Rethinking the Position of Ethnic Chinese Indonesians

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Abstract

This article examines the position of ethnic Chinese Indonesians from the Dutch colonial period to the post-Suharto era and analyses the factors that shaped their position. This article will focus on the position of ethnic Chinese Indonesians in the aspects of economy, sociocultural sphere and politics. Under Dutch colonial rule, which began in the seventeenth century, the colonial regime enforced the divide-and-rule policy that deterred the interactions between the Chinese and the indigenous population. The Dutch allowed the Chinese to form ethnic-based organisations, establish Chinese-language presses and open Chinese-medium schools as they wanted the Chinese to maintain their “Chinese-ness” in order to keep them as a distinct ethnic group. Moreover, the Dutch used the Chinese instead of the indigenous
population to fill most economic niches in order to prevent the rise of an indigenous merchant class that might challenge their position. This had further widened the economic disparity between the Chinese and the indigenous people. During the Sukarno years (1950-1965), the Chinese continued to enjoy freedom to establish and operate Chinese organisations, Chinese-language presses and Chinese-medium schools because Sukarno was close to China and hence was relatively tolerant to the Chinese in Indonesia. The Chinese were also allowed to actively getting involved in politics. However, the Sukarno regime introduced a few discriminatory policies to reduce Chinese economic interests and assist indigenous businesspeople. During the Suharto’s rule (1966-1998), due to the anti-communist politics associated with the Cold War, the Suharto regime perceived the ethnic Chinese as the potential ‘fifth column’ for China and introduced forced assimilation policies to curtail Chinese culture as well as control the Chinese. The Chinese were also discouraged from actively getting involved in politics and were only given opportunities to get involved in business activities. In the post-Suharto era (1998-present), the position of ethnic Chinese Indonesians has improved considerably as they are now allowed to openly express their ethnic and cultural identities as well as actively participate in politics. This article argues that the reversal of attitudes toward the Chinese was catalysed by capital flight and the ‘exodus’ of Chinese after the anti-Chinese riots in May 1998. It was also due to the rise of political leaders who were open-minded and sympathetic to the situation of the Chinese such as former presidents Abdurrahman Wahid and Megawati Sukarnoputri. Besides that, the rise of China as an economic power also indirectly changed the attitude of post-Suharto governments towards Chinese Indonesians. This article concludes that the position of ethnic Chinese Indonesians was shaped by not only the interests and agendas of the power-holders but also the anti-communist politics associated with the Cold War, the rise of open-minded
Indonesian political leaders, Indonesia-China relations and the globalisation of the economic position of China.

**Keywords:** Chinese Indonesians, Dutch colonisation, Sukarno, Suharto, post-Suharto era.

**Introduction**

The ethnic Chinese have always been a small minority in Indonesia. In 1930 they represented an estimated 2.03 per cent of the total population (Ananta et al., 2008, p. 20). It was estimated that Chinese Indonesians formed about 1.2 per cent of the total Indonesian population in both 2000 and 2010 (Ananta et al., 2008, p. 23, Table 2.1; Ananta et al., 2013, p. 14, Table 2).\(^1\) Despite their small proportion in the country, it has been widely acknowledged that ethnic Chinese Indonesians have played an important and vital role in the economic development of Indonesia. However, it is also undeniable that nowhere have more ethnic Chinese been discriminated and persecuted during the past centuries than in Indonesia. Various discrimination and attacks against the Chinese had already taken place during Dutch colonisation. The discrimination against the Chinese was most severe during Suharto’s presidency (1966-1998) as the state imposed forced assimilation upon them, coercing them to abandon their ethnic and cultural identities, but at the same time still stigmatising them as Chinese and restricting them from politics, public service, military and entrance to public universities. Furthermore, attacks against the Chinese reached its climax in May 1998 amid the Asian financial crisis when riots against the Chinese broke out in many parts of the country especially Medan, Jakarta and Solo. It was even alleged that many Chinese women were brutally tortured, raped and murdered. Suharto’s rule ended amid the financial crisis when he resigned on 21 May 1998. Ironically, the post-Suharto era saw the significant improvement in the condition and position of ethnic Chinese Indonesians.

\(^1\) This figure was calculated directly from the raw data of the 2000 and 2010 population censuses. The figure, which is significantly smaller than that in 1930, is based on self-identification. Only those who identified themselves as Chinese were recorded as ethnic Chinese.
This article examines the position of ethnic Chinese Indonesians from the Dutch colonial period to the post-Suharto era. This article looks at major literature on Chinese Indonesians to identify the factors that shaped their position in the aspects of economy, socio-cultural sphere and politics.

Pre-colonial Period and Dutch Colonial Rule

The economically privileged position of Chinese Indonesians is largely due to historical factors. The Chinese were already residents in Java and coastal communities of the Maluku Islands, Sulawesi, Sumatra and Kalimantan before the arrival of the Dutch. The Chinese settled in the Indonesian archipelago for trading purposes (Reid, 1993; Sidel, 2006, p. 19). Many local regents appointed Chinese merchants as intermediary traders between themselves, the indigenous population, and external markets. These local regents preferred the Chinese to the indigenous population to fill this occupational niche in order to prevent the rise of an indigenous merchant class that might challenge their position (Reid, 1992, p. 497). In pre-colonial times, the Chinese in Java and other parts of Southeast Asia could assimilate into the indigenous population, because increasingly numbers of those who traveled to Southeast Asia for trade were themselves Muslim (Wertheim, 1965, pp. 46-47; Chua, 2008, p. 31; Skinner, 1996, p. 55; Anderson, 1998, p. 321; Lembong, 2008, p. 48).

Under Dutch colonial rule, which began in the seventeenth century, the Chinese could no longer be completely assimilated into the indigenous society. According to Mona Lohanda (1996, p. 1), in the days of the Dutch East India Company (VOC) during the seventeenth and eighteenth centuries, the people in the Indonesian archipelago were classified into Christians and non-Christians and on a racial basis, westerners (Europeans) and non-westerners (non-Europeans). Each non-western ethnic group was ruled by local headmen appointed by the VOC. All Chinese from different speech groups (e.g. Hokkien, Hakka and Hainan) were
classified as Chinese. The headman of the Chinese community in each locality was known as ‘Kapitan Cina’ (Chinese captain) (Lohanda, 1996). Like the local regents before them, the VOC used the Chinese as middlemen between the Dutch and the indigenous population (Suryadinata, 1988, p. 262; Chua, 2008, p. 31; Hoadley, 1988). After the collapse of the VOC in 1800, its territories were taken over by the Dutch colonial government. In 1854, the colonial government divided the population of the Dutch East Indies into three groups (Govaars, 2005, p. 20). The first group was European who formed the upper level. The middle level was Foreign Orientals, which included the Chinese, Arabs, Indians and Japanese who were born in the Dutch East Indies or had resided there for 10 years or above. The bottom level was the indigenous population (Suryadinata, 1993b, p. 83; Shiraishi & Shiraishi, 1993, p. 8). According to The Siauw Giap (1967, p. 91), it was this stratification which made Islam less attractive to the Chinese, because Muslims were considered indigenous people with a status inferior to that of the Chinese.

