

North Maluku's long running provincial election dispute once threatened to erupt into violence but now appears to be sputtering to an anticlimactic close, according to a new briefing released by the International Crisis Group (ICG).

The November 2007 election to decide the province's governor has taken over a year to decide a winner and has resulted in outbursts of violence and sporadic street clashes.

ICG's South East Asia Project Director John Virgoe said the Maluku case was one where almost everything that could go wrong with an election did. "But the serious violence that many feared didn't materialise, in part because no one wanted a repeat of bitter communal conflict a decade earlier," he said.

Intense Christian-Muslim fighting broke out in 1999-2000 which claimed some 3,500 lives. When the election dispute erupted, there was some concern it could reignite the earlier conflict.

Indonesia's longest ever gubernatorial election process began after last year's vote reached an impasse because members of the provincial commission (KPUD) could not agree who had won. KPUD chairman M. Rahmi Husen and two other members announced Thaib Armaiyn and his running mate, Abdul Gani Kasuba, as the winners. The fourth member disagreed.

A final decision is expected from Indonesia's Constitutional Court in next month.

Jakarta based ICG Senior Adviser Sidney Jones said if Indonesia's democracy had been less robust the North Maluku dispute could have been disastrous.

"Instead it shows that Indonesia's political system can cope with a few failures and even learn from the experience. This is more evidence that Indonesia's democratic institutions are working," she said.

Mr Virgoe said of the 400 local contests that have taken place since 2005, most have proceeded without incident. He also said most of the 150 election results which were contested in the courts were peacefully resolved.

"The North Maluku poll, by contrast, was marked by poor preparation, allegations of rigging, disputed counting, biased election supervisors, clashes in the streets and more. The Jakarta political elite took sides, and a resolution effort by the Supreme Court made things worse," he said.

In late 2008, the Indonesian parliament passed a law transferring authority for resolving election disputes from the Supreme Court to the Constitutional Court.

Mr Virgoe said if the Constitutional Court agreed to review the petition which effectively supports the losing side, the province could be thrown into political turmoil again. "If it refuses, the North Maluku election may end up as little more than a historical footnote to Indonesia's democratisation."

## Indonesian Auto Industry

Charles Anderson

A motor vehicle "Sales Counter Lady" sits in Central Court Mall in West Jakarta, idly thumbing the keys of her handphone. The capitalization of boredom is the latest champion of the world financial crisis.

When the customers won't come to the product you take the product to the customers. In this case it is an automotive exhibition, one of many stationed around the Jakarta's shopping centers. "There might be a lot of people here but not many customers. They come to me and they ask the price and then they just continue walking. No one is interested," says Eike Chrisiy, a sales executive for Mitsubishi.

With most car companies forecasting at least a 30 percent drop in sales for the 2009 financial year, competition is on to offer the best price for the best product. But amid a deepening liquidity shortage and with about 80 percent of automotive sales in Indonesia financed by loans, banks and finance companies are becoming less and less willing to lend.

Despite this Tomy Anggawinata a sales manager for Honda can offer zero percent interest on a 20 percent deposit for a new Accord. The car he says businessmen like because of its "image".

Last year the company reached the dizzying heights of achieving the highest sales proceeds in its business operations history in Indonesia.

In the January to December 2008 period Honda car sales in Indonesia increased 31.2 percent to 52,500 units compared to the same period in 2007 when sales stood at 40,000 units.

But now the customers simply are not there. Honda has already lowered its profit forecasts four times this year.

This exhibition in Central Court runs for just over a week. "I hope maybe each day 50 people will come and ask us about the cars," Anggawinata says. "For the whole time, in this current situation, I think to sell maybe five cars would be good. Usually we would sell around 10 but you have to be realistic,"

And realism is something auto giant Toyota Astra has to embrace. They are the distributor of Toyota cars in Indonesia and the market leader in Southeast Asia's biggest economy.

Johnny Darmawan, president director of Toyota Astra has said that total domestic vehicle sales from all makes reached an estimated 607,000-608,000 units last year the companies highest ever annual volume. However he warned that the situation would deteriorate this year. "In 2009 it will be very tough, I think a 30 percent drop is possible," he said.

It is a drop the company is feeling worldwide. Last week Toyota Motor Corp forecast a \$3.8 billion net loss in the fiscal year ending March 31, the first full year loss for the company in 59 years.

Johannes Sirait, a salesman for Nissan is not just worried about his company's profit forecast. "So many people are losing their jobs, my friends are worried. I am worried. I just hope things might pick up after the election."

"It is hard," Anggawianta says, "and it is worrying. Our income is about 30 percent lower than last year. In one month I would usually sell around six cars. Last month I sold two, when you are on commission it is difficult to get by."

But Santi Koea, a sales executive for Astrido, an authorized dealer for Daihatsu, is refreshingly upbeat. "It is good here in the mall because there are people here who are able to buy cars, it is the right demographic so we are optimistic that the exhibition will be successful.

"We are placed the middle of the market, I think it's a more expensive car companies that will suffer but because we offer to all segments of society I think we will be alright."

For Astra Daihatsu vice president Sudriman, it is encouraging his employees have faith.

"I agree with that opinion," he says. "Even though the market will drop by 35 percent, we think Daihatsu sales will only drop by 23 percent. The reason for this is during this crisis condition, there is a downshifting demand from upper segment to the lower segment. Our customer profile data shows that in January '09, many of our customers originally wanted to buy a 4x2 Medium MPV, but due to high price increase, they shifted to our products."

