The Political Economy of Rising Religious Intolerance in Indonesia

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Executive Summary

• Religious radicals and hardliners are forming opportunistic alliances with some political elites in Indonesia, using this to move into the political centre.
• Both share a short-term goal of undermining the current administration, with a longer term goal of rolling back democratic gains. Religion is being used as a political wedge.
• This has seen an upsurge of sectarian discourse, attacks on the secular foundation of the political system, together with the political ‘mainstreaming’ of radical causes and issues.
• A series of mass street mobilisations have been successfully used by hardliners to obtain key political concessions, including the laying of blasphemy charges against Jakarta’s governor, setting a dangerous precedent for the future.
• Hardliners are outmanoeuvring religious moderates by capturing widespread resentments at the trajectories of Indonesia’s economic growth, drawing in large numbers of followers particularly from the poor and lower classes.
• This poses several potential security and political challenges. Indonesia’s democratic future is by no means secure.
• It also indicates, however, that religious radicalism can, potentially, be effectively impacted via targeted socio-economic policy, in particular social welfare provisions.
Mobilising intolerance

Indonesia in recent months has seen some of the largest mass public mobilisations in the country’s history, with hundreds of thousands hitting the streets of the nation’s capital, Jakarta for a series of rallies demanding the arrest of Jakarta’s Christian Chinese governor Basuki Tjahaja Purnama, or Ahok, for allegedly insulting Islam while quoting Qur’anic verse al-Maidah 51.

Hardliner and far-right Islamist leaders, such as Habib Rizieq Shihab of the Defenders of Islam Front (FPI), supported by fatwa from the state funded Indonesian Council of Ulama (MUI), used the demonstrations and nation-wide coverage as a platform for their anti-democratic and illiberal views, with Islam becoming a conductor for a broader range of grievances.

The FPI and MUI have both had long argued that liberalism, pluralism and electoral democracy are antithetical to both Islam and the Indonesian constitution. The blasphemy case has become a vehicle through which hardliners interpretation of Islam can be brought to the wider public and enabled them to portray themselves as representative of the whole community of believers.

In this they found bedfellows among certain political elites, including figures such as presidential candidate Prabowo Subianto and former president Susilo Bambang Yudhoyono. Both were widely speculated to have sponsored the demonstrations. None have a specific interest in Islam per se, but see its instrumental value as a means of legitimating both short and long term political agendas. For hardliners, alignment with elite political interests serves to protect them from legal or political censure.

The short-term agenda is the removal of Basuki, seen as a proxy and lose confidant of President Joko Widodo. The longer term is a broader ‘democratic downgrading’ agenda, such as in the calls from Yudhoyono’s Democrat and Prabowo’s Gerindra party’s calls for the ending of direct regional elections.

Structural causes

Such marriages of convenience are by no means new to Indonesian politics and are often contingent and short term. These opportunistic alliances between Islamists and powerful elite interests have, however, served to submerge some of the deeper structural issues driving this upsurge in public displays of support for religious intolerance and hard-line views.

It is significant to note that many of those joining in the racially and religiously charged mass demonstrations, particularly the urban poor, were just several years’ earlier strong supporters of
secular politicians and parties, in particular current president Joko Widodo\textsuperscript{1}. This suggests that the shift towards intolerant and illiberal forms of political Islam is not just the result of elite machinations, but is linked closely to the impacts of policy exacerbated by broader structural conditions.

Oxfam recently reported that despite rapid growth in its GDP, poverty reduction in Indonesia has slowed to a standstill, with 93 million Indonesians living in poverty. Growing inequality, often manifested in an increasingly urban Indonesia in segregation and lack of access to services, has generated significant widespread anomie, anxiety and anger.

Hardliners frequently seek to exploit these anxieties and material hardship, rhetorically linking critiques of neo-liberalism and democracy, arguing that both brings not only moral decay and economic and social hardship, but also facilitate corruption. This also often has xenophobic undercurrents, in particular directed towards the role of ethnic Chinese in the economy.

**Losing the tolerant middle**

The Nahdatul Ulama (NU), often considered a central pillar of liberal, tolerant and pluralist Islam in Indonesia, has failed to effectively counter these narratives and mobilisation strategies. It has also faced internal fragmenting, with an upsurge in popular conservatism undermining the authority of its central leadership.

The emphasis placed by NU’s national leadership on pluralism and tolerance has, at times, translated into support for socioeconomic policies that have arguably had detrimental impacts on its traditional social base. This includes policies such as mass evictions as well as removal of government subsidies.

This seeming disjuncture between progressive social and democratic values and acquiescence to economic policies hostile to the poor and the lower middle-class has provided openings for neoconservatives and hard-liners to capture widespread popular resentment. This helps to explain the huge upsurge in mass support for previously marginal hard-line and illiberal Islamic groups from within what have traditionally been NU heartland areas\textsuperscript{2}. Liberal pluralist and ‘tolerant’ Islam, and democracy itself, is being effectively cast as the ideology of elites socially and economically out of touch with the majority of Muslims, feeding into a populist backlash.

\textsuperscript{1} Wilson, I.D. (2016), ‘Making enemies out of friends’ New Mandala, 03 November, \url{http://www.newmandala.org/making-enemies-friends/}

\textsuperscript{2} Varagur, K. (2017), ‘Indonesia’s moderate middle is crumbling’, Foreign Policy, 14 February.
This indicates something of a crisis of the ‘tolerant middle’ as hardline groups capture not just the national political stage, but also expand their grassroots appeal and networks by capturing a broad range of grievances and resentments, many of which are grounded in broader structural issues, such as rising inequality.

By appealing to religious, and ethnic rather than economic interests, Islamists and select elite allies can gain reliable ‘foot soldiers’ in the larger shared project of undermining the current administration and generating momentum for a broader challenge to democratic institutions. Some analysts have also suggested that violent extremists, such as ISIS, are also seeking to hitch a ride on this broader wave³.

**Policy challenges**

Analysis and detailed understanding of these dynamics is important for assessing the possible trajectories of Islamist politics in Indonesia. It will also aid in providing targeted and appropriate support for Indonesia as the region’s largest democracy and the world’s largest Muslim majority country.

While a focus upon CVE as a central pillar of national security policy in the region remains important, the rise of a populist ‘intolerant middle’, the mainstreaming of illiberal and hard-line Islamist groups and discourses, and its connection to broader structural issues of unequal development, also requires urgent attention.

A recalibrating of understandings of the parameters and spectrum of religious radicalism and extremism, the core drivers of it, and its complex relations with broader political dynamics, also needs to be done as a matter of priority.

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