Under Dutch rule, Chinese businesspeople became indispensable to the colonial economy. The colonial government granted Chinese licenses to engage in “the selling of opium, the operation of gambling establishments, ferries, pawnshops, and abattoirs, and the gathering of birds’ nests for export to the gourmets of China” (Williams, 1960, p. 24). Such a monopoly concession system was known as revenue or tax farming and the license holder was known as a revenue farmer (Govaars, 2005, p. 27; Williams, 1960, p. 25). Among all monopoly concessions the opium concession was the most lucrative (Govaars, 2005, p. 28).² The monopoly concession system produced many wealthy Chinese revenue farmers.

In order to prevent the Chinese and the indigenous people from combining forces to challenge them, the Dutch introduced zoning and pass systems in 1835 and 1863, respectively, that required the Chinese to reside in restricted areas and prevented them from

² For the history of the opium revenue farming system in the Dutch East Indies, especially in Java, see Rush (2007).
travelling out of these areas unless they had passes (Suryadinata, 1993b, pp. 81-82). These systems effectively prevented the Chinese from living among the indigenous population and restricted interaction between the Chinese and other ethnic groups. Moreover, according to Leo Suryadinata, the zoning system “had a far-reaching impact on the ‘separateness’ of the Chinese” (Suryadinata, 1993b, p. 82). The Chinese therefore began to occupy an ambivalent position in Indonesian society during Dutch rule. On the one hand, they played a crucial role in the colony’s economic development. On the other hand, the Chinese began to be perceived as the “Other” because of this and were increasingly regarded with suspicion and prejudice by the indigenous majority.

In the 1890’s Dutch humanitarians pressured the Dutch colonial government to abolish the revenue farming system, since they saw it as detrimental to the welfare of the indigenous population (Williams, 1960, pp. 25-27). This move broke part of the Chinese economic power. The Chinese in Indonesia were also further angered when, in 1899, after the defeat of China in the First Sino-Japanese War (1894-1895), the Dutch government acceded to the Japanese government request to classify the Japanese in the Dutch East Indies as Europeans (Fasseur, 1994, p. 37). Although the Chinese also demanded equal status with Europeans, the Dutch rejected this demand as the colonial government was concerned that the concession would exert a considerable impact on the growing nationalist forces among indigenous Indonesians. As Mona Lohanda (1996) notes:

Considering the turbulent political circumstances of the colony, particularly from the first decade of the twentieth century, the Dutch were very cautious in their handling of Chinese affairs. Yielding to the Chinese request for equal

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3 For the origins of the nationalist movement among indigenous Indonesians in the early twentieth century and its relationship with the Chinese in the Dutch East Indies, see Lohanda (2002, pp. 171-205) and Shiraishi (1997).
status would provoke anti-Chinese feeling among the Indonesians, which in turn might endanger the Dutch themselves.

(p. 151)

At the same time, political events in China stimulated the nationalist sentiments of the Chinese in the Dutch East Indies. China had been invaded by foreign powers in the nineteenth century, losing in the Opium War (1840-1842) to the British and suffering an immense defeat in the First Sino-Japanese War (1894-1895). After the Boxer Uprising in 1900, Beijing was invaded and plundered by the allied armies, an alliance of the armies of Austria-Hungary, France, Germany, Italy, Japan, Russia, the United Kingdom (UK) and the United States (US) (Govaars, 2005, p. 49). As Ming Govaars (2005) remarks, “The division of China into foreign concessions and spheres of influence threatened to make it ‘a kind of international colony’” (p. 49). Two prominent Chinese political leaders, K’ang Yu-wei (康有为) and Sun Yat-sen (孙逸仙/孙中山), sought to rescue China “while living in exile among the overseas Chinese” (Govaars, 2005, p. 49). K’ang was a reformist while Sun was a revolutionary. The Chinese in the Dutch East Indies, who had suffered great loss of prestige, could identify with the difficulties of China and offered financial support to both K’ang and Sun with the hope to “contribute to the future greatness of their ancient homeland” (Govaars, 2005, p. 49). In addition, the lifting of the prohibition of Chinese emigration by the Manchu government (Qing Dynasty) in 1894 and the issuance of the Chinese law of nationality in 1909 which was based on *jus sanguinis* and claimed that every legal or extra-legal child of Chinese father or mother would be considered a Chinese citizen, regardless of birthplace

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4 The Boxer Uprising was an anti-foreigner movement that took place in China in 1900. For the origins and background of the uprising, see Esherick (1987).
further strengthened the nationalist sentiments of the Chinese in the Indonesian archipelago (Govaars, 2005, p. 50; Willmott, 1961, p. 14).\(^5\)

These various factors contributed to the Pan-Chinese Movement in the Dutch East Indies, which revolted against the restrictions placed on the Chinese, particularly the zoning and pass systems. ‘Pan-Chinese Movement’ is a term used by scholars such as Lea E. Williams (1960), Leo Suryadinata (1981) and Ming Govaars (2005) to refer to the emergence of nationalist sentiments oriented toward China and the revival of Chinese culture among the peranakan Chinese in early twentieth century Dutch East Indies. The peranakan Chinese tried to preserve their Chinese identity and safeguard their business as well as political interests by forming various Chinese organisations. These included the Tiong Hoa Hwe Koan (THHK), a Chinese organisation which promoted Chinese nationalism based on the teachings of Confucius through the Chinese-medium schools set up by the organisation in the Indies; the Siang Hwee (Chinese Chamber of Commerce) that championed the interests of Chinese business and community; and the Soe Po Sia (Chinese reading club) which disseminated modern political ideas through the distribution of reading materials (Williams, 1960, pp. 54-113; Kwee, 1969, pp. 1-21; Govaars, 2005, pp. 58-61; Suryadinata, 1981, pp. 5-6). The peranakan Chinese also established newspapers in Bahasa Melajoe Tionghoa (Sino-Malay language) such as Li Po, Chabar Perniagaan/Perniagaan, Pewarta Soerabaia, Djawa Tengah and Sin Po to promote Chinese nationalism and Chinese culture (Suryadinata, 1981, pp. 5-6, 21).\(^6\) In order to curb Chinese nationalism, and placate the Pan-Chinese movement, the colonial government passed a nationality law in 1910 based on *jus soli* which declared that all persons born in the Indies of parents residing there were Dutch subjects even if not Dutch citizens (Willmott, 1961, p. 15). Thus, the Indies-born Chinese were both Chinese

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\(^5\) Previously, the Manchu government prohibited the emigration of Chinese and those returning to China from abroad were subjected to death penalty. For more details on this policy, see Lim (1967, p. 63) and Chong (1983/84, p. 3).

citizens and Dutch subjects. Later in 1917 and 1918, the Dutch abolished the hated zoning and pass systems (Suryadinata, 1981, pp. 10-11).

