



Submission No 45

Inquiry into Australia's Relations with Indonesia

Organisation: The Centre for Democratic Institutions

Contact Person: Mr Pierre Huetter
Chief Executive

Address: Research School of Social Sciences
Australian National University
CANBERRA ACT 0200



The Centre for Democratic Institutions

Submission
to the Foreign Affairs Sub-Committee
of the Joint Standing Committee
on Foreign Affairs, Defence and Trade Inquiry
into
Building Australia's relations with Indonesia

October 2002

Contents

Contents	2
CDI at a glance.....	3
1. Introduction.....	4
2. CDI's role in the Australian aid effort.....	4
2.1 Strategic	4
2.2 Financial.....	5
3. CDI's experience in development assistance with respect to Indonesia	5
3.1 Parliaments.....	5
3.2 Media	6
3.3 Civil Society.....	6
3.4 Accountability.....	6
3.5 Human rights.....	7
3.6 Judiciary.....	7
3.7 Other activities	7
4. Broader conclusions about Australia's relationship with Indonesia	7
4.1 Responsiveness	8
4.2 Longer term outlook.....	8
4.3 Complementarity.....	9
4.4 Socio-political sensitivities	9
4.5 Utilizing academic and other contacts	9
4.6 Encourage international awareness and orientation in our democratic institutions	10
5. Recommendations	10
Recommendation 1	10
Recommendation 2	11
Recommendation 3	11
Recommendation 4	11
Table 1 Summary of CDI's projects with Indonesia	12

CDI at a glance

CDI's mission is:

To harness Australian and international best practice in support of developing countries' needs for democratic governance.

CDI's core work is governance training through short intensive courses for high level officials from developing countries. CDI also does some technical assistance and a limited amount of research.

CDI receives its core funding from AusAID.

CDI works in 4 key sectors:

- parliaments
- the judiciary
- civil society
- the media

with two cross-cutting themes:

- accountability
- human rights

CDI's geographic focus is on Southeast Asia and the Southwest Pacific.

1. Introduction

This submission will draw on CDI's experiences in the field of democratic governance, and the relevant experience of its staff and associates.

The submission will suggest strategies to help build a positive and mutually beneficial relationship between Indonesia and Australia, and opportunities to further develop the relationship.

2. CDI's role in the Australian aid effort

2.1 STRATEGIC

Establishing CDI was an initiative of Foreign Minister Alexander Downer in 1998 that was welcomed by many countries in the region and by Australian institutions of government. The role of the Centre is to draw in Australia's institutional strengths to assist regional countries strengthen their governance processes.

CDI priorities are set on the basis of country and sector needs, and by determining areas of Australian comparative advantage.

CDI works only in aid receiving countries. It is responsive to Australian Government geographic priorities and therefore works in the Asia-Pacific region. Recent events in the Pacific will refocus greater priority on that region. The main countries for CDI projects are Cambodia, Fiji, Indonesia, Laos, Papua New Guinea, the Philippines, Solomon Islands, Thailand, Vanuatu and Vietnam.

CDI's major sectoral focus has been on parliaments and judiciaries. There is also a focus on the related field of ombudsman institutions. There is also a focus on civil society to balance the institutional focus. Civil society projects are aimed at strengthening NGO leadership and media competence. Discussions with civil society groups invariably raised anti-corruption, human rights and gender equity as the key priorities and so these have been strengthened as thematic areas.

CDI draws on areas of Australian expertise. The Australian Commonwealth Parliament has been most cooperative in assisting CDI to meet its objectives. The Australian Federal Court has entered into a strategic partnership arrangement with CDI on several projects. The Commonwealth and NSW Ombudsman offices also provide assistance. CDI often also works with bodies such as the NSW Independent Commission Against Corruption (ICAC), the NSW Judicial Commission, the Commonwealth Director of Public Prosecutions, the Australian Broadcasting Corporation, Murdoch University, the Australian Council for Overseas Aid and others.

