INDONESIA, ASEAN AND NON-INTERVENTION: SOVEREIGNTY, DECENTRALIZATION AND REGIONAL LEADERSHIP ISSUES IN THE MANAGEMENT OF THE SOUTHEAST ASIAN HAZE

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Abstract

This paper examines the reactions of Indonesia towards regional efforts in haze management between October 2006 and September 2007. Two significant developments occurred during this time. Firstly, Indonesia, which seemed to be moving towards ratification of the ASEAN Agreement on Transboundary Haze Pollution, decided to set up a special committee to study the treaty, effectively halting the parliamentary ratification process indefinitely. Secondly, after asking for regional help by inviting ASEAN member countries to assist provinces, regencies, or districts of their choosing, Indonesia later refused to approve the proposals of assistance. Indonesia's response can be seen as part of its larger regional position as a strong proponent of the ASEAN norm of non-intervention, for reasons of its own internal security and regional stability. Indonesia is generally loathe to give up control over its sovereignty in the shadow of a bloody colonial history, ongoing internal conflicts, bitter foreign interventionist experiences and territorial disputes with its neighbours. To add to this, external non-intervention is especially important to Indonesia now, while it is in the process of decentralizing and dealing with the arising internal complications, especially those involving its forest resources. Therefore, these developments can be seen as part of a bigger attempt by Indonesia to regain its past glory as the de facto leader of ASEAN, enabling it to use its influence to strengthen the non-interference principle within ASEAN to protect its sovereignty during the delicate decentralization process.

1.0 INTRODUCTION

Extensive forest and grass fires, mostly in Indonesia, leading to smoke pollution have become regular events in the Southeast Asian region. With particular atmospheric conditions, this 'haze' has persisted for long periods. Previous episodes were in 1982-83, 1987, 1991, and 1994, but that of 1997-98 and 2006 was more extreme, costly, and in some localities; life-threatening (Cotton 1999, pp. 331-332). In 1997-1998, about 10 million hectares were burned (Mayer 2006, p. 202).

1.1 Causes of the Fires and Haze

There is general agreement that the El Niño Seasonal Oscillation (ENSO) produces the dry conditions which make fires in normally moist rainforest terrain possible (Cotton 1999, p. 333). However, El Niño does not start fires (Marinova 1999, p. 72). Unprecedented levels of human activity have been a major factor. For some time, the major cause of these fires were ascribed to the practice of small-scale agriculture, which in dry years have led to deliberately set small fires spreading out of control. However, recent evidence has shifted the blame from forest-dwelling populations mainly to the activities of large commercial operations (Cotton 1999, pp. 334).

Firstly, the granting of excessive timber 'concessions' and the poor policing of mandatory selective logging and reforestation regulations give little incentive to adhere to fire prevention policies. Rather than the logging of selected plots, extensive areas are opened rapidly with only the best trees felled. This disrupted forest canopy exaggerates the drying of the forest in dry seasons. Secondly, logged areas are often converted into timber or oil palm plantations, a program which has received government support in Indonesia. Burning is the cheapest and easiest method to clear the land needed. Thirdly, the clearing of land

has also been linked to transmigration programs that require deforested areas for settlement (Cotton 1999, p. 334).

Fourth is the draining of peat swamps (a good form of carbon sinks) for rice cultivation. Dried peat burns easily, and as the fires sometimes extend to deposits deep underground, rainfall does not always put them out (Cotton 1999, pp. 334-335). This raised Indonesia's carbon emissions to among the highest worldwide (Mayer 2006, p. 204). The smoke produced contains the highest concentration of pollutants, though Indonesia did not acknowledge this contribution during the 1997-98 crisis. In all, Indonesia's commitment to an obviously an unsustainable exploitation of its timber resources is a major factor in this environmental crisis (Cotton 1999, p. 335).

1.2 Socio-Economic and Environmental Effects

The haze caused repeated emergencies in Singapore, Malaysia, Brunei, Indonesia itself, and to some extent Thailand and the Philippines (see Figure 1) (Mayer 2006, p. 203). A reading of above 100 PSI (Pollutants Standard Index) is 'unhealthy' and in excess of 300, 'hazardous'. While reliable data is not available from Indonesia, Singapore and Peninsula Malaysia recorded a PSI of 140 in September 1997. In East Malaysia, a PSI of 849 was recorded in Kuching in October 1997. At the height of the haze, visibility in Kuching was reduced to only a few meters even at noon, and most outdoor activities came to a halt. It is estimated that readings of over 1000 must have been common in parts of Indonesia close to the source (Cotton 1999, p. 332).

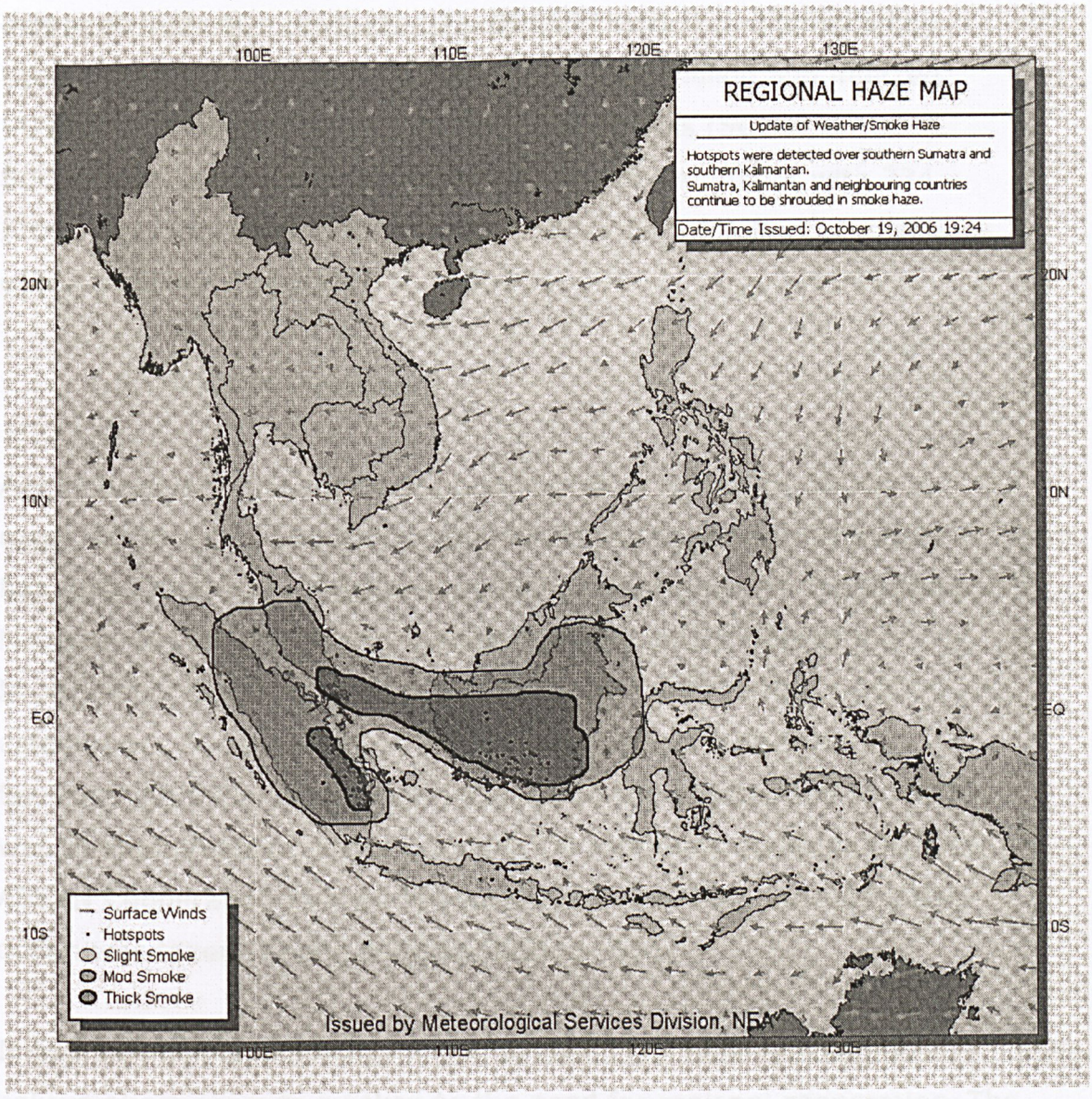

Figure 1: The extent of the haze during the peak of the 2006 crisis

The 1997-98 haze affected the health of some 75 million people, and the economies of six ASEAN (Association of Southeast Asian Nations) members (Mayer 2006, p. 204). According to the World Wide Fund for Nature (WWF), the forest fires in 1997 cost the region US$494 million in timber losses, US$470 million in agriculture, US$1.8 billion in direct and indirect forest benefits, US$30 million in capturable biodiversity, US$25 million for fire-fighting, and US$272 million in carbon releases. It also caused US$ 941 million in short-term damage to health. It

damaged industrial production by US$157 million and fisheries by US$16 million. It set back tourism by US$256 million and inflicted US$24.7 million in losses on airports and airlines (Severino 1999). Some more tangible costs include an Indonesian airliner with 234 passengers and crew in September 1999, which crashed in conditions of low visibility (Cotton 1999, p. 333).