Takashi Shiraishi (1997, pp. 187-207), however, argues that these systems restricting Chinese movement and residence were abolished because the Dutch saw that anti-Sinicism was already firmly in place among indigenous Indonesians in the early 1910s as a result of the rise of new nationalist politics that emphasised racial distinctions. Hence, it was no longer necessary to require Chinese and indigenous people to reside in different quarters. In fact, the abolishment of both systems in the late 1910s did not bring significant improvement in interactions and relations between the Chinese and the indigenous population. Many prabumi (indigenous people) perceived the Chinese as foreigners who were culturally different from the indigenous population. They also believed that the Chinese were economically strong but exclusive and selfish (Suryadinata, 1993b, p. 78; Coppel, 1983, p. 5).

It should be noted that the political orientation of the Chinese was never homogeneous. Apart from the pro-China Chinese, there were also pro-Dutch and pro-Indonesian Chinese during the Dutch colonial period. The pro-Dutch Chinese were represented by Chung Hwa Hui (CHH), a Chinese organisation founded by wealthy Chinese businessmen while the pro-Indonesian Chinese were represented by the Indonesian Chinese Party (PTI- Partai Tionghoa Indonesia), a Chinese political party that supported the Indonesian nationalist movement. Nevertheless, PTI was never a strong party as it was not supported by wealthy Chinese businessmen who were mostly pro-Dutch. The party was also

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7 This foreshadowed the emergence of the Chinese dual citizenship status as a political issue in post-colonial Indonesia.

8 It should be noted that the indigenous population also differed in terms of ethnicity and religious backgrounds. Apart from Javanese, the largest indigenous ethnic group in Indonesia, there are other indigenous ethnic groups such as Sundanese, Madurese, Bugis, etc. Although the majority of the indigenous population are Muslims, there are also indigenous Indonesians who are non-Muslims. For instance, most of the indigenous people in North Sulawesi are Protestant Christians. In Bali, the indigenous people are predominantly Hindus.
not regarded as an Indonesian party by the Indonesian nationalist movement (Suryadinata, 1981).\(^9\)

In addition, the Dutch allowed the Chinese to establish Chinese-language newspapers. Most of such newspapers were managed by *totok* Chinese, i.e. pure-blood Chinese who were born in China and migrated to the Indies (Huang, 2005, p. 390). In fact, it can be said that the Dutch allowed the Chinese to form ethnic-based organisations, establish Chinese-language presses and open Chinese-medium schools because they wanted the Chinese to maintain their “Chinese-ness” in order to keep them as a distinct ethnic group and prevent them from mingling with the indigenous population.

The loyalty of the Chinese to the Indies was also doubted by many *pribumi*. Before independence, the Chinese were often suspected of allying with the Dutch and China (Dawis, 2009, p. 2). Such stereotypes and prejudice manifested in anti-Chinese violence that broke out in Tangerang, Jakarta, Bandung, Pontianak, Palembang, Bagan Siapi-Api and Medan during the early phase of the Revolution (1945-1946) (Somers, 1965, pp. 110-119; Heidhues, 1974, pp. 101-102, 109; Cribb, 1991, pp. 53; 111). Many Chinese traders were attacked because they were deemed as rivals of indigenous small businesses. Some Chinese were caught in the riots because they were suspected of being in league with the Dutch (Heidhues, 1974, p. 109; Hoon, 2008, 33).

**The Sukarno Years (1950-1965)**

After independence, some indigenous leaders assumed that the Chinese were oriented to China instead of Indonesia (Dawis, 2009, p. 2). Many Chinese in Indonesia, especially those who were recent immigrants, had a strong sense of pride in China (Coppel, 1983, p. 26). The victory of the communists in China in 1949 triggered Chinese nationalism among

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\(^9\) For more details on the origins and development of CHH and PTI, see Suryadinata (1981, pp. 39-84).
Chinese Indonesians and prompted some Chinese Indonesians to return to China to receive further Chinese-language education and to build their ancestral land (Godley, 1989; Hui, 2011, pp. 98-99). In the eyes of some indigenous Indonesian leaders, the Chinese minority was oriented toward China. They therefore perceived the Chinese minority as a potential 'fifth column' for China (Suryadinata, 1992, p. 167).\textsuperscript{10} They were therefore uncomfortable with the dual citizenship of the Chinese that emerged again out of the relatively liberal the Citizenship Act of 1946 and the Round Table Agreement on Citizenship in 1949 between Indonesia and the Netherlands. Under these provisions, those Chinese who had been Dutch subjects and did not reject Indonesian citizenship were considered as citizens of both Indonesia and China (Hoon, 2008, p. 33). For many indigenous nationalists, as Hoon Chang-Yau (2008) puts it, “dual nationality meant that the political loyalty of the Chinese must be divided between Indonesia and China” (p. 34). Moreover, during the 1955 Bandung Asian-African Conference, China abandoned its traditional claim that all ethnic Chinese were Chinese citizens (Suryadinata, 1992, p. 171). Both President Sukarno and the Chinese prime minister, Zhou Enlai (周恩来), agreed that ethnic Chinese should choose only one citizenship (Liu, 2011, pp. 177-179). Hence, in 1958, a new and less liberal citizenship act known as “Act No. 62 of the year 1958 Concerning Republic of Indonesia Citizenship” was passed (Willmott, 1961, p. 118). Under the new act, Chinese in Indonesia would lose their citizenship if they did not submit an official statement abjuring Chinese citizenship (Willmott, 1961, p. 120; Hoon, 2008, p. 34). However, the act was only fully implemented in 1960, thus leaving the citizenship of most Chinese in an ambiguous state between 1958 and 1960 (Hoon, 2008, p. 35). In November 1959, as part of the steps towards reducing the economic role of ethnic Chinese, the government issued the Presidential Decree No. 10 that banned “alien” (i.e. Chinese) retail trade in rural areas and required all the aliens to transfer

\textsuperscript{10} According to \textit{Encyclopaedia Britannica} (n.d.), the expression ‘fifth column’ refers to a “clandestine group or faction of subversive agents who attempt to undermine a nation’s solidarity by any means at their disposal.”
their business to Indonesian citizens by January 1, 1960 (*Badan Koordinasi Masalah Cina – BAKIN*, 1979, pp. 301-305). Although the decree was officially only directed at Chinese without Indonesian citizenship, in reality, those with Indonesian citizenship encountered similar distress as the distinction between citizens and aliens was still unclear (Hoon, 2008, p. 35). In West Java alone, 9,927 Chinese were forced to move from rural areas to urban places (Huang, 2000, p. 19). There were also Chinese who were sent back to China. According to Thee Kian Wie (2006, p. 88), around 119,000 Chinese citizens were repatriated to China during 1960-1961. Some chose to leave for China because they thought that the Presidential Decree had threatened their livelihood (Mackie, 1976, p. 95).