2.2 FINANCIAL

CDI receives its core funding from AusAID. Supplementary income is received from teaching, consulting activities and co-funding from other donor bodies.

CDI's budget is a small part of Australia's overseas development assistance (ODA) budget. The budget for total AusAID ODA for 2001-02 was \$1.725 billion. Within that, the governance budget will total \$292,250,000 (17%). CDI's core budget is \$1,000,000 per annum, which is 0.34% of the governance budget (or 0.059% of the total ODA budget).

CDI expenditure on assistance to Indonesia totalling \$733,194 is summarized below:

1999-00	\$251,884
2000-01	\$150,230
2001-02	\$122,580
2002-03 (est)	\$208,500
Total	\$733,194
% of CDI core budget	18.3%

3. CDI's experience in development assistance with respect to Indonesia

Since CDI's establishment in 1998, 30 activities have been undertaken with Indonesia. Table 1 summarises past and scheduled projects. The activities have covered the four CDI key sector areas and the cross-cutting themes.

3.1 PARLIAMENTS

CDI's relationship with the Indonesian Parliament's (DPR) Secretariat started in 1998 when CDI's director met with the DPR's then Secretary-General Mrs Sumarjati. Secretary-General Sumarjati showed strong interest in developing the skills base of the parliamentary research service (PPPI) in anticipation of the new challenges likely to confront the parliament in the coming years.

CDI responded by developing the Indonesian Parliamentary Strengthening Program. It commenced with a needs analysis study of the DPR research service in 1999. Following the needs analysis, two programs were started. The first was an 'English language training program for parliamentary officials' at the Indonesia Australia Language Foundation (IALF) in Jakarta. This project, which is recurrent until mid 2003, was designed to underpin other training activities within the program. The second was a training program for PPPI officials at the Commonwealth Parliament in Canberra. At the request of the DPR, CDI also funded attendance of one DPR official at the Inter Parliamentary Union (IPU) Seminar in late 1999. And in April 2000 CDI facilitated a Leadership and Democracy Forum for regional parliamentarians which included participation by 16 Indonesians.

After several delays in 2001 due to unrest in Indonesia, CDI provided for a return visit of senior Australian parliamentary officials to Jakarta in early 2002. To build on the success of this visit CDI invited the Secretary-General to send 6 mid-level officials to

attend the inaugural CDI-ANU Parliamentary Officials Course in September. Discussions in Jakarta also prompted efforts with Australian Volunteers International (AVI) to create a 2 year AVI placement at the DPR. In early 2003 the DPR Secretariat will send a delegation of 6 senior officials to visit the Australia Commonwealth Parliament (see Table 1 for summary).

Also in late 2002 CDI supported a comprehensive research project on the DPR to substantively analyse the development of the role of the DPR and the significance of recent constitutional changes.

The CDI Parliamentary Strengthening Program will have involved 13 training projects and 2 research projects by the end of 2002-03.

3.2 MEDIA

CDI has undertaken four media training projects with Indonesia. The first three were focused on the immense challenges of equipping staff of Indonesia's state owned media organization with skills for the transition from state controlled broadcasting to the public broadcasting model. The training workshops addressed major issues in public broadcasting such as regulatory environment, public and private resource bases for broadcasting, management practices, marketing strategies, television broadcasting issues, print and media broadcasting issues etc. Participants varied between each project but overall involved producers, journalists and managers.

The fourth project will move away from the institutional focus to specific skills training for investigative journalists. An increased focus on investigative skills is intended to bring more substantive scrutiny to governmental actions, enhancing accountability.

3.3 CIVIL SOCIETY

CDI has undertaken three civil society capacity building projects with Indonesian organizations.

The first two projects were focused on leadership and advocacy training for NGO leaders. This project involved training in the use of the media, knowledge of democratic processes, policy formulation, policy dialogue skills, management skills and a broad dialogue on the role of NGOs in society.

