

Under what conditions are authoritarian regimes transformed into democratic ones? Discuss this issue in context of one or more Asian societies.

In the modern world democracy is almost universally accepted as the currency of political legitimacy.¹ Authoritarian regimes constantly trade principles for legitimacy in this democratic marketplace.² These democratic principles or values are neither universal nor monolithic. Nonetheless, democracies can be identified by the legitimacy of both government and opposition, the competition for power, positions and responsibility and executive accountability.³ Democratisation is the practical application of these fundamental democratic ideals. Therefore, democratisation denotes the process of transition from authoritarian to democratic regimes. This process has been in evidence within the Southeast Asia in various degrees since the start of the decolonisation period.

Decolonisation provided newly independent Asian states with the opportunity to establish nations. The political systems these nations adopted often reflected both Western influence and their own cultural history. In both Indonesia and Malaysia, the fledgling democracies were unable to deliver economic growth and social stability. Authoritarian regimes replaced democracy as the nations searched for political answers to socio-economic problems. These regimes have come under increasing political pressure as the spread of globalisation, modernisation and economic performance has undermined their legitimacy. This pressure has often manifested itself as democratisation. Western political experience has highlighted that political transformation of this nature and magnitude can be facilitated by the existence of certain conditions.

One of these conditions appears to be the link between democratisation and economic development.⁴ Increasing corporate and individual wealth supports the development of both business and middle classes. These classes often challenge the existing regime for the political power to match their economic strength. Such a challenge often leads to the extension of enfranchisement to wider society. Consequently, expanding and encouraging the use of democratic principles. Development also contributes to the rise of civil society.

Civil society has been viewed as the collection of non state autonomous social forces that contribute to social pluralism and create further pressure for the development of political change.⁵ Civil society can be seen as widening the base for political contestation. However, democratisation requires more than socio-economic pressures. Other variables such as the role of the state, leadership and cultural history or experience remain a key part of the democratisation process.

In authoritarian regimes both the state and the political leadership maintain the ability and have the propensity to either marginalise or appropriate oppositional voices. Their reaction to challenges to the regime can shape the direction of the nation's political system towards either dictadura or Dahl's polyarchy.⁶ However, any theory of political transformation must also recognise the cultural nuances nations.

Therefore, a key factor in any Indonesian transition to democracy will be the role of the military. ABRI and particularly the Army have been political players since the

1950s and may not easily relinquish power. Similarly, Malaysia must address its ethnic or communal dilemma before democratic transition can be effective. Therefore, this essay will argue that there are a range of conditions that must be met before democratic transformation can start. These conditions include a developed economy, the presence of classes demanding change often including middle and business classes, the emergence of civil society, support or at least acquiescence from state and political leadership and the recognition of any national political characteristics.

In the post World War II era Indonesia simultaneously struggled for independence, national identity and a suitable political system. Democracy based on the Continental European model was implemented.⁷ First as a “true” parliamentary democracy and later as part of Sukarno’s Guided democracy. However, the high degree of political instability coupled with the extensive economic problems contributed to the rise of authoritarianism under the new regime, Suharto’s New Order.

The New Order outlined that order and stability would supersede democracy and individual liberties and rights. These socio-political objectives would be underpinned by the centralisation of power with a strong executive supported by the military. Also crucial to the new regime would be its ability to solve the economic crisis that confronted the nation. Legitimacy for this regime would revolve around its economic performance.⁸

Until recently, Suharto’s economic program recorded some impressive results. Inflation was reduced from 650% to 12%, poverty had declined from 60% to 15 % by 1994 and per capita income has risen from \$50 in 1967 to \$750 in 1993.⁹ Massive state investment and the oil boom of 1973-86 underpinned economic growth of approximately 8%.¹⁰ However, the structural changes required in the economy were not implemented until the late 1980s after the oil crisis of 1986-7. Consequently, the high cost economy was not penetrated until segments of the economy were deregulated. This allowed the private sector to become “for the first time in her post-independence history . . . an engine of growth for the national economy”.¹¹

Economic success produced both wealthier and more educated citizens. Literacy rates improved to 90% whilst secondary and business schools, universities and community clinics proliferate the republic.¹² A developed economy simultaneously produces supply and demand of appropriately trained personnel to manage the complexities of national economies. These personnel are drawn largely from the middle and business classes of the nation. Ian Chalmers estimated that in 1993 approximately 10% of the total population and 30% of the urban population could be considered as middle class.¹³