1.3 ASEAN Response

As the haze wrought dramatic damage, many looked to ASEAN to respond (Severino 1999). Regional initiatives began with the 1992 Bandung Conference, followed by regional workshops in Indonesia and Malaysia in 1992-95. At the Sixth ASEAN Senior Officials of the Environment Meeting in 1995, a Haze Technical Task Force (HTTF) was established. These initiatives were weaved into the ASEAN Environmental Cooperation on Haze. While the objective of the HTTF was to operationalize and implement the measures stated in the 1995 ASEAN Cooperation Plan on Transboundary Pollution, no substantive action was taken (Chang & Rajan 2001, p. 665).

It was only in the aftermath of the severe 1997 haze that regional policymakers seem to awaken to the need for regional cooperation. The Regional Haze Action Plan (RHAP) was the result of this renewed effort (Chang & Rajan 2001, p. 665). It was a soft-law, non-binding international instrument, approved for implementation by the ASEAN Ministerial Meeting on Haze without going through the tedious process of national ratification required by the 1969 Vienna Convention on the Law of Treaties. It stood on three pillars: the spirit of voluntarism, the no-fault-finding rule, and the offer of assistance based on expertise and capability (Florano 2004).

The RHAP generated a massive amount of information on the haze (Severino 1999) but not much else. In 2002 the ASEAN Agreement on Transboundary Haze Pollution (ATHP) was proposed. This was a legally-binding regional treaty, providing for legal support to the RHAP upon ratification by at least six countries (Florano 2003, p. 132). In 2003, it became the first legally binding ASEAN regional environmental agreement to be entered into force (ASEAN 2007) with ratification by Malaysia, Singapore, Brunei, Singapore, Myanmar and Thailand. Today, among the 10 ASEAN member states, Indonesia and the Philippines are the only member countries that have not yet ratified the treaty (*Morning Star Online* 8 October 2006, p. 1). The treaty enshrines sovereignty over natural resources, neighbourliness, international cooperation, the precautionary principle (if an action could cause severe harm, the burden of proof of its safety is on those taking the action), and sustainable development. It relies on the cooperation of its parties through self-regulation and decentralized operations (Florano 2003, p. 132-133).

1.4 Research Focus

This paper aims to take a closer look at the recent reactions of Indonesia towards these regional efforts in haze management, particularly at the development of events between October 2006 and September 2007. This one-year timeframe was chosen because there was a significant revival of regional and domestic level anti-haze efforts beginning in October 2006. This was prompted by the fact that the October 2006 ASEAN haze episode had reached record levels of severity, the worst in the region is almost a decade (*Channel NewsAsia* 21 June 2007, p. 1).

Two significant developments occurred during this timeframe. Firstly, Indonesia, which seemed to be moving towards ratification of the

ATHP, suddenly decided to set up a special committee to study the treaty, effectively halting the parliamentary ratification process indefinitely. Secondly, after asking for regional help by inviting members to assist provinces, regencies, or districts of their choosing, Indonesia later refused to approve any of the proposals of assistance.

This paper attempts to explain these developments. It is proposed that Indonesia's response to the haze issue can be seen as part of its larger regional position as a strong proponent of the ASEAN norm of non-intervention, for reasons of its own internal security and regional stability. This argument is broken down into three levels; sovereignty, decentralization and leadership. Indonesia is generally loathe to give up any control over its sovereignty in the shadow of a bloody colonial history, ongoing internal conflicts, bitter foreign interventionist experiences and territorial disputes with its neighbours. To add to this, non-intervention is especially important to Indonesia now while it is in the process of decentralizing and dealing with the internal problems that arise from it, especially those involving its lucrative forest resources. Therefore, these developments can be seen as part of a bigger attempt by Indonesia to regain its position as the de facto leader of ASEAN, enabling it among other things, to use its influence to strengthen the non-interference principle to protect its sovereignty during its decentralization process.

This research paper makes use of primary and secondary sources. Primary sources used include texts of ASEAN speeches, agreements, reports, and treaties, and also media articles. Secondary sources largely involved articles and other research papers published in journals. Although this paper focuses on the recent timeframe from 2006-07, some official data and statistics used are from earlier haze events, where more recent data is not yet available to the public.

This piece of research will be significant in helping to contribute towards the understanding of Indonesia's position in the regional haze equation. A better understanding of all involved parties will certainly be useful in promoting more effective approaches in the management of the annual Southeast Asian haze crisis. This paper begins with a month-by-month case study of both regional and domestic developments of the haze issue from October 2006 to September 2007.

2.0 CASE STUDY (OCTOBER 2006 – SEPTEMBER 2007)

During the one-year period of October 2006 to September 2007, a series of intense ASEAN-level discussions on the management of the regional haze were held. This revival of efforts was prompted by the fact that the October 2006 regional haze had reached record levels of severity, the worst in the region is almost a decade (*Channel NewsAsia* 21 June 2007, p. 1).

In October 2006, Indonesian President Susilo Bambang Yudhoyono apologized to his neighbours for the effects of the fires, 'even if it was not deliberate'. His apology came after Singaporean Prime Minister Lee Hsien Loong wrote to him to do more to fight the fires, saying Southeast Asia's image was at stake (*Dow Jones International News* 12 October 2006, p. 1), and after urges from Malaysia to quickly ratify the ATHP that would facilitate a regional response against the use of slash-and-burn methods in Indonesia. Indonesia and the Philippines are the only member countries that have not yet ratified the ATHP (*Morning Star Online* 8 October 2006, p. 1). On 13 October 2006, the First Sub-Regional Ministerial Meeting on Transboundary Haze Pollution was held in Riau, to see how future recurrences could be prevented. The meeting was supposed to be hosted by Singapore, but was shifted after a last

minute invitation by Indonesian Foreign Minister Hassan Wirajuda (*Dow Jones International News* 12 October 2006, p. 1).

November 2006 witnessed the First Meeting of the Sub-Regional Ministerial Steering Committee (MSC) on Transboundary Haze Pollution in Cebu, Philippines. At this meeting, ASEAN environmental ministers agreed with Jakarta's proposal to have countries adopt fire-prone areas in Indonesia to help fight the fire hazard. Donor countries could focus their efforts on particular provinces, regencies, or districts, with Jakarta mediating and monitoring cooperation. Deputy Environment Minister Masnellyarti Hilman explained that the so-called 'adopt-a-district' idea would enable the impact of the assistance to be felt more (Asmarani 22 November 2006, p. 1). The five ASEAN countries present also agreed to set up an ASEAN fund to pool resources for the haze-fighting efforts, with Indonesia and Singapore pledging US$50,000 each to kick-start the fund. Indonesia has said that it needs about US$65 million for fire fighting and haze prevention for next year alone (Asmarani 13 December 2006, p. 1). Later that month, Prime Minister Lee met with President Yudhoyono on the sidelines of the Hanoi APEC summit, proposing that Singapore work with Indonesia to develop sustainable land clearing practices in Jambi. The President said he supported the pact (*Channel NewsAsia* 18 November 2006, p. 1).

In December 2006, Jakarta's announced plan to ratify the ATHP was caught in a parliamentary maze. The ATHP was submitted to Parliament in early 2006 but this month the legislature abruptly set up a special committee to study it, slowing down the ratification process. This delays the pooling of much needed resources. Another key part of the accord, the establishment of haze centers as joint emergency units, also cannot be set up. Some factions in the Parliament were reluctant to ratify the agreement because they believed that a more all-

encompassing deal to cover other environmental issues was needed (Asmarani 13 December 2006, p. 1).

In March 2007, the Second MSC was held in Bandar Seri Begawan, Brunei Darussalam. At this meeting, Indonesia officially presented their National Plan of Action (National PoA) which committed to reduce the number of hotspots by 50 percent in 2007, and to allocate some US$88 million a year to achieve this. ASEAN countries agreed to adopt this PoA as an integral part of the regional anti-haze efforts. Malaysia indicated that it would assist the implementation of the National PoA by undertaking a number of projects, including working with plantation companies to implement zero burning practices and other preventive measures. Malaysia and Brunei also pledged US$50,000 each to the ASEAN Haze Fund (*Channel NewsAsia* 6 March 2007, p. 1).

