to strengthen its ties with the Association of Southeast Asian Nations (ASEAN) and to resolve disputes with some of its members, especially the Philippines and Vietnam, over Chinese territorial claims in the South China Sea. Beijing agreed to discuss those disputes in a dialogue with the regional group, "marking a shift away from the strict bilateralism that it pursued before 1995."⁴³ The Chinese would like to see a stable and unified Indonesia playing a leadership role in ASEAN and serving as a diplomatic and military counterweight to Vietnam, which was admitted to the group in 1995 and is regarded by Beijing as a strategic rival in the region. Indonesia supported Vietnam's membership in ASEAN as a way to provide the group with more leverage in its relationship with Beijing. The new Indonesian government has stressed its commitment to recovering its preeminent role in ASEAN and to using its leadership position to help strengthen the group's ties with China. That policy has been highlighted by President Wahid's decision to make his first official trip to China after an informal tour of the member states of ASEAN.⁴⁴

Using the specter of a "China threat" to justify a larger U.S. role in Indonesia would be a cynical ploy.

Indonesia's Rapprochement with China

Some reports suggested that Wahid was advancing a proposal to forge an alliance between Indonesia, China, and India to

Instead of fretting over the prospect that Indonesia may be adopting an anti-American posture, creative U.S. diplomacy would try to take advantage of the changing balance of power in the region to encourage Beijing to work with ASEAN.

help rectify the “lopsided” power currently enjoyed by the United States.⁴⁵ Given the historical, ideological, and cultural differences between the three countries, the idea does not seem very realistic. More likely, with the cancellation of the Australia-Indonesia military cooperation treaty and the suspension of military ties between Washington and Jakarta, Wahid, by signaling his intentions to return to the principles espoused by Indonesia when it played a big role within the nonaligned movement in the 1960s and the 1970s, may be trying to exert pressure on the Americans and the Australians.⁴⁶ The underlying message might be that “it’s the buyer’s market now,” and “we can go somewhere else for technology; we can go to Beijing for example.”⁴⁷

Instead of fretting over the prospect that Indonesia may be adopting an anti-American posture, creative U.S. diplomacy would try to take advantage of the changing balance of power in the region, including the strengthening ties between Indonesia and China in the aftermath of the East Timor crisis, and use those developments as an opportunity to encourage Beijing (as well as other East Asian powers) to work with ASEAN. Washington should also encourage efforts to enhance the loose security structure in the region, the ASEAN Regional Forum (ARF)—a multilateral security dialogue in the Asia-Pacific that includes also the United States, China, Japan, and Australia—and expand it into an arrangement along the lines of the Organization for Security and Cooperation in Europe.⁴⁸

The Real Lessons of Washington’s Balkan Misadventure

Such a U.S. policy would be based on one of the real lessons of Kosovo: Washington and its allies erred in their attempt to marginalize Russia. In fact, using the Russian channel to Belgrade earlier in the crisis might have prevented the diplomatic and military escalation that led to the NATO attack on Yugoslavia and created the refugee problem. Although China does not exert the same kind

of influence on Jakarta that Russia exercises on Belgrade, it could and would be able to use its diplomatic clout as part of a regional security mechanism to help resolve local conflicts, such as the East Timor crisis.

But the lessons of Kosovo and the U.S. intervention in Yugoslavia go beyond the obvious proposition that it is against U.S. interests to marginalize a major regional power and thus make it more difficult to reach a diplomatic solution to a crisis. The most important lesson of Kosovo is that the United States should have insisted that Yugoslavia’s European neighbors deal with that crisis. The European countries are the best placed geographically (and culturally) to deal with it and had a clear interest in doing so.

Refugees fleeing a war in the Balkans are a demographic and political problem for such countries as Italy, Greece, and Germany. Moreover, the diplomatic and military spillover effects from Balkan crises (such as increased tensions between Greece and Turkey and the rise of Islamic fundamentalism in the Balkans) have a direct impact on the core national interests of the leading European powers. But by moving to expand NATO and maintain the U.S. leadership role in that alliance, the United States discouraged the Europeans from taking responsibility for protecting their regional security and created incentives for irresponsible “free riding” on their part, for example, their continuing unwillingness to increase their anemic defense budgets. Washington’s policy made it certain that the Europeans would not take the lead role in resolving the crises in Yugoslavia and encouraged domestic and foreign players to draw the United States into the Balkan morass. That policy was also responsible for the failure to include Russia in a wider European security system.