European historical experience indicates that the growth of the middle class brings demands for increased political liberalisation or participation.¹⁴ Organisations such as Forum Demokrasi and earlier the Petisi 50 remain critical of the regime. Chalmers claims that this class represents “ a social mass whose loyalty is important to the survival of the regime.”¹⁵ However, these reformist elements have remained a minority within the middle class. The regime has disarmed the class by removing the questions of social order and economic growth from the political battleground. Moreover, a bureaucracy that consists of the middle class supports the state

sponsorship of the marketplace. Therefore, the middle class remains depoliticised and in Hewison's view has failed to constitute an effective and coherent force for political change.¹⁶

Nevertheless the middle and business classes have facilitated the growth of civil society and a questioning of the political system within Indonesia. Interestingly, economic deregulation coincided with 'politik keterbukaan' – the process of political openness.¹⁷ This process afforded reformists greater opportunities for political participation than previously experienced. Consequently, the academic community was given more freedom to criticise the government, intellectual, student organisations were formed such as Forum Demokrasi, the Legal Aid Institute, and censorship of the media was relaxed. However, the regime remains wary of any such pluralism. Events such as the Dili massacre (1991), the closure of major newspapers such as Tempo (1994) and the continued repression of Chinese ethnic minorities are symptomatic of a repressive nature of the New Order. Suharto himself declared that openness:

does not mean unlimited freedom – even worse, freedom to be hostile, pitting one party against another and unconstitutionally imposing one's ideas.¹⁸

Suharto's declaration suggests that any democratic measures introduced within Indonesia are superficial in nature and not intended to promote democratisation but act as a safety valve for the regime. The lack of an independent judiciary, the censorship and muzzling of the press and other criticisms appears to confirm the safety valve thesis. Arguably, the growth of civil society in Indonesia has not contributed to substantial political reform or democratisation although it has assisted in the transition of power from Suharto to Habibie.

One of the reasons for the failure of these 'traditional' or 'western' forces to force democratisation has been the role of the state within this process. Hewison argues that "the New Order state became integral to the development of capitalism and an Indonesian capitalist class".¹⁹ The state not only engendered and controlled the middle and business classes but also could justifiably claim responsibility for national economic success. This performance or economic legitimacy generated loyalty from the classes or 'clients' it patronised. In this respect, Indonesian corporatism became an effective mechanism for state control.

State control is enhanced by the Indonesian political structure. The structure is designed to centralise power within the political leadership and the state apparatus. Thus, rivals for this power are excluded and marginalised. For example, the people, as the democratic source of power, are occluded from participating in politics and therefore power by the 'floating mass' concept.²⁰ Nor are the seemingly democratic institutions any more effective in contesting state and Presidential supremacy.

Firstly, the President wields substantial control over the membership of both the Parliament and the People's Consultative Assembly. This patronage extends to the ruling party (Golkar) thus consolidating authoritarianism. Factionalism within the two main opposition parties, the PDI and the PPP, has reduced their effectiveness as sources of opposition. The enforced adoption of the Pancasila ideology in 1983 by these parties has further demonstrated their weakness and reduced the democratic

options. Indeed, Pancasila defines what are acceptable political objectives and values. This legitimates New Order authoritarianism as a mechanism for achieving the will of society whilst simultaneously alienating alternative power sources.

The regime's economic performance and national ideology are underpinned by support from the military. Under its doctrine of *dwi fungsi* (dual function), military participation in civilian politics is sanctioned.²¹ Thus, a number of current and retired officers are appointed to positions within Golkar, Parliament and key posts of the bureaucracy. Before assuming the Presidency and title of Commander in Chief Suharto had been a high-ranking member of the military.

Clifford Geertz asserts that Indonesia is impervious to theories.²² At first glance, Indonesia's failure to transfer to democracy despite both the existence of democratic conditions such as an emerging civil society, developed economy and middle class appears to support this statement. However, the omnipotence and dominance of the state and military within Indonesia cannot be overlooked. Conversely, Diamond contends that capitalism will be the most important force in Indonesia.²³ Yet it remains hard to ignore the power the military wield as the only truly organised national force.

Malayan independence from Britain in 1957 marked the introduction of a unique political system entitled the "Merdeka compromise". This elite accommodation system was designed to address the three fundamental problems of the new state: the containment of class conflict, the management of inter-ethnic discord and the development of capitalism.²⁴

The practical application and maintenance of the system relied upon the ability of the leaders to broker deals on behalf of their ethnic communities. The system also established the basis for future Malay political supremacy through unconditional indigenous suffrage but only limited enfranchisement for their non-Malay counterparts. The non-Malays effectively exchanged or traded their political rights for economic freedom. This political system was accompanied by the adoption of a *laissez faire* capitalist system that afforded the non-Malays considerable economic opportunities.