During a May 2007 workshop on the ATHP, Indonesia's Forestry Minister Malen Sambat Kaban said that countries in the region should commit themselves to helping Jakarta combat the problem of illegal logging in return for the ratification of the ATHP. He said this on the back of a report by the Environmental Investigation Agency and Indonesian-based Telapak stating that Malaysia was a major recipient of stolen Indonesian timber ferried by Singaporean shipping firms (Osman 12 May 2006, p 1). At the workshop, the question flipped from why the pact has yet to be ratified, to whether it was even necessary. As one official from Riau challenged, with or without the pact, Indonesia was already going ahead with preventive and fire-fighting programs. He added that the pact appears to lack teeth, as signatories are not bound to abide by the terms; with no penalties and no mandatory enforcement. He argued that acquiescence would merely be a symbolic show of unity that ASEAN can present to the world (Teo 17 May 2007, p. 1)

In June 2007, President Yudhoyono called for governors of fire-prone provinces to step up and take charge of anti-haze efforts (Ghani 19 June 2007, p. 1). Forestry Minister Kaban also announced that Indonesia was well prepared this year and will receive foreign assistance only on advice. He was concerned foreign aid could disturb the country's sovereignty; hence Jakarta would carefully examine every offer of overseas assistance (*The Jakarta Post* 18 June 2007, p. 1). On the back of these statements, the Third MSC was held in Jambi, where Singapore and Malaysia presented plans to help their adopted provinces. Singapore had earlier picked Jambi while Malaysia chose Riau (Ghani 20 June 2007, p. 1) as fires in Riau are bad news for Malaysia, and Jambi similarly affects Singapore (Mulchand 5 July 2007, p. 1). However, these accords are still up in the air amidst Jakarta's sovereignty concerns (Ghani 20 June 2007, p. 1). For example, Singapore's proposal to get international experts on peatland management to help Jambi, with possible funding from the Asian Development Bank (ADB), is ready for implementation (*Channel NewsAsia* 21 June 2007, p. 1), but Indonesia is concerned whether the assistance will be a soft loan or grant. Deputy Environment Minister Hilman said that Indonesia has an existing agreement with the ADB, and national laws on the matter. Meanwhile, none of the pledges made to the ASEAN Haze Fund have been fulfilled yet (Ghani 20 June 2007, p. 1).

A new law was passed in June 2007 in Riau that permits land under two hectares to be cleared by fire, allowing small-scale farmers to continue their traditional methods of land-clearing. This law is expected to worsen the effects of the haze. Indonesia's Forestry Minister has requested a review of this law, as slash-and-burn is a culture that Jakarta aims to change. The ministry this year has been offering money, programs and fertilizers as incentives for those who work on their land without burning (*Agence France Presse* 3 July 2007, p. 1).

However, a clause in Indonesia's forestry law also allows open burning if permits are obtained; which are easily done, according to Indonesian NGOs. This month also saw the return of the haze in Malaysia, Singapore and Brunei. This incited the familiar dynamic where Indonesian officials blame Malaysian and Singaporean companies for firing the Indonesian forest. Experts say that all parties have powerful commercial interests in turning Indonesian forests into oil palm plantations, as oil palm sales are at a historic high, fueled by the current bio-fuel craze (Kuppusamy 13 July 2007, p. 1).

In August 2007, the Second Sub-Regional Ministerial Meeting on Transboundary Haze Pollution was held in Singapore. At this meeting, Indonesian Assistant Deputy Environment Minister Heddy Mukna said that the country is likely to ratify the ATHP 'maybe next year'. Jakarta also reported that it has pledged US$10 million to each of its eight provinces to develop their own anti-haze initiatives. However, an Indonesian think-tank pointed out that while the Indonesian ministries of forestry, agriculture, and environment have taken steps to counter slash-and-burn practices, at the same time some six million hectares of new land has been allocated to oil-palm plantations. Malaysia and Singapore's 'adopt-a-district' proposals in the meantime still remain unapprovd by the Indonesian government (Tan & Mulchand 21 August 2007, p. 1).

In September 2007, the Indonesian Forestry Ministry announced the rental of two Russian-made helicopters in anticipation of the dry season, at a cost of US$3 million, and would hire more if necessary. Forestry Minister Kaban hoped that 'this will prove that Indonesia is serious in fighting forest fires' (Santosa 25 September 2007, p. 1). Also, in acknowledgement that the haze aggravates climate change and in anticipation of the United Nations Framework Convention on Climate Change (UNFCCC) in Bali in December 2007, this month also saw

Indonesia proposing that ASEAN draft a declaration to support and implement all agreements to be reached at the convention (LKBN Antara 20 September 2007, p. 1) (This declaration was signed by ASEAN in November 2007) (Xinhua News Agency 20 November 2007, p. 1). The analysis of this case study begins with a discussion of the origins and practice of the principle of non-interference in ASEAN and its special significance to Indonesia and regional haze management.

3.0 NON-INTERFERENCE IN ASEAN AND INDONESIA

The concept of non-interference is one of the fundamental principles which guide the relations of ASEAN member nations with each other. This concept was formalized within the signing of its Treaty of Amity and Cooperation in Southeast Asia (TAC) in 1976. Article 2 of the treaty binds members to practice 'non-interference in the internal affairs of one another' and recognizes 'the right of every state to lead its national existence free from external interference' (ASEAN 2008). Other ASEAN documents that enshrine this principle include the Bangkok Declaration and the Zone of Peace, Freedom and Neutrality Declaration (Katanyuu 2006, p. 827). The non-interference principle lays down three important codes of intra-ASEAN conduct. First, it discourages member states from criticizing or intervening in members' internal affairs. Second, it commits members to deny sanctuary and support to groups seeking to subvert or overthrow the governments of member states. Third, it discouraged members from providing external powers with any form of support deemed subversive to other members (Katanyuu 2006, p. 826)

3.1 Origins of the Principle

The non-interference policy owed much of its origin to conflicts involving Indonesia, Malaysia and the Philippines in the early 1960s,

before the establishment of ASEAN. Indonesia and the Philippines had opposed the creation of an independent Malaysia that would include Sabah, Sarawak and Brunei, due to their own territorial, sovereignty and great-power concerns. This so-called 'confrontation' involved Indonesia's aggressive acts against Malaysia, by sponsoring low-level military incursions and providing training and support to subversive groups. Complicating matters was the role of powers such as Britain, the Soviet Union, the United States (US) and the Netherlands, whose presence led to mutual distrust among neighbours. Jakarta feared that Malaysia would cooperate with Britain to subvert Indonesia and that Washington would use the Philippines as a base to aid its old conquerors, the Dutch (Katanyuu 2006, p. 826).

As direct offshoots of the Indonesian-Malaysian normalization talks concluding the confrontation period in 1966, the countries agreed that closer regional cooperation was necessary to prevent the recurrence of future confrontations. Indonesia was in fact the initiator of the idea for a new regional organization, and was given the task of producing a draft proposal for other countries to consider (Anwar 1994). Jakarta developed a draft proposal that included the principles of non-interference, non-alignment and zero great-power competition, to avoid any future repeat of confrontational activities (Smith 1999, p. 239-241). In 1966-67, Indonesian diplomats toured several Southeast Asian countries to promote this idea, which successfully culminated with the establishment of ASEAN in 1967. It has to be noted that Indonesia was the only country that actively tried to promote the idea for an organization. Finally, a decade after the establishment of ASEAN, the formalization of the TAC and its enshrinement of non-interference effectively froze national boundaries of ASEAN countries as of 1976 (Anwar 1994).

This new association's adherence to non-interference thus stems from the fact that its states have been plagued by interstate disputes, internal subversion, and moves to secede. Neighbours suspect each other of bolstering domestic ethnic groups to foment secession. In principle, allowing criticism or interference provides avenues to aid insurgencies. This would undermine a member's territorial integrity and national security. Therefore, ASEAN's founders believed that cooperation must stem from the 'absence of external interference' (Katanyuu 2006, p. 826).

3.2 Non-Interference vs. Flexible Engagement

Recently, however, some members have tried to distance themselves from this policy. The Thai proposal for 'flexible engagement' in 1998 is a case in point, which promotes discussions of members' domestic policies. The then-Thai Foreign Minister Surin Pitsuwan held that issues affecting each other might be brought up and discussed by members, without being perceived as interference. The proposal itself was not initially supported by other members, except the Philippines (with Indonesia and Malaysia being the most vocal opponents), but debate over the interpretation of the principle of non-interference has continued (Katsumata 2004, p. 238).