Earlier in April 1950, the Sukarno government implemented the “Benteng” (Fortress) programme which gave priority to indigenous businesspeople to engage in import-export business and prohibited the Chinese from getting involved in such business (Thee, 2006, p. 80). However, instead of fostering a strong and self-reliant indigenous business class, the programme “resulted in the emergence of the ‘Ali Baba’ system in which Chinese Indonesians used indigenous Indonesians as ‘front men’ or ‘sleeping partners’” (Lembong, 2008, p. 50). The programme eventually came to an end in the second half of the 1950s (Thee, 2006, p. 84).

Although the Sukarno government introduced the above discriminatory policy to reduce Chinese economic interests and assist indigenous businesspeople, it allowed ethnic Chinese to form ethnic-based organisations (ranging from cultural associations to clan groups to business chambers), establish Chinese-language presses, open Chinese-medium schools, and be involved in politics (Pandiangan, 2003, pp. 410-412; Suryadinata, 1992, pp. 149-153; 1993, 86-88; 1997, pp. 253-259). In fact, in the new parliament elected in the 1955 election, which was the first national election held in Indonesia after independence, nine appointed seats were reserved for ethnic Chinese (Heidhues, 1974, p. 77). There were even a few
cabinet ministers who were of Chinese origin (Suryadinata, 1992, pp. 14, n10, 14, n11; 1993b, p. 88). The government allowed the Chinese to keep their ethnic and cultural identities because Sukarno was close to China and hence was relatively tolerant to the Chinese in Indonesia.

It is important to note that the ethnic Chinese in Indonesia are by no means culturally homogenous. Conventionally, scholars have divided them into *peranakan* and *totok*. The *peranakan* were local-born and acculturated Chinese. Some of them were products of intermarriage between Chinese male immigrants and local indigenous women. They had been residing in Indonesia for centuries. Although the *peranakan* still identified themselves as Chinese, they had adopted many elements of the majority Indonesian indigenous culture and some of them could not speak Chinese (Skinner, 1958, p. 2; Somers, 1964, p. 4; Hoon, 2008, pp. 4-5). As mentioned earlier in this article, the *totok*, on the other hand, were pure-blood Chinese who were born in China and migrated to the Indies. They spoke Chinese and maintained most Chinese customs and cultural traditions. In addition, they were generally more politically oriented to China. According to Leo Suryadinata (1992, p. 90), the *peranakan* also used the Hokkien term ‘singkeh’, meaning ‘new guests’, to refer to the *totok*. Mass Chinese immigration to the Indies took place in the second half of the nineteenth century. The mass immigration was a result of the Taiping Rebellion, a civil war against the Manchu imperial government which began in Guangxi in 1850 and later spread to other provinces. The immigrants included a significant number of women and it became possible for Chinese men to marry China-born women rather than indigenous or *peranakan* women.12

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11 For the origins and background of the Taiping Rebellion, see Jen (1973).
12 Prior to the second half of the nineteenth century, there was no female emigration from China to Southeast Asia. This was due to a few factors. First, although the Manchu imperial government officially prohibited the emigration of Chinese, in reality, the regulation was often strictly enforced over the women but not the men. This was because the officials knew that the male emigrants often returned with their savings or had to send money to their families in China, thus allowing the officials to extort money from them. Second, women were accorded very low social status in the traditional Chinese society. The main duty of women was to remain at home to look after their children and parents-in-law. Therefore, they were forced to remain in China. In fact, this special role of Chinese women was manifested in the custom of foot-binding, which forced women to stay...
Many more Chinese women immigrated to Indonesia after 1900 as a result of the Boxer Uprising in 1900 mentioned earlier in this chapter. Descendants of these new immigrants usually remained culturally tolok Chinese and formed the distinct and separate tolok community (Somers, 1964, p. 4; Hoon, 2008, p. 5).

In post-colonial Indonesia during the 1950s and 1960s, the Chinese peranakan community was divided into two competing streams. The ‘integrationist’ group led by the Consultative Body for Indonesian Citizenship (BAPERKI - Badan Permusjawaratan Kewarganegaraan Indonesia) fought for citizenship rights for ethnic Chinese and advocated for recognition of a separate Chinese ethnic identity yet one remaining part of the Indonesian nation. This group believed Chinese Indonesians did not need to give up their cultural heritage to fully participate in national politics (Suryadinata, 1992, p. 33; Aizawa, 2011, pp. 49-50; Hoon, 2008, p. 35). BAPERKI was founded in March 1954 with the aim to promote the understanding of Indonesian citizenship and the elimination of discrimination against ethnic Chinese who were Indonesian citizens (Coppel, 1976, pp. 45-46; Somers, 1964, p. 11; Hoon, 2008, p. 35). On the other hand, the ‘assimilationists’ group formed by a number of Chinese peranakan, who were Christians or right wing elements associated with the military, advocated the complete assimilation of the Chinese into the indigenous Indonesian indoors. Third, most of the male emigrants were too poor to bring their families overseas (Lim, 1967, pp. 63-64; Chong, 1983/84, pp. 3-4). Chinese female immigration to Southeast Asia began only from the latter half of the nineteenth century as some of the hindrances that had earlier prevented them from leaving the country were removed. The immediate factor that prompted Chinese female emigration was the economic and political upheavals in China brought about by the Taiping Rebellion. The chaotic situation in China forced many Chinese women to migrate overseas. Besides that, the contact the Chinese had with the West, as a consequence of the Opium and Arrow Wars in nineteenth century China, played an essential role in eliminating the traditional prejudice the Chinese had against female emigration (For the origins and background of the Opium and Arrow Wars, see Elleman [2001, pp. 3-56]). The opening of the “treaty-ports” in Guangdong and Fujian brought to the increase in the interaction of the Chinese in these two provinces with Europeans. This interaction had resulted in the establishment of several girls' schools by European Christian missionaries. Both Christian and non-Christian female students attended these schools. Apart from their educational work, the Christian missionaries also joined certain Chinese women to fight against the foot-binding custom that discriminated against women. Such efforts had contributed to educational and social advancement of Chinese women, thus removing the traditional prejudice among Chinese against female emigration. Furthermore, in 1860, the Manchu government officially allowed Chinese women to emigrate as wives and dependents of the male emigrants. These factors prompted female emigration from China in the second half of the nineteenth century (Lim, 1967, pp. 72-75; Chong, 1983/84, pp. 5-6).
population (Suryadinata, 1992, p. 70; Hoon, 2008, pp. 35-36). According to Suryadinata (1992, pp. 70-72), these assimilationists Chinese *peranakan* included Junus Jahja a.k.a. Lauw Chuan Tho (刘全道), an economist; Ong Hok Ham a.k.a. Ongkokham (王福涵), a university student; and K. Sindhunatha (王宗海), a navy captain. The assimilationists were of the opinion that the Chinese needed to "abandon their cultural background and exclusionary lifestyle – that is, living separately from other Indonesian ethnic groups" in order to eliminate discrimination against them (Aizawa, 2011, p. 49).