The third was a South-South training project. It involved Indonesian NGO leaders observing one of Asia's oldest and most respected election observing NGOs, NAMFREL, in the Philippine congressional election of 2001.

3.4 ACCOUNTABILITY

CDI has undertaken two projects in the field of accountability. One involved participants in a four-country anti-corruption workshop in Canberra. The other was a study tour of Australia's accountability institutions by staff of the new Indonesian Ombudsman Commission.

3.5 HUMAN RIGHTS

CDI has undertaken two projects specifically addressing human rights issues in Indonesia. The first in 1998 involved a human rights treaty implementation workshop for a broad range of Indonesian government officials, and the other was a one-day workshop with officials from the Indonesian Directorate-General of Human Rights Protection.

CDI also integrates into all of its programs presentations or sessions on human rights. As discussed at length in last year's CDI submission into the JSCFADT inquiry into 'the link between human rights and aid', CDI encourages human rights education within the various development activities.

3.6 JUDICIARY

CDI was instrumental in designing and initiating the AusAID funded Government Sector Linkages Project between the Indonesian Supreme Court and the Australian Federal Court.

3.7 OTHER ACTIVITIES

CDI undertook 3 other Indonesia projects in its formative months. These projects provided a basis for the design of later programs.

CDI's Director was the leader of the AusAID delegation in 2000 reviewing governance projects in Indonesia.

4. Broader conclusions about Australia's relationship with Indonesia

While the first years of the New Order regime achieved dramatic improvements in standards of living in Indonesia, by the 1990s it was becoming clear that the 'development state' concepts underpinning Indonesian governance were no longer able to deliver the required results. The centralization of power required to make the 'development state' effective also proved to be its undoing as it led to corruption, nepotism and incompetence. Ironically, Indonesia's successes created a large middle class and student population which increasingly gained the confidence to criticize the regime. The 1997 financial crisis left the regime with little credibility and even less support.

Indonesia now espouses the rhetoric of democracy and open government but it is proving very difficult to translate the words into reality. Decades of backroom dealing and the absence of notions of meritocracy have left a difficult environment for democratic governance processes to develop. While difficulties in the bilateral relationship have existed and will no doubt continue to exist, many Indonesians nevertheless accept that Australian institutions of governance work well and are worth studying. CDI has worked to broaden the understanding of governance concepts and processes among Indonesian opinion leaders.

4.1 RESPONSIVENESS

Assistance has to be flexible and responsive to the needs and changing circumstances of the recipient institution.

The lessons learned by CDI over this period are that the assistance program needs to be able to respond flexibly and sensitively to training needs of the partner institution

Underpinning CDI's projects was an early appreciation that in order for quality training to take place, a higher level of English language skills would be needed. CDI therefore established an ongoing arrangement with the Indonesia Australia Language Foundation in Jakarta to provide training, which has underpinned other projects.

Additionally, during the same intervening period, CDI has supported Dr Stephen Sherlock, a foreign affairs researcher at the Commonwealth Parliamentary Research Service, in undertaking a research project which will further inform CDI's work. The DPR Secretariat, which had sought comparative information on questions of structures and activities, will also benefit from the project. It will provide a comprehensive look at the DPR's internal functioning, both for Australians and Indonesians. The report will also assist Commonwealth parliamentarians, AusAID staff and the academic community.

The thread linking these activities is the fact that they were created in response to the partner institution's needs. Being less flexible and responsive would have inhibited, to some degree, CDI's ability to deliver the core training.

Additionally, in the course of delivering the various projects in this way, other benefits are gained such as greater mutual trust, better understanding and networking through informal lines of communication.

4.2 LONGER TERM OUTLOOK

Assistance needs to be provided over the long term.

One of the pitfalls of development related activities is to assume substantial changes can be achieved over the short to medium term. Considering the institutional learning required to develop key institutions of democracy to effective levels, reform is more likely to be successful if there is an appropriate long term commitment.