3.3 Indonesian Response

When Bangkok put forward its proposal, Indonesia's then-Foreign Minister Ali Alatas voiced his disagreement as such: 'non-interference is a very basic principle. We can talk about certain problems like transnational crimes, but if you start talking about how a country must run affairs like human rights or democratization, then you are getting into trouble' (Katsumata 2004, pp. 250-251). He also warned that without this principle, Southeast Asia would regress to the pre-ASEAN

days, doubtless referring to the confrontation period (Ramcharan 2000, p. 79).

This should not be surprising; a country with domestic difficulties tends to be reluctant to modify the interpretation of the non-intervention, and vice versa. The Philippines and Thailand (notwithstanding its recent military coup) have relatively fewer domestic issues. This is shown in *Freedom in the World,* an annual assessment of political rights (PR) and civil liberties (CL). According to the assessment in 1998, the year in which the flexible engagement was put forward, both the Philippines and Thailand were graded 2 (PR) and 3 (CL) out of 7, the lowest possible score. Indonesia's scores were 6 (PR) and 4 (CL). It can be concluded that ASEAN countries that are considered authoritarian are concerned about the security of their regime, therefore they are opposed to a flexible interpretation of non-interference (Katsumata 2004, pp. 243-244).

In the case of Indonesia particularly, the central government in its first few decades of independence had to deal with a multitude of domestic challenges, including regional rebellions, Islamic insurgencies, and abortive communist groups. This has made the Jakarta political leadership especially aware of the importance of internal political stability, which it believes can only be achieved without intervention from external forces. Significantly also, Indonesia, unlike most of its other ASEAN neighbours is today still actively dealing with multiple secessionist movements. Therefore, Indonesia, which is still 'weak' and in the process of nation-building find it difficult to accept any proposal for modifying the non-intervention principle, conceivably as a defense mechanism of its volatile political and social system (Katsumata 2003, pp. 113-118).

Indonesia had an important additional reason for promoting non-intervention; inextricably linked to the failure of its confrontation policy of 1963-65. Indonesia's positive participation in ASEAN was designed to undo the damage that confrontational phase had done to its reputation. The levels of violence of Indonesia's confrontation in Malaysia had over-reached its earlier and more acceptable concerns over national sovereignty and territorial integrity. As a result, it earned worldwide condemnation, leaving it internationally isolated (Anwar 1994). Propagating a policy of non-intervention served to show that it realized the mistake that was the confrontation period.

3.4 Non-Interference in Practice

The 1998 political turmoil in Indonesia provided a test-case for the sanctity of the non-intervention principle in ASEAN. The reactions of the association's members individually and collectively to the events that eventually led to Suharto's ousting showed that the principle of non-interference was scrupulously adhered to by ASEAN members (Ramcharan 2000, p. 77).

However as time went on, despite flexible engagement not being officially recognized in ASEAN, some member countries have taken liberties. Indonesia never took kindly towards these occurrences. It responded coldly in 1998 when Singapore Mentor Minister Lee Kuan Yew criticized then-Indonesian President Suharto's choice of Jusuf Habibie for vice-president (this being the first direct criticism of Indonesia by the leader of another ASEAN country), and in 1999 when Singapore Prime Minister Goh Chook Tong called on Jakarta to hold elections that would be accepted as fair and legitimate by the Indonesian people (Katsumata 2004, p. 245).

The Megawati government gave Singapore a taste of its own medicine when it responded to Singapore's demand for stronger action against terrorist suspects taking shelter in Indonesia by citing Indonesia's 'democratic political system', which does not permit arbitrary arrests of the kind that Singapore's International Security Act facilitates (Acharya 2003, p. 381). Also in 2001, the then- President Abdurrahman Wahid warned ASEAN that dealing with the violence in Maluku, which between 1998 and 2001 left about 5000 people dead and displaced up to half a million, should be left to Jakarta. Perhaps as a result of this, ASEAN as an association withheld from interfering in the East Timor issue, and instead participated in the United Nations (UN) backed intervention force only as individual states (Haacke 2003, p. 68-74). ASEAN also practiced a hands-off approach with the Aceh separatist movements (Solingen 2005, p. 17).

3.5 Non-Interference and Haze Management

However, what was perceived by Indonesia as being 'interference' continued to come from ASEAN states over the haze issue, which Indonesia principally considered a domestic problem. Simon Tay, a member of the Singapore Parliament, laid the blame for the fires on the failure of the Indonesian system to enforce its laws (Ramcharan 2000, p. 68). Also, Malaysia's Environment Minister Azmi Khalid also called on Indonesia to impose the most severe penalties under the law on any plantation companies or farmers found responsible for the fires, and urged Indonesia to quickly ratify the ATHP (*Morning Star Online* 8 October 2006, p. 1).

Indonesia's overall response to the haze issue can be seen as part of its position as a strong believer and proponent in the importance of non-intervention to its own internal security and larger regional stability. An

important reason for this position, the fact that Indonesia is inherently worried about its sovereignty and territorial control, is discussed below.

4.0 A SPECIAL CONCERN FOR SOVEREIGNTY

The series of events from October 2006 to May 2007 seemed to cast a positive light on the management of the ASEAN haze. With heartfelt apologies and humble requests for help, Indonesia finally seemed serious about resolving the problem through regional cooperation. Despite ratification of the ATHP being delayed yet again in the Indonesian parliament, Indonesia's 'alternative' National PoA was well received by ASEAN, and as part of the plan, Singapore and Malaysia agreed to be part of the so-called 'adopt-a-district' proposal.

However, in June 2007, these positive spirits were sullied when Jakarta indefinitely delayed the approval of Singapore and Malaysia's proposed plans of assistance for Jambi and Riau respectively, citing that it 'will receive foreign assistance only on advice' as it was concerned that 'foreign aid could disturb its sovereignty' (The Jakarta Post 18 June 2007, p. 1). As of September 2007, both countries' proposals are still up in the air (Tan & Mulchand 21 August 2007, p. 1). This apparent about-turn of attitude towards regional cooperation can be observed as part of a trend of deep concerns of sovereignty long embedded in the history of Indonesia.

The defining characteristic of sovereignty is the state's capacity to make authoritative decisions regarding the people and resources within its territory. The principle of sovereign equality of states is enshrined in Article 2, Section 1, of the United Nations (UN) Charter, and the corresponding norm of non-intervention in Article 2, Section 7: a sovereign state is empowered by international law to exercise exclusive and total jurisdiction within its territorial borders, and other states have

the corresponding duty not to intervene in its internal affairs (Evans & Sahnoun 2002, p. 101). The following section details Indonesia's experiences grappling with sovereignty, explaining Indonesia's inherent wariness on issues of sovereignty and non-interference.

4.1 Colonial History and Independence

Indonesia, like most other ASEAN countries (with the exception of Thailand), had been under colonial rule until the middle of the twentieth century. Due to this fact, the countries of Southeast Asia have always considered state sovereignty as an essential element of national security and stability. Even after independence, many of the ASEAN countries' national security problems arose out of intervention or interference by outside powers in its affairs; for example the war in Indochina and the subsequent division of Southeast Asia between the communist bloc and the capitalist world. These interventions internalized and worsened local conflict in these formative years, and the national security of each of the ASEAN countries were jeopardized. Moreover, Communist China has repeatedly attempted to 'export' the communist revolution to Southeast Asia by supporting insurgencies in the 1950s and 1960s (Katsumata 2003, p. 112).

Departing from this common historical background however, Indonesia's take on independence and sovereignty was different from its neighbours'. One major characteristic of independent Indonesia is a strong sense of nationalism, the legacy of the country's long national struggle for independence, particularly through the revolutionary period of 1945-49, when the fledgling republic fought a bloody war against the returning Dutch colonial power after the Japanese occupation of 1942-45. In contrast, Indonesia's nearest neighbours, Malaysia and Singapore achieved their independence through formal agreements with the British and relatively little bloodshed. This fueled suspicion

among Indonesian nationalists that these countries were risking their sovereignty and falling into a neo-colonial trap, which led to the hostile confrontation period between Malaysia and Indonesia in 1963-66. This nationalism, distrust of major powers, and a strong belief in itself have produced a tendency towards self reliance (Anwar 1994).

4.2 Heterogeneity and Internal Conflict

Indonesian leaders are also very much aware of the country's inherent weakness, which can limit the government's control over its territory and population. Indonesia is still an industrially backward country with limited infrastructure and financial means to effectively link its entire people spread out over some 13,000 islands. Furthermore, because of the heterogeneity of the population, one can never take Indonesia's national unity for granted, as shown by the various rebellions against the central government in the years following independence. These rebellions included an attempted communist coup in September 1948, a protracted military struggle to set up a separate Islamic state in the 1950s to the 1960s, early separatist movements such as the South Mollucan area, regional rebellions to show dissatisfaction with the central government in Sumatra and Sulawesi, and another attempted communist coup in 1965 (Anwar 1994).