Ending East Asia’s Security Free Riding

The United States should draw the correct

lesson from Kosovo and not repeat the same mistakes in Southeast Asia. As Sen. Kay Bailey Hutchison (R-Tex.) noted, in the Balkans as well as in other parts of the world, “We have seen the United States stumble into a series of regional crises—displacing local powers that share our objectives and are otherwise able to act on their own.” Moreover, as she pointed out, the direct U.S. involvement in the squabble in Kosovo damaged America’s far more important strategic relationships with Russia and China. The policy did not even bring a sustainable peace. Instead, the United States will probably remain militarily engaged in the Balkans for many years to come, just as it has been mired on the Korean peninsula for nearly half a century.⁴⁹

The good news is that there is no NATO in Southeast Asia and the United States is not under the same kind of pressure to maintain its prestige and commitments as the leader of a regional military group. But that there is no NATO in Southeast Asia is also the bad news. Since there isn’t a viable and effective security system to manage or contain local crises, the United States is now under pressure to fill that strategic vacuum. When some commentators call on the United States to use the situation in East Timor as an opportunity to establish an “East Asian NATO,”⁵⁰ they are actually proposing that Washington help institutionalize and perpetuate the current security relationship between the United States and its East Asian clients. Under that arrangement, the United States would continue to be the high-profile protector of Japan and would deepen its role as the more subtle protector of other allies, especially ANZUS members Australia and New Zealand, as well as the ASEAN countries.

But making the United States the permanent pacifier of East Asia would allow those countries to avoid paying the full costs of maintaining their security, to shirk responsibility for preserving regional stability, and to divert tax revenues to protect (especially in the case of Japan) a decaying statist and mercantilist economic system. Such a policy could also end up isolating and antagonizing

China, since the PRC would emerge as the only “enemy” that could justify the dominance of an outside power, the United States, as the leader of a regional security organization. Consequently, the extent of U.S. involvement in East Timor has implications far beyond the specific issues at stake in that crisis.

ASEAN’s Ambivalence

The initial reaction in East Asia to the East Timor crisis suggests that, with the possible exception of Australia (and New Zealand), a majority of the nations in the region are waiting for the United States to “project its leadership,” which is another way of saying that they are confident that America will always be there and come to their rescue. They make vague promises about increasing their defense budgets and their military cooperation with the United States, even as they spend most of their resources on preparing their economies for the coming Pacific century. That the ASEAN nations, Japan, and Australia would be adversely affected by the possible breakup of Indonesia is obvious to anyone who has studied a map of the region. As *Washington Post* correspondent Keith Richburg notes, Japan must worry about “the navigability of the Malacca Strait, a key shipping lane along the Sumatra coast that links the Pacific and Indian oceans,” while Australia and the other Southeast Asian countries are worried that an “overcrowded and poverty-ridden Java” may become a menace that challenges their interests.⁵¹ The breakup of Indonesia could produce a major refugee crisis and lead to violent attacks against the members of the Chinese minority, which would be of concern to China. It could also encourage secessionist movements in other countries in the region, including the Philippines and Malaysia.

Yet, despite the potential danger that the East Timor crisis and other instances of turmoil in Indonesia present for Japan and the Southeast Asian states, they have failed to signal their readiness to take action to defend their interests. ASEAN, including the group’s

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Japanese newspapers have also been critical of Tokyo's policy and called on the government to exercise more leadership in Asian affairs.

two democratic states, the Philippines and Thailand, refused to make any direct criticism of Jakarta over the East Timor episode and only issued a statement indicating that they "stand ready to extend support to Indonesia when and if it deems appropriate."⁵² The ASEAN governments justified their inaction and their inability to push toward collective regional action by pointing to the long-standing policy of "no internal interference" in the affairs of a member state.

That policy may have been appropriate for the era when communist insurgencies threatened the power of some of the pro-Western regimes in the region and the United States was willing to provide them with a security umbrella. But, as some members of ASEAN, led by Thailand and the Philippines (with some support from Singapore) are suggesting, the time has come to create new mechanisms that will permit a more open political and strategic dialogue in the association and encourage the members to move toward a "flexible engagement" with one another as well as with other key regional players, including China and Australia.

The willingness of Thailand as well as other ASEAN members to take part in the Australia-led INTERFET, and to play a leading role in the UN peacekeeping force that replaces it, may raise expectations, both in the association and outside it, that ASEAN could more effectively manage regional security crises.⁵³ But as one analyst concluded, pointing to "ASEAN's marginal position in the face of the region's economic, political, and ecological shocks," the chances of ASEAN emerging as a regional security player are very slim, since, despite the illusion of integration, the compact between its members has remained based on loose inter-government cooperation.⁵⁴ Although Thailand and the Philippines are in a position to encourage a more activist approach on the part of ASEAN, and Singapore remains an important military player, it is the major regional powers, China, Indonesia, and Japan—the France, Britain, and Germany of the region—that have the resources to create

a stable security system in Southeast Asia. (That group minus Indonesia but with the addition of Russia and a unified Korea could play a similar role in Northeast Asia.)