With four years of work with Indonesia behind CDI, the relationship with the DPR Secretariat is developing its own momentum - characterized by frequent and open informal communication, cordial personal relations between staff, a perception of shared goals and a willingness on the part of the DPR to outlay its own resources in cooperation with CDI.

After three projects with TVRI, delivered through Murdoch University and the ABC, it is not clear that there have been strong institutional benefits. The uncertain future of TVRI and the political calls for its privatisation eroded the project goals and prompted a reassessment. In this situation it was not possible to maintain a long-term commitment in the face of these uncertainties. CDI therefore took the decision to focus on other areas of media development in Indonesia.

4.3 COMPLEMENTARITY

Conducting various complementary projects enhances the overall effect of the assistance.

Allowing limited overlap of areas of assistance can be beneficial to development. Just as civil society produces its best results in terms of enhancing democracy when it is plural, dense and overlapping, key institutions of democracy can benefit from processes of reinforcement. Again such overlap has to be designed prudently with a variety of factors in mind. There are advantages in consistent reinforcement of messages about issues of accountability and transparency in governance.

When designing assistance activities it is important to be aware of what other activities are being undertaken in a given area. CDI ensures its activities complement those of AusAID without replicating them. CDI was established to provide assistance in an area and on a scale where it had not previously been provided. It is incumbent on CDI to ensure that it is flexible enough to continue to do so in a changing development assistance environment.

4.4 SOCIO-POLITICAL SENSITIVITIES

Those dealing with Indonesia should be aware of areas of particular sensitivity.

There are several areas of sensitivity which CDI needs to be conscious of in its work.

Straddling the government / civil society divide

CDI's work involves both strengthening the institutions of government and the institutions of civil society. These two spheres are in tension with each other and support for either side can be viewed suspiciously.

One of the lessons of a successful democracy is the importance of the role of civil society and the media in democratic governance. The execution of these roles in society does not occur without friction and there may be times when governments in both Jakarta and Canberra are subjected to criticism. Accepting the critical nature of the processes involved while not necessarily accepting the specific criticism is an important theme running through governance projects.

Attempting worthwhile though riskier activities

The 1999 workshop examining East Timor's transition brought together representatives from the various political camps in East Timor. Whether East Timor was to become independent or autonomous it needed to govern itself and the workshop looked at the relevant economic, governance and reconciliation issues. The 2000 workshop on Democracy and Autonomy also examined governance issues in relation to various strife-torn areas such as Aceh, Bougainville and Papua. It is the role of academic bodies to try to advance scholarship and analysis to apply them to existing problems.

4.5 UTILIZING ACADEMIC AND OTHER CONTACTS

There is a wealth of knowledge about Indonesia in universities and other institutions of civil society. The Australian National University is particularly well placed in this regard and probably has the broadest base of expertise on Indonesia anywhere outside

the archipelago. The Annual Indonesia Update held at the ANU is one of the largest gatherings of Australian specialists on Indonesia. Australian NGOs also have good contacts within Indonesia. It is important to get the most out of these contacts. The bilateral relationship should extend well beyond the official relationship between the two governments but should encompass people-to-people contacts. These contacts will give the relationship more depth and meaning.

4.6 ENCOURAGE INTERNATIONAL AWARENESS AND ORIENTATION IN OUR DEMOCRATIC INSTITUTIONS

Australian institutions of governance have a lot to offer in the development of democracy in our region.

CDI relies heavily on co-operation with institutions of Australian democracy to do its work: state and federal parliaments; state and federal court systems; ombudsman organizations; auditing bodies; academic institutions and others. CDI's work is based on cooperation with Australia's institutions of democracy. As CDI's mission states, we harness '*Australian and international best practice* in support of developing countries needs for democratic governance'.

Accordingly the more capable and willing Australian institutions are to share their democratic expertise internationally with developing nations the easier it is for organizations responsible for the transfer of democratic expertise - like AusAID, CDI and others - to fulfil their role.