Of late, more separatist movements have gained ground in outlying provinces. In 1999, East Timorese voted overwhelmingly for separation from Indonesia in a UN supervised balloting, and Jakarta ratified this bloody divorce. Indonesians who opposed giving up East Timor feared a 'domino effect' in which other provinces would follow East Timor out the door (Emmerson 2000, p. 95-96). Indeed, Jakarta had had to make special deals to soothe the two other most troublesome and independence-minded provinces of Aceh and Papua, granting them exceptions with the devolution of power to the provincial level (Smith

2004, p. 336). Other provinces on the lengthening list of potential defectors include Riau, although pro-independence moves and views have thus far been comparatively milder in this province (Emmerson 2000, p. 101-102). However, many question whether the central government can hold Indonesia together and are worried that Indonesia is heading down a path towards disintegration (Smith 2004, p. 336).

4.3 The IMF Experience

Indonesia's experience with international assistance has also made it weary of losing control over its internal affairs. Socialized by institutions like the International Monetary Fund (IMF) into believing that foreign capital is the strategic factor in development, most ASEAN countries liberalized their capital accounts and financial sectors in the 1990s. With little regulation, foreign capital gravitated not to productive sectors like agriculture and manufacturing, but rather to the stock market, consumer financing, and in particular, real estate. As a glut in real estate developed, borrowers became overloaded with non-performing loans. By 1997, it was time to get out, and the liberalization of the capital account left no mechanism to slow down the exit of foreign capital, resulting in currency crashes across the region (Bello 1999, pp. 394-395).

Early in the crisis the Indonesian government attempted to defend its currency, using Central Bank reserves, and loosen its control on the exchange rate. However, declining reserves and collapsing financial institutions forced it to accept an amazingly detailed and interventionist set of IMF conditions linked to a $43 billion bailout loan (Bullard, Bello & Mallhotra et al 1998, p. 513). Thus, Indonesia lost its last shred of economic sovereignty (Bello 1999, p. 393).

Rather than restoring confidence, the IMF directives caused a bank run, massive unemployment, soaring food prices, and social unrest (Bullard, Bello & Mallhotra 1998, pp. 514-515). In 1998, Indonesia's economy contracted by 25%. People living in poverty increased from 11.2% of the population to 60.6% (Bello 1999, pp. 393-395). In response, the Indonesian government went against IMF rules by putting the army in charge of food distribution in an attempt to regain control over its economy. However, top-level IMF officials immediately flew in to bully Indonesia into reaffirming its commitment to the IMF deal (Bullard, Bello & Mallhotra 1998, pp. 515-516). While other countries' experience with the crisis varied (Malaysia for instance, steadfastly refused to accept IMF help while Singapore bounced back quickly), Indonesia, along with Thailand, were the most badly scarred in the region (Bello 1999, p. 393).

4.4 Territorial Tensions with Malaysia and Singapore

Indonesia has also had several experiences grappling with control over territorial sovereignty with both Malaysia and Singapore in recent times. In 2002, sovereignty over the Borneo Islands of Ligitan and Sipadan was decided by the International Court of Justice. The court found that sovereignty resided in Malaysia, not Indonesia. The dispute over these islands emerged in 1969, when both countries were in the initial stages of offshore petroleum exploration in the area and had begun to negotiate their continental shelf boundaries (see Figure 2). Indonesia lost the case based on historical evidence that in 1962, after Indonesia's independence, British colonial authorities in Malaysia established light towers on both Sipadan and Ligitan without objections from the Indonesian government. Despite this loss, maritime boundaries between Indonesia and Malaysia still remain unresolved at court, an important problem for both countries. A similar earlier case was the legal battle between the Philippines and Indonesia for the

Island of Palmas off the Philippine border in 1928, which Indonesia narrowly won (Colson 2003, pp. 399-405).

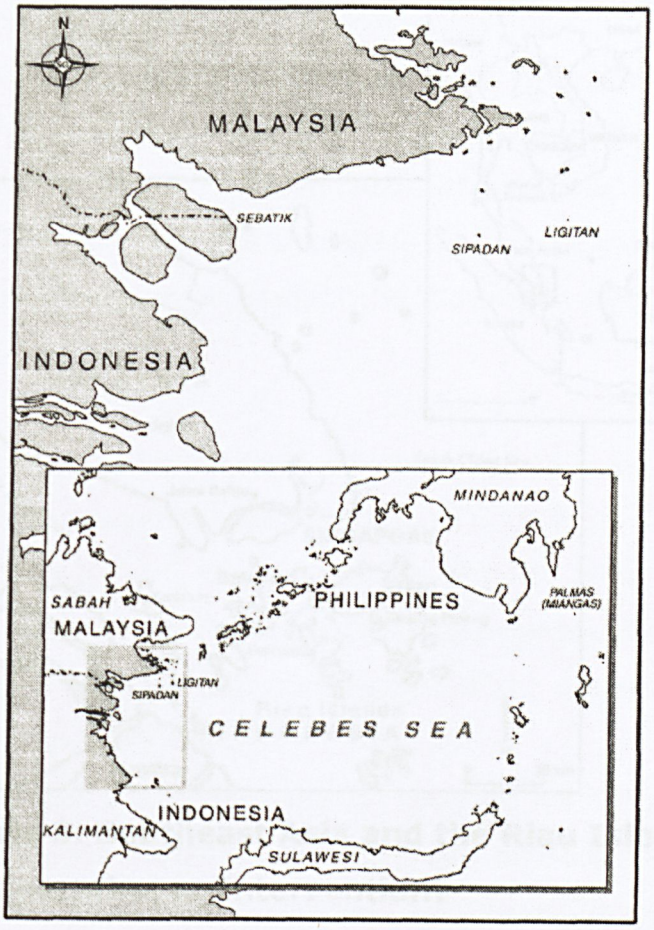

Figure 2: Indonesia, Malaysia and Filipino territories

With Singapore, sovereignty issues over the Riau islands of Batam and Bintan have not been so clear-cut. In the 1960s, Indonesia's plans to enter into the high technology sectors gelled with Singapore's desire to offset its increasingly high cost economy, and industrialization of the islands (located close to Singapore, see Figure 3) began with the involvement of Singapore government-linked companies and capital. Now, the islands are a peculiar hybrid of Indonesian-Singaporean social order, and an anti-model for what it implies for the maintenance of a unitary Indonesian state. The Singapore government's role in these islands have been raised as an election issue in Indonesia, and the islands stand to be set further apart from Jakarta by their inclusion in a Singapore-US free trade agreement in 2002, made possible by the lack

of clear-cut rules on the limits of the Singaporean government's involvement (Phelps 2004, pp. 210-218).

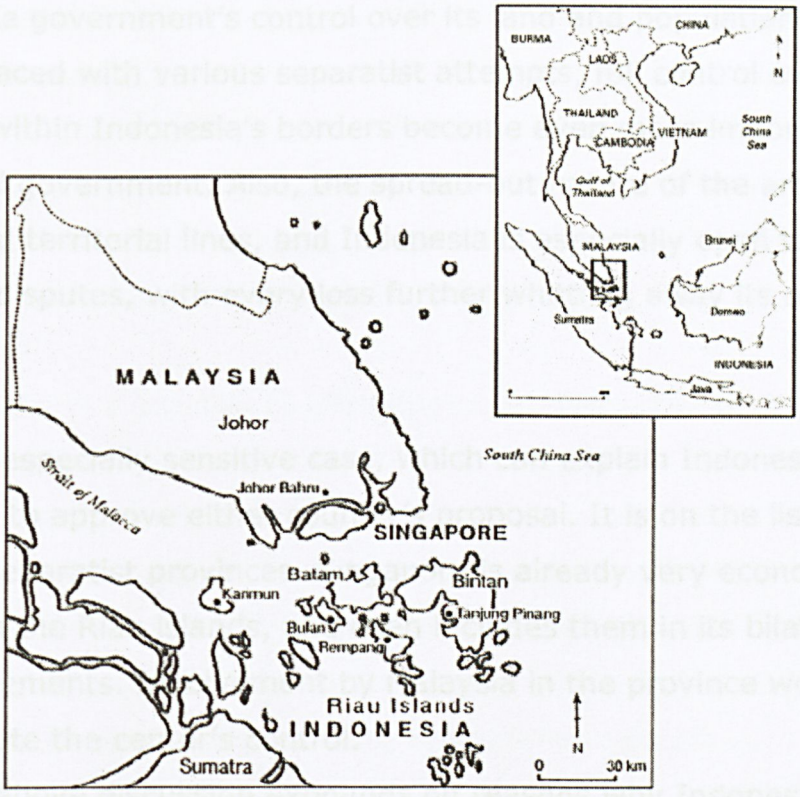

Figure 3: Southeast Asia and the Riau Islands

4.5 Cooperation or Intervention?

Due to these different ongoing and historical factors, Indonesia is especially concerned about always ensuring full control over its sovereignty. Colonial powers had used the country's population and resources for their own means for many years, and the IMF experience was a neo-colonial reminder that larger powers can take control of a desperate country's sovereign activities through coercion, even in these modern times. The hard-won reclamation of sovereignty in both these important historical episodes by the Indonesian people has made the country especially wary to any outside attempts of interference on their sovereign affairs.