The Alliance phase of Malaysian politics ended with the eruption of inter ethnic violence on 13 May 1969. The violence highlighted the failure of the Alliance's economic policies to provide for their constituency. Rural Malays felt aggrieved at their position vis a vis their urban cousins, the urban middle class Malay felt betrayed at its inability to obtain a greater share of the nation's economic wealth and the non-Malays considered their own opportunities had been limited by the institutionalisation of Malay special rights. The Merdeka compromise appeared unable to satisfy any Malaysian in an increasingly complex modern society.

Democracy was suspended whilst the National Operations Council (NOC) undertook to restore social stability. The restoration of parliamentary rule after the two-year interregnum afforded the political system the chance to readdress the pressing issues of socio-economic reform. The new regime implemented the New Economic Policy (NEP) in order to combat these socio-economic problems. The *laissez faire* approach

of the Alliance was abandoned in favour of a far more interventionist approach by government.

The aim of the NEP was twofold. On the economic level its aim was to eradicate poverty through massive public sector outlay and government co-ordination. Economic growth during the 1970s averaged 7.8%, between 1970 and 1990 the economy tripled in size, and peninsular poverty according to official statistics was reduced from 49.3% to 15%.²⁵ Structural change also accompanied these figures. The manufacturing sector replaced natural resources as the mainstay of GDP and export became the governmental strategy for maintaining growth.²⁶ This economic success was underwritten by the discovery of a vast quantity of national oil reserves and the international commodities boom. Again, economic success provided a degree of legitimacy to the existing regime. This was highlighted in 1985 by the political challenges Mahathir faced after his leadership presided over a decline in economic growth after fifteen years of sustained growth.

The NEP also aimed at restructuring society in order to eradicate political challenges to Malay supremacy. The NEP aimed to raise the Malay's control of capital from three to thirty per cent by 1990.²⁷ Thus, special privileges were granted to Malays in business ownership, investment incentives and employment quotas. In effect, the NEP could be viewed as a massive affirmative action program designed to advance the indigenous Malay or bumiputera and maintain the political status quo.

Economic growth and structural change transformed the existing class structure. The middle class expanded from 15.5% in 1957 to 32.6% in 1990.²⁸ Malay composition of this class rose from 22% in 1957 to 48.1% in 1990.²⁹ Class action remained relatively uncoordinated as a majority of middle class citizens were materially satisfied by government policy that favoured their aspirations. Moreover, the strength of the economy provided a strong opportunity for social mobility through education. Thus, the regime's ability to incorporate this class inside the power structure tended to reduce their desire for the political freedom to match their economic strength.

However, the growth of the middle class also led to an expansion of civil society. During the 1970s and 1980s a range of non-governmental organisations (NGO) were formed. These NGOs included Aliran, the Consumers' Association of Penang and Insan. These bodies led a chorus of criticism against governmental measures. Notably other areas of society also criticised governmental behaviour including the student and farmer demonstrations(1974) and the resurgence of the Communist threat (1974-76).

Crouch viewed the state response to these threats as a justification for "a turn to a more authoritarian form of government".³⁰ Students rights were reduced, freedom of association prohibited and the press censored. Even Mahathir's modern and liberal Look East and Vision 2020 policy of a developed Malaysia along Asian lines has included periods of authoritarianism. These measures have included the enacting of the Societies Act (1981) which gave the government the power to control or dissolve groups that threatened public order, the censorship of press coverage of security and communal matters, and attacks on both the judiciary and monarchy, both important sources of alternative power. These authoritarian measures are complemented by the political structure.

The political structure contains democratic elements: free elections, choice of parties. However, the ethnically biased electoral system accords favouritism to rural areas and assures Malays of a majority of seats in Parliament. Consequently, only once in 1969 did opposition parties gain a majority of votes. The weighted electoral system ensured United Malays National Organisation (UMNO) retained the majority of seats in Parliament. The ability of UMNO to gain support from the bumiputera ensures its continued political dominance.

Political support for UMNO comes from both urban and rural Malays. The former supports the party for its success in modernising Malaysia and its corporate and bureaucratic patronage. The latter support UMNO for its reflection of traditional Malay values through the national ideology of Rukunegara. Rukunegara, like Indonesia's Pancasila, remains a vague set of ideals which accord special privileges to Malays and ensures the primacy of Malay political power.

Crouch has written that Malaysia is neither authoritarian nor democratic.³¹ The class and communal structures within Malaysia ensured an essentially authoritarian regime remained responsive to pressures from a substantial part of society. However, "the changing class structure did not produce strong pressures toward full democratisation".³² This was because the democratic elements of the regime cater for the majority of the population whilst the authoritarian factors repress the remainder. In this respect UMNO appears a more flexible yet no less dominant version of Golkar.