Furthermore, institutions need to know their counterpart bodies overseas and be willing to build links with those bodies. The more institutions with such links the broader and deeper the exchange of information and understanding. Such a network of institutional links is a great asset for Australian and Indonesian institutions, and should be encouraged.

5. Recommendations

In dealing with Indonesia at the political, economic and strategic levels, CDI suggests that the Australian government take into account the following broad recommendations.

RECOMMENDATION 1

In approaching activities in the bilateral aid relationship with Indonesia, decision makers should employ the general principles of:

- Responsiveness.
- Maintaining a longer term outlook.
- Complementarity in activities.
- Awareness of local socio-political sensitivities.
- Utilization of academic and other contacts.
- Involvement by Australia's key democratic institutions.

RECOMMENDATION 2

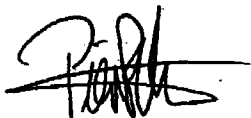
Encourage the Commonwealth Parliament to maintain its strong commitment to cooperation with the Indonesian Parliamentary Secretariat, and promote its work as an example of what Australia institutionally has to offer Indonesia.

RECOMMENDATION 3

Continue AusAID's Government Sector Linkages Program (GSLP), and encourage key Australian institutions of government to build capacity in counterpart institutions in Indonesia.

RECOMMENDATION 4

Encourage a further broadening and deepening of the relationship at all levels of Australian and Indonesian society through contacts between individuals, universities, media and civil society organizations.



Pierre Huetter
Executive Officer

TABLE 1 SUMMARY OF CDI'S PROJECTS WITH INDONESIA

	1998	1999	2000	2001	2002	2003	Total
Parliament	<ul style="list-style-type: none"> English language for Indonesian officials DPR Official attendance at IPU Seminar Training for members of the Research and Information Service of the Indonesian Parliament Information Seminar on the Structure and Functioning of the Inter-Parliamentary Union English language for Indonesian officials 	<ul style="list-style-type: none"> Visit of Indonesian Political Leaders Training for members of the Research and Information Service of the Indonesian Parliament Information Seminar on the Structure and Functioning of the Inter-Parliamentary Union English language for Indonesian officials 	<ul style="list-style-type: none"> English language for Indonesian officials 	<ul style="list-style-type: none"> CDI-ANU Parliamentary Officials Course Australian Parliamentary Secretariat Study Tour to the Indonesian officials English language for Indonesian officials AV Placement in DPR 			
Judiciary							
Civil Society	<ul style="list-style-type: none"> Policy and Advocacy Training for Indonesian Non-government Organizations Leadership and Advocacy Training for Indonesian Non-government Organizations Indonesian Civil Society Study Tour Observing Election Monitoring in the Philippines 						
Media		<ul style="list-style-type: none"> Workshop on the Transition to Publicly Accountable Broadcasting in Indonesia Transition to Publicly Accountable Broadcasting in Indonesia 			<ul style="list-style-type: none"> Indonesian Media and Democratisation Training Project Investigative Journalism Training Project 		
Human Rights	<ul style="list-style-type: none"> Human Rights Treaty Implementation Workshop: Indonesia 				<ul style="list-style-type: none"> Visit by the Delegation from the Indonesia Directorate-General of Human Rights Protection 		
Accountability		<ul style="list-style-type: none"> Anti-Corruption Workshop 	<ul style="list-style-type: none"> Indonesian Ombudsman Commission Study Tour 				
Research			<ul style="list-style-type: none"> Leadership and Advocacy Training for Indonesian Non-government Organizations Scoping Study of the DPR Research Service 		<ul style="list-style-type: none"> DPR Research Project 		
Other		<ul style="list-style-type: none"> Seminar on The Indonesian Election: Challenges, Opportunities and the Role of the International Community Chinese-Indonesians: The Way Ahead Workshop Monitoring Indonesian Elections 		<ul style="list-style-type: none"> AUSAID Indonesia governance review 			