Internal conflicts also have caused much sensitivity over the topic of Indonesia's sovereignty. As is to be expected for a sprawling chain of islands, the government's control over its land and population can be difficult. Faced with various separatist attempts, full control over all activities within Indonesia's borders become even more important to the central government. Also, the spread-out nature of the archipelago has blurred territorial lines, and Indonesia is especially open to legal territorial disputes, with every loss further whittling away its sovereign territory.

Riau is an especially sensitive case, which can explain Indonesia's reluctance to approve either country's proposal. It is on the list of potential separatist provinces. Singapore is already very economically involved in the Riau islands, and even includes them in its bilateral free trade agreements. Involvement by Malaysia in the province would further dilute the center's control.

While the above discussion expounds on reasons why Indonesia is generally jealous over their sovereignty, more particular reasons are evident. The following section discusses how issues arising from Indonesia's current domestic decentralization process does not foster the conditions required for regional cooperation on the haze, for fear of interference in this delicate process.

5.0 DEALING WITH DECENTRALIZATION

With the ATHP still pending Indonesian ratification, ASEAN was open to alternative solutions. This much needed alternative was seemingly provided in November 2006 by Indonesia itself. Instead of the top-down ATHP with action initiated from ASEAN, Indonesia proposed a bottom-up approach, presenting its own National PoA to be adopted by ASEAN (Asmarani 22 November 2006 p. 1). This PoA was formalized by ASEAN in March 2007 (Channel NewsAsia 6 March 2007, p 1). Even

though the plan was dubbed 'adopt-a-district', countries could choose to assist provinces, regencies, or districts (Asmarani 22 November 2006 p. 1) (Provinces are made up of regencies, and regencies are made up of districts). As it happened, Singapore and Malaysia offered assistance on the province level and in June 2007, both countries' proposals of assistance for Jambi and Riau respectively were presented to Jakarta (Ghani 20 June 2007, p. 1), both of which are still pending approval (Tan & Mulchand 21 August 2007, p. 1).

Whether Jakarta's decision to offer the choice between the different levels was an administrative mistake or a strategy for delay is unclear, but the significance of Malaysia and Singapore picking provinces instead of districts, and Indonesia's aversion to this, is not lost. General sovereignty worries have already been discussed; however more particularly, issues with the decentralization policy that is still taking root can also be seen as influencing this indefinite delay.

Tensions in all administrative levels in response to this policy can be seen affecting Jakarta. In July 2007, President Yudhoyono angrily demanded that governors of fire-prone provinces treat anti-haze efforts more seriously (Ghani 19 June 207, p. 1). However, in July 2007, a new law was passed in Riau that permits land under two hectares to be cleared by fire, which directly contradicts Jakarta's goals of ending the slash-and-burn culture (Agence France Presse 3 July 2007, p. 1). With the decentralization process already under much strain, it is understandable that any further devolvement of power to its lower hierarchies would make Jakarta nervous.

5.1 The Decentralization Policy

Politicians across Indonesia worked to loosen Jakarta's influence over them since Suharto's fall in 1998. In addition to more administrative

powers, they also sought either greater control over their economies or larger transfers of resources from Jakarta, depending on the kind of resources within their borders. In response to these pressures, as well as the fear of national disintegration, the incoming President Habibie's government passed a pair of landmark laws in April 1999 to decentralize political authority and fiscal resources to district governments (ISAS 2001, p. 1).

The first law grants district-level governments a broad range of rights. Only authority over defense, foreign affairs, justice, religion, and monetary policy remain solely with the central government. The second law revamps the fiscal relationship between the central and regional governments to give the latter greater autonomy over their own finances. For the first time, the central government committed itself to share revenues derived from natural resource production with the regions in which the resources are produced. For instance, the regional government will be entitled to 80 percent of after-tax revenues from forestry resources (ISAS 2001, p. 1).

Decentralization has been a major theme worldwide in recent years (Devas 1997, p. 351), and a daunting task for any government. However, the unanticipated demise of the Suharto regime in 'one of the most centralized countries in the world' and the radical decentralization laws advanced Indonesia's district government process extremely rapidly (Silver 2003, p. 423). Thus, Jakarta is still in the process of ironing out the wrinkles of its increasingly problematic policy.

5.2 District vs. Provinces

The official reason for a district focus was that this level is 'closest to the people'. However, it can be argued that the smaller hamlet, village, and traditional multi-village organizations are even 'closer' to them.

Also, considerations of scale provide strong arguments for more provincial autonomy (for example, education and healthcare). The motivation for bypassing the province is likely to be that secessionist forces are more easily generated in the provinces, so they need to be kept in check. This was rarely acknowledged in public, but Bung Hatta, a founder of the republic, did express this worry (Ferrazzi 2000, p. 71). Singapore and Malaysia's proposals to help out in selected provinces do not coincide with Indonesia's carefully crafted plan. Although the factors for this choice may seem merely functional (Jambi fires blow haze to Singapore, and Riau similarly affects Malaysia) (Mulchand 5 July 2007, p. 1) this can be disruptive to Jakarta.

As previously discussed, Singapore is already very economically involved in the Riau Islands, even including them in its trade agreements (Phelps 2004, pp. 210-218). In what can be seen as a defensive move, the Riau Islands, once part of the Riau province, was given provincial status in 2003 (The Jakarta Post 14 August 2003, p. 1), effectively bringing control back to the center. This follows the logic of Indonesia's decentralization strategy; to maintain control over provinces, while devolving power to its districts (Ferrazzi 2000, p. 71). Now, Malaysia is proposing to assist the larger Riau province (Ghani 20 June 2007, p. 1), the approval of which would further add to the vulnerability of this particular area to outside influences (see Figure 4).

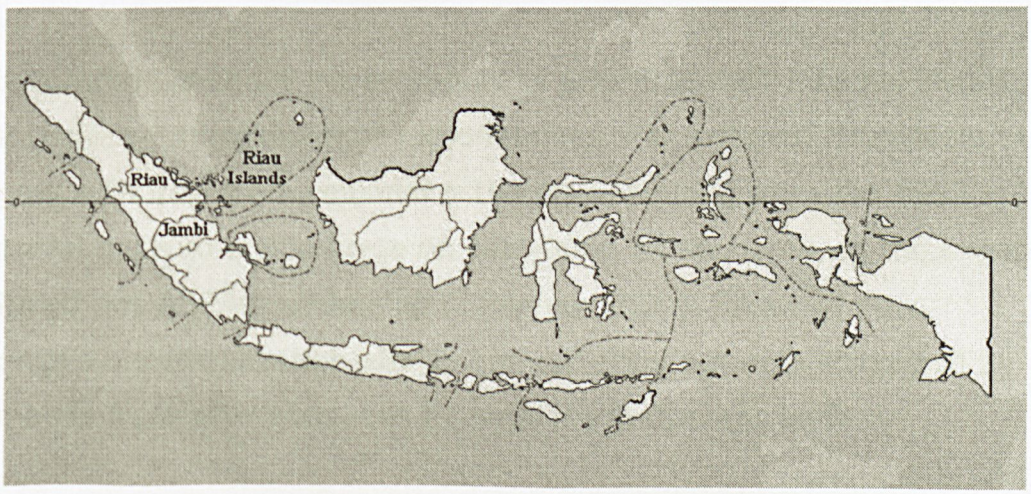

Figure 4: The Riau, Jambi and Riau Islands provinces

It is noted that provincial power is limited as part of Indonesia's decentralization strategy. Therefore, Indonesia technically should not have to worry about either country's involvement on the provincial level. However, there have been continued political outcries across the archipelago for devolvement of power to the provincial level. Through sheer intransigence, provinces introduced uncertainty in decentralization initiatives, forcing the center to respond and adjust to their wants and circumstances. A good example would be the law was blatantly passed in Riau that permits land under two hectares to be cleared by fire in July 2007, which directly contradicts Jakarta's goals of ending the slash-and-burn culture (Agence France Presse 3 July 2007, p. 1).