Diamond contends that democracy does not suit Malaysia and that increasingly it is a democracy without consensus.³³ However, Neher has posited that in Malaysia "every political issue tends to be transformed into a communal one".³⁴ For this reason any future political challenger to UMNO or force for democratisation will be more effective if its appeal can transcend the communal issue.

The application of theory and determinism to any national political transformation can be fraught with difficulty. Indeed, the establishment of certain criteria or prerequisites for such transition may neither be ahistorical or universal. This would appear doubly so in the dynamic and diverse modern Southeast Asian nations such as Malaysia and Indonesia. Nonetheless, the presence of certain conditions may facilitate political transformation. This seems particularly so when these conditions can either be coordinated or operated in concert.

These conditions include the establishment of a developed economy, pressure for change from society and the existence of civil society. These conditions are present in authoritarian nations such as Indonesia and Malaysia. However, democratisation has yet to be effected. This can be attributed to two factors. Firstly, the reluctance of dominant authoritarian regimes to relinquish power. Secondly, the inability so far of democratic forces to overcome national nuances such as the strength of the Indonesian military or the communal difficulties in Malaysia. Until these areas can be addressed, Indonesia and Malaysia are likely to remain more authoritarian than democratic.

Footnotes

1. **Milner, Anthony, *Perceiving “Democracy” Australian-Asian Perceptions Project Working Paper Number 6, Academy of the Social Sciences, The Asia-Australia Institute, The University of New South Wales, p.3.***
2. The People’s Republic of China and Democratic China are two regimes that have adopted democratic titles without embracing the principles.
3. **Milner, loc.cit.,** outlines accountability, legitimacy of opposition and transition between governments as the key features. **O’Donnell, G., Schmitter, P., and Whitehead, L. (eds.), *Transitions from Authoritarian Rule: Tentative Conclusions About Uncertain Democracies* John Hopkins University Press, Baltimore, 1986, p.7** highlights the importance of citizenship as the guide to democracy. **“Democracy in Asia” symposium, *Asian Studies Review* 17, 1 (July 1993), p.1** noted general agreement on electoral effectiveness, representative decision-making and responsibility and accountability as the main components of democracy.
4. Recent analysts to stress this link include **Leftwich, Adrian, (ed.), *Democracy and Development Theory and Practice*, Polity Press, Cambridge, 1996** and **Diamond, Larry, Linz, Juan J., and Lipset, Seymour Martin, (eds.), *Democracy in Developing Countries Asia Volume Three*, Lynne Rienner Publishers, Colorado, 1989.**
5. **Girling, John, “Development and Democracy in Southeast Asia”, *The Pacific Review* 1, 4 (1988), p.332.**
6. **O’Donnell, op.cit., p.13** describes Dahl’s polyarchy as a form of political democracy at opposite ends to democratisation table to autocracy.
7. **Diamond, op.cit., p.447.**
8. **ibid., p.448.**
9. **Neher, Clark D, and Marlay, Ross. *Democracy and Development in Southeast Asia The Winds of Change*, Westview Press, Colorado, 1995, p.90.**
10. **Morley, James W. (ed.), *Driven by Growth Political Change in The Asia-Pacific Area*, M. E. Sharpe, Armonk, New York, 1993, p.85.**
11. **ibid., p.87.**
12. **Neher, p.90.**
13. **“Democracy in Asia” symposium, p.54.**

14. Hewison, Kevin, Robison, Richard and Rodan, Gary, (eds.), *Southeast Asia in the 1990s Authoritarianism Democracy & Capitalism*, Allen & Unwin, St Leonards, 1993, p.61.
15. “Democracy in Asia” symposium, p.55.
16. Hewison, op.cit., p.60.
17. Laothamatas, Anek, (ed.), *Democratization in Southeast and East Asia*, Institute of Southeast Asian Studies, Singapore, 1997, p.25.
18. Neher, op.cit., p.89.
19. Hewison, op.cit., p.41.
20. Neher, op.cit., p.81-2.
21. *ibid.*, p.79.
22. Morley, op.cit., p.95.
23. Diamond, op.cit., p.444.
24. Laothamatas, op.cit., p.50.
25. Hewison, op.cit., pp.140-41
26. Hewison, loc.cit.
27. Neher, op.cit., p.100.
28. Hewison, op.cit., pp.142.
29. Hewison, loc.cit.
30. Morley, op.cit., p.155.
31. Hewison, op.cit., pp.135.
32. Hewison, op.cit., pp.150.
33. Diamond, op.cit., p.354.
34. Neher, op.cit., p.96.

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