Japan's Troubling Reluctance

Japan, the largest donor to and investor in Indonesia, rejected out of hand any idea of using military means to influence developments in that country. Tokyo's reluctance suggests that recent reports that Japan is now ready to reassert its diplomatic and military power in East Asia as part of its existing security alliance with the United States, especially to deal with the North Korean nuclear threat, must be viewed with skepticism.⁵⁵ "This is not the time to discuss what to do if Jakarta did not fulfill its obligation," explained Japanese foreign minister Masahiko Komura,⁵⁶ who earlier in the crisis criticized the United States for trying to persuade Indonesia to accept an international peacekeeping force by threatening to cut economic assistance.⁵⁷ Senior Japanese Ministry of Foreign Affairs officials also argued that, despite some public support for greater Japanese military participation in dealing with the East Timor crisis, it would be difficult for Japan to commit peacekeeping troops to East Timor, although constitutional experts dispute that position.

There has been stinging foreign criticism of Japan's low-key approach to the events in East Timor. The prominent French newspaper *Le Monde*, for example, branded Japan "a coward" for not facing up to the crisis. Japanese newspapers have also been critical of Tokyo's policy and called on the government to exercise more leadership in Asian affairs. "Why did Indonesia's greatest provider of aid not use its might earlier to persuade Indonesia to accept an international peacekeeping force?" asked the conservative *Nihon Kezai Shimbun*.⁵⁸

Indeed, it seems that, contrary to some hopes (or wishful thinking), Japan does not yet have the will to emulate Germany's actions since the end of the Cold War and assert its national interests in its region and use its military power (if only in a very limited way) to

defend them. While Japanese politicians and pundits are advancing the notion that Japan is becoming “a normal country” and is seeking to expand its influence in Asia by charting a more assertive security policy in the region, much of the “change” in Japanese policy has more to do with expanding the Japanese military’s role in support of American forces than with adopting an independent national security and diplomatic posture.

In that context, when Japanese officials express concern about North Korea’s nuclear military potential or the PRC’s increasingly assertive policy, they are not signaling a willingness to chart a course that might, at times, be at cross-purposes with Washington. Instead, they exert pressure on Washington to continue maintaining its military presence in the region to defend Japanese security interests. In fact, Japan, not unlike most of the ASEAN governments (Malaysia, in particular), continues to engage in typical “free-riding” behavior: encouraging Washington to use its resources to contain China, deter North Korea, and pressure Indonesia while at the same time distancing itself from those policies. That cynical approach enables Japan to make its separate (and less costly) deals with Beijing, Pyongyang, and Jakarta.

Notwithstanding the alleged prodding by Washington for a greater Japanese security role, it is doubtful that the United States is really interested in encouraging the emergence of a more assertive and independent Japan, since that development would inevitably undermine U.S. military hegemony in the region. Washington wants Japan to provide more financial and military resources to help the United States maintain its leadership position in East Asia, even when dealing with subregional problems. U.S. leaders are still unwilling to permit Japan or other former Cold War allies to occupy the driver’s seat.

Conclusion: Creating the Right Incentives

It’s difficult to come up with the exact

policy formula that would force Japan and the ASEAN governments to overcome their “free-rider” syndrome, especially when there is support in Washington for maintaining the status quo (albeit altering it slightly to serve U.S. hegemonic interests). A costly major crisis and a threat to core national interests usually wake up a nation that has fallen asleep as the strategic environment in its neighborhood has shifted in a way that threatens its security. If, for example, the Japanese government, political elites, and people decided that they wanted their country to be the “Canada of East Asia” and to leave the main burden of protecting regional security to other powers, Japan would probably have to search for ways to survive as a nation-state and as an economy amidst the changes of the balance of power in the region and the rise of China, India, and probably a united Korea as the region’s leading powers. A high-profile U.S. intervention in the Indonesia archipelago—and the resulting expectation that Washington would lead a new “East Asian NATO”—would send a signal to the Japanese that America will always be there to protect Japan from potential aggressors or other security dilemmas. That is precisely the wrong signal because it would merely perpetuate Tokyo’s free riding.

Conversely, when Washington sends a signal to its allies in the Pacific (or in Europe, for that matter) that the United States does not have vital interests at stake in subregional conflicts such as those in East Timor and Kosovo, and it will not expend either blood or treasure to resolve such spats, a different and far better incentive structure is created. The regional powers are then aware that they are on their own and need to use their own resources to deal with local threats to their security. Such evidence of U.S. caution and restraint creates the conditions for the gradual evolution of regional balance-of-power systems. On one level, those systems may not always measure up to the highest moral standards, since they allow the more powerful (and not always virtuous) players to set up the local rules of the game and make deals

U.S. caution and restraint create the conditions for the gradual evolution of regional balance-of-power systems.

A detached U.S. approach encourages regional players to help manage the political and economic turbulence in Indonesia.

with the “bad guys.” Yet, on another level, they help to produce more stable security arrangements and provide for long-term peace in the region.

A more detached U.S. approach encourages such regional players as Australia, ASEAN, Japan, and even China to help manage the political and economic turbulence in Indonesia. A noninterventionist course by Washington also encourages Jakarta to adopt the domestic reforms needed to reemerge as an important player in the region, could help localize the East Timor disorder as well as other secessionist struggles, and ensures that there will be no Kosovo-style U.S. military interventions in Southeast Asia.

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