Jakarta has already been pressured into giving 'special' autonomy packages to several provinces. Aceh now claims 75 percent of natural resource revenues, and other provinces, including Riau, are eyeing similar treatment; some threatening secession otherwise (Ferrazzi 2000, p. 73-81). Should Jakarta fall to these pressures and extend administrative and financial autonomy, there will be very real danger of outside influences gaining foothold in the already unstable Riau area.

5.3 Decentralizing the Forests

It is commonplace for governments to prioritize their internal issues first, before international or regional ones. For instance, Indonesia largely withdrew from regional activities beginning from the 1997 financial crisis to concentrate on rebuilding its economy, at the expense of its ad hoc ASEAN leadership (Ganesan 2004). Likewise now, Jakarta's decentralization efforts are currently not only distracted by demands from provinces, but by tensions in districts as well.

Within the process of decentralization, forest management is an especially important issue for Jakarta. While the oil sector was the focus of Indonesia's development strategy in the 1960-70s, the decline of oil production, drop in global oil prices, and governmental mismanagement practically bankrupted Indonesia in the mid-1970s. Therefore, in the late 1970s, Jakarta shifted its development focus to the forestry sector (Ascher 1998, p. 38). Successful industrialization and export of plywood, promotion of tree plantations for logging, and local and international investment in pulp and paper and palm oil, heavily dependent on continued cheap access to forest land, made the forestry sector the champion of Indonesia's economy. It steadily contributed around 20% to Indonesia's yearly Gross Domestic Product, opened up inaccessible areas to development, employed people, evolved communities, supported related industries, and created the necessary conditions for socioeconomic development (Gellert 2005, pp. 1346-1354). The importance Indonesia places on this sector until today remains, as the forestry sector continues to mold the state and influence the policy-making environment (Ascher 1998, p. 60).

The transition for control over forestry resources has not been smooth, with power struggles between the central Ministry of Forestry and districts. Among other examples is the issue of small-scale logging licenses. In the past, a Ministerial decree in 2000 had authorized district governments to grant small-, medium- and large-scale logging licenses. Soon realizing the consequences, not least on the regional haze, the Ministry revoked this decree in 2002. However, the regions ignored the decree and continued giving out small-scale licenses, as these activities generate substantial revenues for district governments, by introducing new fees including third-party contributions (a one-time fee, usually based on the size of the concession), and a 'retribution' fee based on volume of timber harvested (Resosudarmo 2004, pp. 122-124).

In June 2002, the government produced an implementing regulation, which swings all authority for forests back to the center. However, district governments strongly opposed the regulation. Confusion over the hierarchy of regulations has brought the Ministry to admit that it is losing authority over the forests: district governments now reject its orders and laws. Administratively, districts are not subordinate to the Ministry of Forestry but rather to the Ministry of Home Affairs. Meanwhile, the Ministry of Forestry's efforts to gain the Ministry of Home Affairs' approval to impose sanctions on defiant district governments have not been successful (Resosudarmo 2004, p. 125). The government has been reduced to merely verbally reprimanding district governors for not being serious about anti-haze efforts (Ghani 19 June 207, p. 1)

5.4 Avoiding Further Complications

If a country has domestic issues the government does not want to expose to international criticism, it becomes reluctant to promote collective endeavors. Other countries' interference might restrict domestic policy options to deal with such issues (Katsumata 2004, pp. 242-243). It would certainly be an added burden for Indonesia to take on another level of complexity to this process of decentralization and development through the forestry sector. Involvement by other countries would also add to the confusion over the hierarchy of regulations and power.

Should Malaysia and Singapore's proposals be approved, firstly, Jakarta will have to pay closer attention to these provinces. Secondly, forestry management, which is currently being grappled between districts and the central Ministry, will now involve the provinces as well. Although the details of either country's plans of assistance have not yet been

publicly released, an omen in the form of a detail of Singapore's plan was discussed in the media. Its proposal to get global experts on peatland management to help Jambi, with possible funding from the Asian Development Bank (ADB) (*Channel NewsAsia* 21 June 2007, p. 1) was flagged by Jakarta, as it already has a bilateral agreement with the ADB and related central laws (Ghani 20 June 2007, p. 1).

The foreseeable future of provincial assistance, should it be approved, can be expected to consist of many similar roadblocks from the center or district. Indonesia clearly would like to avoid this. It seems to be trying to do so by attempting to reassert its position of influence and leadership in ASEAN, to command more weight over regional actions, including those on the haze.

6.0 A ONCE AND FUTURE LEADER?

Indonesia's position in the ASEAN haze equation shifted rather dramatically during the observed one year timeframe. Coming into the region-wide revival of anti-haze efforts in October 2006, various ASEAN countries were pressuring Indonesia into quickly ratifying the ATHP (Morning Star Online 8 October 2006, p. 1). At this time, the seemingly humbled and docile republic announced that it was seriously considering ratification (The Jakarta Post 10 October 2006, p. 1).

The beginnings of this shift could be detected in November 2006 when Indonesia proposed its own National PoA to have ASEAN countries to adopt and help its fire-prone areas (Straits Times 2 November 2006, p. 1) (this PoA was formalized on the ASEAN level in March 2007) (Channel NewsAsia 6 March 2007, p 1). Also, in December 2006, the ratification of the ATHP was halted indefinitely in the Indonesian parliament (Asmarani 13 December 2006, p. 1). Indonesia's aggressive position was further solidified in May 2007 when Indonesian officials

questioned the necessity of the treaty (Two 17 May 2007, p. 1). Indonesia also attempted to shift responsibility back to ASEAN by playing victim and stating that members should commit themselves to helping Jakarta combat illegal logging in return for ratification (Osman 12 May 2006, p. 1).

As of June 2007, Indonesia was clearly not considering taking instructions for ASEAN any longer. It announced that it would receive foreign assistance only on advice (The Jakarta Post 18 June 2007, p. 1), and proposals from Singapore and Malaysia as part of the 'adopt-a-district' program remain unapproved by the central government (Ghani 20 June 2007, p. 1). The status of ratification of the ATHP remains unencouraging; Indonesia vaguely stated in August 2007 that it may ratify the treaty 'maybe next year' (Tan & Mulchand 21 August 2007, p. 1).

By first getting its own National PoA adopted by ASEAN, delaying ATHP ratification, and finally deeming other members responsible for its illegal logging (and hence the haze) problem, Indonesia is clearly trying to take the reins of the haze issue on the ASEAN level. These moves can be seen to be part of a larger strategy to reclaim its past glory as ASEAN's unofficial leader, a position where it can more authoritatively reassert the non-interference principle.

6.1 Founding Father

Indonesians are very conscious of their country's importance in the region. This pride stemmed from the fact that Indonesia is the largest and most populous country in the region; it is rich in natural resources; it is strategically located amidst two great oceans; and it controls key sea passages for maritime traffic. Its long and glorious historical past, especially of the great empires of Srivijaya and Majapahit which spanned vast territories beyond the Archipelago; its rich cultural

tradition; and its heroic nationalist struggle, also gave Indonesians moral superiority over other nations that obtained their independence through peaceful means (Anwar 1994).

Indonesia's policy-makers maintained a belief that it should play a wider regional role. From the beginning, Indonesia took a leading role in the composition of the new proposed regional organization. Within ASEAN, Indonesia continued to stress non-interference, non-alignment and removing great-power competition from the region, which later became ASEAN's doctrines (Smith 1999, pp. 239-241). Indonesia also houses the ASEAN secretariat (Ganesan 2004).
During the later Suharto period, Jakarta had assumed an implicit leadership position within ASEAN (NZIR 2000, p. 1). Indeed, Indonesia has had a marked impact on the formation of, and developments within, ASEAN (Smith 1999, p. 238). For example, at the end of the Cold War, Indonesia played a crucial role in organizing United Nations-supervised elections and normalizing relations with Cambodia and Vietnam. However, While ASEAN was active in such co-ordination of policy towards a these countries, positive integration measures have been slow. This also reflected Indonesia's influence within ASEAN, which favoured regional resilience but resisted functional integration in favour of non-interference (Smith 1999, p. 242).

Indonesia also attempted to broker the Cambodia impasse, albeit unsuccessfully with the Jakarta Informal Meetings in 1998; played a honest broker in the disputed Spratly territorial claims between China and ASEAN members in the 1990s; and brokered the truce between the Ramos government in the Philippines and the Moro National Liberation Front in 1996 (Ganesan 2004).