**The Suharto Years (1966-1998)**

The anti-Communist violence associated with the Cold War instigated by the Suharto-led military after the military takeover on October 1, 1965 took a strong anti-Chinese turn at times from 1965 to 1968 (Mackie, 1976; Davidson, 2009b, pp. 47-84; Hui, 2011, pp. 115-146; Tsai & Kammen, 2012). Many Chinese in Indonesia were accused of being Communist sympathisers and at least two thousand of them were killed from 1965 to 1966 (Coppel, 1983, p. 58). The last and worst major anti-Chinese violence broke out at late 1967 and early 1968 in West Kalimantan. The military provoked Dayaks to murder Chinese who were accused of supporting the communist party (Mackie, 1976, pp. 126-128; Davidson, 2009b, pp. 47-84; Hui, 2011, pp. 115-146). About two to five thousand Chinese were killed and nearly 100,000 Chinese were relocated to coastal cities and towns such as Pontianak and Singkawang (Davidson, 2009b, pp. 68, 74-77).  

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13 For a comprehensive discussion on the background of the military takeover and the subsequent mass violence against the Indonesian Communist Party (PKI-*Partai Komunis Indonesia*) and the Left, see Kammen and McGregor (2012).

14 It should be noted that the anti-Communist violence was never anti-Chinese massacres in general, although the massacres that broke out in West Kalimantan in 1967 and 1968 was targeted exclusively at Chinese (see Davidson [2009b, pp. 47-84] for more details on massacres of Chinese in West Kalimantan). There were about half a million people killed in 1965-1966 and the victims were mostly indigenous Indonesians who were members and associates of the Indonesian Communist Party (PKI). Relatively few Chinese were murdered in this period (Cribb & Coppel, 2009, pp. 447-465; Tsai & Kammen, 2012, pp. 131-155). Prior to its collapse in 1965, the PKI was relatively tolerant of the Chinese minority due to the "anti-racist character of Marxist
Later, Suharto’s government began to enforce assimilation policies to curtail Chinese culture and control the ethnic Chinese. Public displays of Chinese characters were forbidden. Ethnic Chinese were not allowed to openly celebrate Chinese holidays or festivals. Ethnic Chinese organisations were banned except those dealing with health, religion, burial services, sports and recreation. Schools that offered all instruction in Chinese were closed down. Chinese-language newspapers were prohibited, except for one produced by the government. Furthermore, ethnic Chinese were urged to adopt indigenous-sounding names (Coppel, 1983, p. 165; 2002, pp. 22-23; Suryadinata, 1992, pp. 153-164; Chua, 2008, pp. 39-40).

It is worth noting that although many Chinese in Indonesia became more Peranakanised, if not ‘Indonesianised’, under Suharto’s policy of forced assimilation, in some places like Medan, Pontianak, Singkawang, Bangka and Belitung, the local Chinese generally can still speak Mandarin and certain Chinese dialects. Many older Chinese can read and write Chinese as they had studied in pre-New Order Chinese-medium schools. The younger generation generally cannot read and write Chinese but they can still speak Mandarin and certain Chinese dialects. Moreover, many Chinese in those places also still practise most Chinese customs as well as cultural traditions.

During the New Order period, Suharto’s regime also issued regulations and decrees that marginalised and stigmatised the Chinese. For instance, a particular code was attached to the national identity cards and passports of Indonesians of Chinese origin (Tan, 1991, p. 123; Aizawa, 2011, pp. 60-61). This coding system stigmatised the Chinese and “constantly exposed them to discrimination and exploitation by the bureaucracy, police and military” (Hoon, 2008, p. 39). Chinese Indonesians also had to produce a Citizenship Letter (SBKRI-ideology” (McVey, 1968, p. 359). The party leaders often stood out against racial attacks on the Chinese minority (Mackie, 1976, p. 79).

15 Some Chinese organisations therefore converted to charitable foundations (yayasan) that focused on health, religion, burial services, sports or recreation in order to continue to operate.

16 In fact, a lecturer at the University of Indonesia once told me that many people in Jakarta deemed Chinese Indonesians from ‘PBBM’ (Pontianak, Bangka, Belitung and Medan) as less assimilated and exclusive (Personal communication with Timothy (pseudonym), in Indonesian, January 31, 2011).
Sural Bukti Kewarganegaraan Republik Indonesia) to obtain documents such as birth certificates, passports or marriage certificates (Aizawa, 2011, p. 61). In addition, as mentioned earlier in this article, unwritten barriers restricted the Chinese from politics, public service, military and entrance to public universities. During the New Order era, there were very few ethnic Chinese members of parliament. These were Chinese peranakan from the ‘assimilationists’ group. As Benedict R. O’G. Anderson (1990) notes, “In another sort of regime, men of their [i.e. the very few ethnic Chinese members of parliament in New Order Indonesia] abilities would probably long since have achieved cabinet rank” (p. 115, n52). In general, the Chinese were only given the right to participate in economic activities (Chua, 2008, p. 42). As a result, as Hoon Chang-Yau (2006b) notes, “This continuous and intentional official discrimination against the Chinese placed them in a vulnerable position of ethnic and class hostility” (p. 153).