6.2 Benefits of Leadership

Indonesia, despite being a medium power in terms of traditional determinants like land area and population size, gains significantly from enhanced leverage as the association's 'leader'. Indonesia's elites cite five major political functions provided by ASEAN. Firstly, ASEAN helps preserve regional harmony through its non-interference doctrine. Indonesia believed that with close association and leadership within ASEAN, the other members would become more aware of Indonesia's relatively greater size and clout, which would enhance its influence over issues important to Indonesia like non-intervention and non-alignment (Anwar 1994).

Secondly, ASEAN serves as a buffer for Indonesia's national security, with a 'ring of friendship' around it. Thirdly, ASEAN assists its aspiration in developing a more autonomous regional order as part of its non-alignment policy. Fourthly, ASEAN enhances its international credibility. As leader, Indonesia would carry more weight in international forums (Anwar 2004).

Finally, ASEAN is useful as an international bargaining tool (Anwar 1994). , ASEAN is often utilized as a collective bloc to further members' agendas, from the export commodity prices to tariff reduction. In the global environment mediated by multilateral regimes, regional groupings have significantly more leverage than individual states (Ganesan 2004). While states have diverse goals, a lead representative of a bloc would have significant negotiation benefits. Thus, Indonesia sought regional leadership to achieve its foreign policy goals (Suliman 1997, p. 859).

6.3 Downfall

Indonesia adhered to its proprietary claim to lead the region until the collapse of the Suharto government in May 1998 after the financial crisis hit. The political turbulence and rapid regime changes in post-Suharto Indonesia did not foster the conditions required for regional leadership (Ganesan 2004). Post financial-crisis Indonesia, contrary to its other ASEAN peers such as Singapore and Malaysia, failed to properly bounce back (Narjoko & Amri 2007, p. 62-68).

In light of these problems and associated domestic economic restructuring, Indonesia became considerably more introverted, forced to deal with domestic agendas rather than regional ones. Its relations with other ASEAN members also deteriorated. Illegal migration of Indonesians to Malaysia has led to serious tensions. Piracy and the regional haze from its forest fires have led to considerable disquiet in Singapore and Malaysia. Terrorism and the discovery of transnational terrorist cells in Southeast Asia has also caused regional frustration at Jakarta's slow response in apprehending its nationals accused of leadership and complicity in such activities (Ganesan 2004). The current racial tensions within Indonesia have also brought to surface a disturbing anti-Chinese element which has damaged its relations with Singapore (Smith 1999, p. 258).

Indonesia's recent political and economic upheavals have had major implications for ASEAN. Even the principle of non-interference in the domestic affairs other members, one of Indonesia's main ideologies propagated within ASEAN, is being watered down. Indonesia sits on the sidelines, still important but no longer able to lead ASEAN in a certain direction (NZIR 2000, p. 1). Open comment on other ASEAN countries is commonplace. 'Flexible engagement', although not officially endorsed by all, can be argued to be in practice, and goes beyond just comments on other ASEAN members. For example, regional monitoring of forest

fires and economic policies has created the opportunity of input from ASEAN member states (Smith 1999, p. 258).

6.4 Reasserting Leadership

There is no obvious successor for the leadership role, but Thailand has been particularly active in promoting a modification to the ASEAN way of conduct with 'flexible engagement'. However, Indonesia's expectations and aspirations of regional leadership remain undiminished. This means that in the long term it seeks to reassume its leadership role, not least to subvert Thailand's efforts (Smith 1999, p. 250-258). For example, the Indonesian scholar Hadi Soesastro had stated that 'everyone looks to Indonesia as the only country that can revive the organization'. He asserts that ASEAN is in trouble because it has grown too large too fast, and in the current economic climate is of little interest to foreign investors (CSIS 2002); it desperately needs a leader.

Attempts to reassert Indonesia's leadership can be observed since the ascendancy of Megawati Sukarnoputri to the presidential post in 2001, as Indonesia finally began to gather up momentum towards total economic recovery. In fact, one of Megawati's first concerns as president was to restore relations with her neighbours, and her first visits were to all ASEAN countries. This may be attributed to nostalgia for her gather's grand history within ASEAN (CSIS 2002), however this concern has also been mirrored by her successor, President Yudhoyono.

Indonesia has also been named China's initiator of choice for the ASEAN Regional Forum (ARF), an important dialogue body including ASEAN, China, Japan, Korea and the US (CSIS 2002), further reasserting its influence within ASEAN. Other recent important initiatives include leading two of the four flagship projects (disaster

management and open source) under the ASEAN Plan of Action on Science and Technology 2007-11 (Bernama 28 August 2007, p. 1), blocking a US proposal to stop the spread of nuclear weapons during the ARF meeting in Manila in August 2007 because it did not include efforts towards disarmament (Khalik 3 August 2007, p. 1), proposing that ASEAN draft a declaration to support and implement all UNFCCC 2007 agreements (LKBN Antara 20 September 2007, p. 1), and hosting the first ever ASEAN-China Conference on Counterfeit Drugs in November 2007 (Shankland 15 November 2007, p. 1). In the same month, at the ASEAN Summit in Singapore, President Yudhoyono also announced that he wanted to lead regional anti-corruption efforts (BBC 30 November 2007, p. 1).

6.5 Leadership through Haze Management

The developments of the haze issue within ASEAN, one of the region's most pressing current problems, could be chalked against another attempt by Indonesia in regaining its ground as ASEAN's de facto leader. During regional haze discussions, Malaysia and Singapore tended to take the lead, with their position as 'victims' of the crisis. Malaysia, especially, was confident enough to vocally condemn Indonesia for its lack of action. However, Indonesia is now trying to redefine the problem and reassign the victim status to itself, thus justifying its new aggressive stance. Indonesia even managed to get ASEAN to officially adopt its National PoA and push the ATHP into the background, effectively handing over control of the issue to Indonesia.

If Indonesia is able to continue asserting its power in such important ASEAN issues, it will be able to reclaim its perceived rightful regional leadership position. More importantly, with added leverage as de facto leader, Indonesia will be able to more strongly promote the non-interference principle this is especially important to Indonesia now, at a

time where it does not need outside interference with its current problematic decentralization process and forest management.

7.0 CONCLUSION

In conclusion, Indonesia's reactions during the period of October 2006 and September 2007 in response to regional-level discussions and activities concerning the Southeast Asian haze was in fact an extension of its larger regional position as a strong proponent of the importance of the ASEAN norm of non-intervention, for reasons of its own internal security and regional stability.

The Indonesian government's reactions of firstly blocking the ratification of the ATHP at the parliamentary level that would have brought about greater regional cooperation, and then refusing to approve proposals of provincial anti-haze assistance from volunteer ASEAN states can be seen as defensive moves in response to what Indonesia views as attempts by their neighbours to interfere with something it considers a domestic problem. Indonesia's reactions have been analyzed on three related levels: its inherent worries over sovereignty, the more specific problems in its current decentralization process which does not warrant interference, and how its efforts to reassert its past role as de facto ASEAN leader would subvert this interference.

Indonesia is by nature jealous over its sovereignty, due to historical and ongoing experiences. It fought bitterly to rid itself of colonial rule, suffered badly under IMF intervention during the 1997 financial crisis, continues to be engaged with international legal disputes over territories in its vast archipelago, and is currently dealing with multiple secessionist efforts. Thus, internal sovereign control without external interference is a very important part of its foreign policy.

More particularly, Indonesia is currently undergoing the daunting but important process of decentralization. Problems currently faced by Jakarta include demands for more autonomy in provinces, and the grappling of control of Indonesia's lucrative forest resources at every administrative level. Any external involvement, especially in the provincial level and especially over forestry resources, would only serve to further complicate Indonesia's decentralization.

Therefore, Indonesia would naturally feel the need to regain its 'rightful' position of power within the association so that it can discourage these interferences from member countries. A renewed leadership position would enable it to, among other things, use its influence to reassert the practice of non-interference within the region, leaving it to deal with the management of its forests and the haze domestically, and to complete its delicate decentralization process.

New questions that arise from the conclusion of this research include whether or not ASEAN should continue to push for regional level haze management efforts. If so, ASEAN should be sensitive towards Indonesia's inherent worries of intervention, and should instead propose approaches that do not put its territorial sovereignty and control over its internal affairs at risk.

The main limitation of this research is that it examines Indonesia's responses over a one year period only. Future research should expand this timeframe from the beginnings of the regional crises in 1982. Another future angle would be a deeper analysis into the factors governing the choices of Malaysia and Singapore in choosing the provinces of Riau and Jambi respectively.

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