So why did Suharto’s New Order issue regulations and decrees that contradicted the assimilation policies? In his study of the background of the assimilation policies, Nobuhiro Aizawa (2011) suggests a possible reason. According to Aizawa (2011, p. 60), the Ministry of Home Affairs (DEPDAGRI- Departemen Dalam Negeri) which drafted and issued the assimilation policies, considered assimilation as a way “to prevent possible sources of political opposition and, thus, pave the way for the president’s re-election”. Therefore, the Chinese, who continued to be perceived as a potential ‘fifth column’ of China, needed to be

17 A few months before the collapse of the New Order regime, Suharto appointed Bob Hasan a.k.a. The Kian Seng (郑建盛), his long-time crony and golf partner of Chinese descent minister of trade and industry (Setyautama, 2008, p. 410). But Hasan was adopted by an indigenous Muslim military officer since he was little and had been highly assimilated into indigenous society. Hence, as Li Zhuo Hui (李卓辉) (2007, p. 153), chief editor of Indonesian Chinese-language press Guo Ji Ri Bao (《国际日报》) points out, the Chinese community did not perceive Hasan as an “ethnic Chinese businessperson” and did not think he represented the Chinese community.

de-politicised to ensure that the government took better control of any political threat or opposition (Aizawa, 2011, pp. 60-61). Chua makes a similar argument that such contradictions were meant to ensure that the social and political status of the Chinese, who were economically significant, remained politically weak. Under such circumstances, the Chinese would not be able to challenge the position of the power-holders. This would then secure the social and financial base of the politico-bureaucratic rulers’ power (Chua, 2008, pp. 37-38, 41-43). In other words, the assimilation policies were aimed to secure the power of Suharto’s regime and were never meant to integrate the Chinese into the general Indonesian population.

The New Order policy, therefore, deliberately excluded the ethnic Chinese from politics, and thus many Chinese, as had been the case over the centuries, chose to get involved in economic activities. The New Order also saw the emergence of a substantial number of cukongs, Chinese Indonesian capitalists who collaborated with members of the Indonesian power elite, usually from the military and the Suharto family, both of these being the dominant political force during the Suharto era. These cukongs included Liem Sioe Liong a.k.a. Sudono Salim (林绍良), Tjia Kian Liong a.k.a. William Soerjadja (谢建隆) and Lie Mo Tie a.k.a. Mochtar Riady (李文正). They were all owners of conglomerates (big business groups). The Suharto regime provided protection and various facilities such as privileged access to licenses, contracts and state bank credit to these cukongs. In return, the power elite and their family became the Chinese capitalists’ business partners (Robison, 1986, pp. 271-322; Suryadinata, 1997, pp. 33-34). Many cukongs channelled part of their profits to their political patrons’ foundations (yayasan) in the form of ‘donations’ (Chua, 2008, p. 49). However, as Suryadinata has maintained, the number of such cukongs was small and did not

19 To further control possible sources of political opposition, Suharto’s regime even reduced the number of political parties to three in 1973, i.e. Golkar that was set up by the Suharto group, United Development Parties (PPP- Partai Persatuan Pembangunan) and Indonesian Democratic Party (PDI- Partai Demokrasi Indonesia) (Suryadinata, 2002a, pp. 30-31).
represent Chinese Indonesians in general (Suryadinata, 2002b, p. 15). Most of the Chinese in Indonesia were, and still are, owner-managers of small- and medium-scale enterprises or professionals. Nevertheless, the corrupt relationships between a handful of Chinese Indonesian tycoons and power elites greatly influenced indigenous Indonesians' perception of the Chinese. As a result, Chinese Indonesians were (and are) generally perceived to be wealthier than indigenous Indonesians, corrupt and opportunistic. I argue that Chinese Indonesian tycoons during the New Order had played a crucial role in reinforcing the negative stereotypes against ethnic Chinese.

By confining the Chinese to the economic sector and forming an alliance with a handful of well-connected Chinese tycoons, the New Order regime managed to fortify the perception of the Chinese as economically powerful and responsible for social and economic inequalities in the country. The Chinese had no means to rectify this impression since they were socially and politically weak. Christian Chua (2008) has noted that

[the Chinese] were at the regime's mercy and had to put up with these kinds of stigmatisation that were meant to instrumentalise them as scapegoats in several ways. [...] [T]hey were blamed for the misery of the pribumi. The discontent of the powerless masses and the anger about their economic situation could be diverted from the rulers towards the Chinese minority.

(p. 44)

Consequently, the Chinese were exposed to periodic anti-Chinese riots during economic crises (e.g. in 1997-1998) and workers' strikes (e.g. the workers' strike in Medan that took place in 1994) (Purdey, 2006, pp. 77-141; Yang, 2006, 2007; Chua, 2008, p. 44).20 Even

20 For the background of the workers' strike in Medan, see Yang (2006, pp. 241-242).

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minor incidents such as traffic accidents, street fights and employer-worker disputes involving Chinese and *pribumi* could turn into anti-Chinese riots (Dahana, 2004, pp. 48-49). In addition, as John T. Sidel (2006) observes, the anxiety of Muslims about the ambiguous political position of Islam in New Order Indonesia also led to attacks on the Chinese. The ambiguous political position of Islam had its origins in the colonial period, whereby the Dutch colonial government prioritised Indonesian Christians graduated from missionary schools in the recruitment of civil servants, teachers and army officers, as well as granted economic privileges to the Chinese minority. As a result, Muslims became subordinate in Indonesia. These conditions persisted even after independence. Although Muslims were the majority in Indonesia, they were unable to hold a dominant position in the political arena. Sidel points out that in post-colonial Indonesia, key posts in the bureaucracy and the military were held by those educated in secular and Christian schools, and not those with Islamic educational backgrounds. Moreover, there was no organisation that could be considered to represent the voice of all Muslims in the country. Muslim organisations like All-Indonesian Association of Islamic Intellectuals (*Ikatan Cendekiawan Muslim Se-Indonesia*), which was founded by Suharto’s close associate B. J. Habibie in the early 1990s, only spoke for middle-class Muslim professionals, while *Nahdlatul Ulama* (NU) was an organisation that represented only rural Muslims. Moreover, while the New Order era saw the rise of Chinese conglomerates, local indigenous small business communities were at the same time undermined and marginalised due to the lack of access to capital and technology, as well as the lack in established connections with the state. The anxiety and feelings of inferiority among Muslims prompted them to spread violence against the mostly non-Muslim Chinese,
across the country.\textsuperscript{21} As Jemma Purdey (2005) puts it, “Incidents of violence against the Chinese took place frequently and signified a disturbing trend” (p. 14).\textsuperscript{22}

In summary it can be said that the Chinese in the Dutch East Indies and in the Republic of Indonesia after independence were treated as a “pariah class” (Riggs, 1964, 1966; Chua, 2008), powerful in business, but hated for their wealth. They came to be perceived as the “Other” by the indigenous Indonesians. To borrow Fredrik Barth’s term (1969, p. 15), the Chinese and the \textit{pribumi} came to be separated by an \textit{ethnic boundary}, that is a social boundary that emerges if an ethnic group maintains its identity when its members interact with outsiders (Barth, 1969, p. 15). Even though the cultural characteristics within an ethnic group may change and transform, as long as the dichotomisation between members and outsiders persists, the ethnic group will continue to exist (Barth, 1969, p. 14). It can be said that although the Chinese and the \textit{pribumi} generally became culturally more similar under Suharto’s forced assimilation, the boundary that separated them was strengthened at the same time. As a result, the Chinese continued to occupy an ambiguous, outsider position in Indonesian society. As Hui Yew-Foong (2011) explains, “[T]he Chinese are strangers in Indonesian society” (p. 15). According to Simmel (1950), the “stranger” is a person “who comes today and stays tomorrow” (p. 402). He or she is not an ‘owner of soil’ since he or she is deemed as a stranger by the other (Simmel, 1950, p. 403).

\textbf{Post-Suharto Era (1998-Present)}

Suharto’s authoritarian rule ended in 1998 amid the Asian financial crisis (Suryadinata, 2001, p. 506). Social unrest in Indonesia, aggravated by the financial crisis, escalated and peaked in mid-May in Jakarta, Solo and other parts of the country. Chinese

\textsuperscript{21} It should be noted that these attacks were fundamentally religious and not ethnic in nature.

\textsuperscript{22} However, it should be pointed out that during the New Order period, the real upswing of anti-Chinese violence only took place between 1995 and 1998. Violence against the Chinese was fairly minimal prior to that. For an account of violence against the Chinese during the New Order era, see Coppel (1983); Mackie (1976, pp. 111-138); Purdey (2006); Yang (2006; 2007).
shops and properties were looted and burned down, and as mentioned earlier, it was alleged that many Chinese women were brutally tortured, raped and murdered (Mackie, 1999, p. 189). According to the Joint Fact-Finding Team (Joint Team) appointed by the Habibie government to investigate the riots, the violence was probably instigated by someone “at the country’s ‘highest levels’ of decision-making” to create a critical upheaval so that martial law could be imposed (The Joint Fact-Finding Team [TGPF], n.d.). Leo Suryadinata (2001, p. 507) suggests another possible scenario that the violence was an outcome of the internal conflict within the military. It has also been argued that the violence was instigated by the military to deflect public anger from the Suharto regime and towards the Chinese minority (Heryanto, 1999, p. 327). However, to date there is still no concrete evidence available and therefore it is difficult to prove such involvement conclusively.

The fall of Suharto in May 1998 has led to a process of democratisation in Indonesia, with the implementation of a few significant institutional reforms. The period of reform and democratisation after the end of the authoritarian regime was also marked by a considerable decline in anti-Chinese violence after May 1998. John Sidel (2006) attributes the decline of anti-Chinese riots to state-dependent Muslim elites’ engagement in straight religious competition, instead of using anti-Chinese violence to assume more political power. Jacques Bertrand, on the other hand, offers a more comprehensive explanation on the significant decline of anti-Chinese violence. He notes that the killings of May 1998, particularly the alleged mass rape cases, as well as the alleged involvement of the armed forces in the riots, shocked the political elite and Islamic politicians who had been most critical and vocal about Suharto’s collusion with Chinese Indonesian big business groups. They began to sympathise

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23 However, as Hoon (2008) stated in his published dissertation, the rapes are still “a contested issue as there has been no consensus on the number of rape victims” and “there is still a general denial of the rapes in Indonesia’s official discourse” (p. 46).

24 Suryadinata (2001, p. 507) points to the power struggle between General Prabowo Subianto, Suharto's son-in-law, and General Wiranto, Suharto appointee. According to this analysis, Prabowo instigated the violence to discredit Wiranto, who was the then Commander of the Armed forces, so that he could seize power from the latter.
with the Chinese minority and acknowledge that the Chinese had not been treated justly. Sarah Turner (2003) makes a similar remark, "Since 1998 there has been an increased official and general acknowledgement within Indonesia that the ethnic Chinese community received gross injustices during the period of the riots" (p. 347).

The reversal of attitudes toward the Chinese was also catalysed by capital flight and the 'exodus' of Chinese after the events of May 1998. In addition, some Chinese Indonesian tycoons had cooperated with post-New Order governments in investigations about corruption and this contributed further to the easing of the resentment against the Chinese. Bertrand (2004) also notes that the prosecution and subsequent imprisonment of Bob Hasan (~IHt~), Suharto's long-time crony and golf partner of Chinese descent, "particularly pleased many Indonesians" (p. 69). In other words, the end of Suharto's regime had removed Hasan, one of the most significant symbols of hostility against the Chinese minority.

Under the influence of a more sympathetic view from Indonesian political elites, Chinese Indonesians have begun to benefit from reforms introduced by subsequent governments. Many discriminatory measures against the Chinese were removed. Most significantly, Suharto's policy of forced assimilation was abandoned. In 2001, President Abdurrahman Wahid sanctioned the publication of Chinese-language print media through the repealing of laws that had prohibited the local publication of Chinese characters in Indonesia since 1965 and thus Chinese language materials became more freely available. Many schools were allowed to conduct Chinese language courses.25 Besides that, ethnic Chinese were allowed to openly celebrate Chinese festivals (Hoon, 2008, p. 104; Giblin, 2003, pp. 347-348). In fact, in 2002, President Megawati Sukarnoputri announced that the Chinese New year would be a state holiday from 2003 (Freedman, 2003, p. 447). In July 2006, under Susilo Bambang Yudhoyono's presidency, the Indonesian Parliament passed a landmark bill on

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25 However, Chinese-medium schools have not been re-opened (Lembong, 2008, p. 54).
citizenship which took a step toward ending discrimination against ethnic Chinese Indonesians. The law did away with the distinction between 'indigenous' and 'non-indigenous' Indonesians – long cited by Chinese Indonesians as discrimination – by redefining 'indigenous Indonesian' to include all people born in Indonesia and/or to Indonesian parents, and who have never assumed foreign citizenship. Under the new law, Chinese Indonesians will no longer need to produce proof of their citizenship or undergo the naturalisation process as long as they were born to parents who are Indonesian citizens (Asmarani, 2006, p. 1). They are also allowed to hold government posts, including the presidency, that were formerly closed to them. Therefore, it can be said that the reversal of attitudes toward the Chinese was also due to the rise of political leaders who were open-minded and sympathetic to the situation of the Chinese.

Hence, the fall of Suharto in May 1998 was a turning point for the Chinese in Indonesia to openly and actively participate in the socio-political arena. A few Chinese have also made use of the democratic environment to participate in national as well as local politics and establish ethnic Chinese social and cultural organisations. Most ethnic Chinese organisations that were established or re-emerged in the post-1998 period were Chinese clan organisations and alumni associations of pre-1965 Chinese-medium schools in Indonesia. Since the end of Suharto’s rule, many Chinese organisations that were previously closed down re-emerged and those that had been converted to foundations dealing with health, religion, burial services, sports or recreation began to include again socio-cultural activities that openly celebrate and promote Chinese traditions and culture in their routine activities. Two major ethnic Chinese mass organisations in post-Suharto Indonesia, i.e. the Indonesian Chinese Social Association (PSMTI- Paguyuban Sosial Marga Tionghoa Indonesia, 印华百家姓协会) and the Chinese Indonesian Association (INTI- Perhimpunan Indonesia Tionghoa, 印尼华裔总会), have branches extended to various parts of Indonesia. The
objectives of both organisations are to fight for the interests of Chinese Indonesians, to promote solidarity between ethnic Chinese and indigenous Indonesians, to promote social and cultural issues among Chinese Indonesians, and to advocate the entry of Chinese Indonesians into electoral politics (Suryadinata, 2001, pp. 512-514; Giblin, 2003, pp. 357-358; Hoon, 2008, pp. 77-79). There are also Chinese Indonesians who actively participate in formal politics and run for public office under different political parties during general elections. This reflects the heterogeneous political views of the Chinese. There have been at least three cabinet ministers who are Chinese. There have also been several Chinese elected as parliamentarians and local government heads. The well-known Chinese politicians elected into public offices include Murdaya Widyawimatra Poo a.k.a. Poo Tjie Goan (傅志宽), national parliamentarian for East Java I from 2004 to 2009 and Banten II in 2009, Hasan Karman a.k.a. Bong Sau Fan (黄少凡), mayor of Singkawang, West Kalimantan, from November 2007 to September 2012, Sofyan Tan a.k.a. Tan Kim Yang (陈金扬), national parliamentarian for North Sumatra I since 2014, and Basuki Tjahaja Purnama, known by his Hakka affectionate nickname, Ahok (钟万学), governor of Jakarta since 2014.

Moreover, since the advent of democratisation, several Chinese Indonesians have taken the initiative to actively participate in political activities and social reform movements to fight for equal rights and an end to discriminatory practices. Hence, the Chinese minority enjoys a less vulnerable political position in the reformasi era.

26 INTI is actually a breakaway faction of PSMTI. PSMTI established itself as an exclusively ethnic Chinese organisation in which only Chinese Indonesians could become full members. Non-Chinese Indonesians could only become honorary members. Some of the original members were uncomfortable with such a policy and had subsequently left to form INTI. INTI accepts all Indonesian citizens who agree with the objective of the organisation to join as members (Giblin, 2003, pp. 357-358; Suryadinata, 2001, pp. 513-514).

27 They include Kwik Kian Gie (郭建义), coordinating minister for the economy, finance and industry from October 1999 to August 2000 under President Abdurrahman Wahid, and state minister/head of the national planning board from July 2001 to October 2004 under President Megawati Sukarnoputri; Mari Elka Pangestu (冯惠兰), minister of trade from October 2004 to 2011 and minister of tourism and creative economy from 2011 to 2014; and Amir Syamsudin a.k.a. Tan Toan Sin, minister of justice and human rights from 2011 to 2014 (Coppel, 2008, p. 120; Primanita & Daslani, 2012; “Minister Mari Elka”, 2011; Dermawan T., 2014).
In addition, the rise of China as an economic power also indirectly changed the attitude of post-Suharto governments towards Chinese Indonesians. It improved the foreign relations between Indonesia and China as post-Suharto governments no longer perceive China as an ideologically threatening country. Instead, they see China “as an economic powerhouse providing positive spillovers to its cash-strapped neighbours in Southeast Asia” (Zhao, 2013, p. 4). The Indonesian government is keen to attract more Chinese businesses to invest and set up enterprises as well as factories in Indonesia in order to accelerate and expand economic development and the building of infrastructure in the country. These efforts of the Indonesian government have coincided with China’s pursuit of friendly relations with Southeast Asian countries. A few Chinese organisations in Indonesia are in a good position to help the government to establish economic ties with China since the leaders are well-connected to state officials and businesspeople in China. They are thus able to utilise their intra-ethnic linkages and social networks in China to assist the government to establish business connections with China (Jiang & Ding, 2011).

Conclusion

From the above discussion, it is clear that the position of ethnic Chinese Indonesians was shaped by multiple factors. During Dutch colonisation, the government used the Chinese instead of the indigenous people to fill most economic niches in order to prevent the rise of an indigenous merchant class that might challenge their position. The Dutch also implemented ‘divide and rule’ policy to prevent the Chinese and the indigenous people from combining forces to challenge them. During the Sukarno years, due to the close relations between Sukarno and China, the government was relatively tolerant to the ethnic Chinese in Indonesia by allowing them to keep their ethnic and cultural identities although at the same
time it also introduced some discriminatory policies to curb Chinese economic dominance and assist indigenous businesspeople.

After Suharto came into power, due to the anti-communist politics associated with the Cold War and also the government’s ultimate motive to de-politicise the Chinese who were perceived as a potential ‘fifth column’ of China in order to prevent any political threat or opposition, the government imposed forced assimilation policy upon the Chinese but at the same time restricted them from politics, public service, military and entrance to public universities.

Nevertheless, the period since the end of the Suharto regime in May 1998 saw the rise of open-minded Indonesian political leaders such as former presidents Abdurrahman Wahid, Megawati Sukarnoputri and Susilo Bambang Yudhoyono as well as the globalisation of the economic position of China. Post-Suharto governments ended the forced assimilation policy upon the Chinese and allowed them to openly express their ethnic and cultural identities as well as actively participate in politics. A few Chinese organisations in Indonesia also play an important role in assisting the government to establish economic ties with China since the leaders are well-connected to state officials and businesspeople in China. Hence, the post-Suharto era saw the significant improvement in the condition and position of Chinese Indonesians.

In conclusion, the position of ethnic Chinese in Indonesia was shaped by both domestic and external factors. The above discussion indicates that as long as open-minded political leaders are in power and that both Indonesia and China maintain good foreign relations with each other, the Chinese in Indonesia will enjoy a less vulnerable and more secure position.
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