However in the present circumstance the product simply may not matter. It is how to get the product which is the issue.

Indonesia's economy is expected to grow by 5 percent in 2009, slowing down from 6.2 percent in 2008. But following aggressive interest rate cuts by the central bank Bambang Trisulo, chairman of the Association of Indonesian Automotive Industries, or Gaikindo believes there might be a little reprieve for potential car buyers. "The cut is better than nothing at least it demonstrates the central bank can do something but liquidity is so tight right now. Everyone is very cautious."

One person who has to be especially cautious is the President Director of BCA Finance Roni Haslim. BCA finance is a wholly owned subsidiary of BCA Bank and deals exclusively in car financing. Though the company only holds around 10 percent of the market share of car financing, even in the present circumstances Haslim is optimistic they can grow their piece of the pie to 20 percent.

"Finding a balance is hard. Trying to attract customers and giving competitive rates and also trying to minimize risk. That is an issue we have to juggle with," Haslim says.

Indonesian car finance was not always that difficult. Four years ago easily obtainable credit and low interest rates, coupled with a strong increase in consumer lending by banks and an abundance of new, low-priced models assembled locally fuelled the car boom that showed no signs of slowing down. Until now.

Right now BCA Finance has settled on a minimum deposit of 20 percent of a vehicle. "Any higher than that will deter enthusiasm and make people not want to buy a car at all." When that time comes when people do want to buy again and the money is there to do so, Haslim won't be surprised.

"Put it this way, I have been living in Indonesia all my life and I have seen a lot of miracles happen here. Even after the 1998 crisis people were saying it was the end of Indonesia but it didn't happen. We had a turn around and of course I hope that will happen again."

When that might happen, no one wants to speculate too far. But because 90 percent of Indonesia's car manufacturing remains within its borders, the implication is that the country might be better served than many others. Of the 603,700 cars brought into the Indonesian market last year, only 83,000 imported and 100,000 were exported.

Despite this Trusilo believes there is still a need to move progressively away from overseas dependence.

Indonesia has had the ability to produce the raw material to develop manufacturing aluminum for almost 30 years. "But we have to export it to Japan and then re-import the aluminum alloy when it is refined over there. The link from raw material to alloy is one step, so why can't we do it here."

The answer is the politics of infrastructure. Trusilo was made chairman of Gaikindo in 1999. Since then he has dealt with five presidents and seven ministers of industry. "It makes it very difficult to move on policy. Imagine you are the new minister. Maybe you wait six months or a year and then you change to another minister because of new president. They have to learn all over again. It is a very slow process."

Back at the automotive exhibition that sentiment is echoed by the Mitsubishi "Sales Counter Lady" Eike Chrisiy. "It's standard for now. Pretty boring," she says.

I ask what she can offer for the blinding white four-wheel-drive behind her. A Strada Triton GLS. Its 280m Rupiah. Chrisiy does a quick calculation. "Maybe I can offer you a discount of...three million." I do another quick calculation, smile and keep on walking.

## Urip Sucipto, 40 yrs My Jakarta Interview

Charles Anderson

Urip Sucipto (Cipto) moved to Jakarta from Central Java over a decade ago to find work. Now he manages his own seafood restaurant in Ben-Hil and still enjoys the simple pleasures the capital has to offer, from strolling along the beach to listening to local music. Cipto prides himself on his service and the very different customers he serves everyday. From businessmen to large families, Cipto has built up a solid base of loyal enthusiasts. However Cipto's wife and two young children are still back in Wonosobo so when they visit occasionally he takes them to see some of his favourite sites around the area. They take turns travelling back and forth to see each other and he is looking forward to their next encounter in May.

Are you from Jakarta?

I am from Wonosobo in Central Java. I came here in 1986 to get a job and try and be my own boss. It was important for me to make some money because it's hard to get a descent job in my hometown. There are no vacancies there. It's a lot easier in Jakarta.

What do you do for a living?

- I work in my restaurant. I like it here. The food is good and of course I get it for free! The people are also very nice around this area and I know a lot of them. Many people always come back here so I become friends with them. Sometimes we have very big families coming in, maybe 20 people so we push all the tables together and it makes a very nice atmosphere.

What do you like to do in your spare time?

Well I am very busy here but usually I jump on the Trans Jakarta and get around the city. It's cheaper and more convenient than other ways. I like to stroll around also. Of course ojek [motorcycle taxi] get you to go places faster but you have to be careful when you ride on them. It can be quite dangerous.

Where do you like to go?

I like to go to Ancol [the beachside amusement park in North Jakarta], Taman Mini [the Indonesian Miniature Park], Ragunan [Jakarta's Zoo]. There are so many different types of entertainment here to enjoy. That is my kind of recreation, like sight-seeing, especially at the beach.

What are some of the other types of entertainment do you like?

- Listening to live music, Indonesian music, of course is great. I really enjoy Dangdut [India-influenced upbeat Indonesian music]. You can find these on the side of the road and there are plenty in the amusement parks, it's very easy. I wouldn't mind seeing some international music but it is hard to get to because the tickets are too expensive.

And where is your family? Do you take them around as well?

- My family is back home in the kampong. If they are in town, then I bring them to such places. It's a shame that they can't be here with me as well. So instead I usually hangout with my friends.

What do you dislike about Jakarta?

- What I dislike the most is when I don't have duit [Jakarta's slang for money] to get by. When times are tough it can be hard to live. At the moment it is ok but there have been times when it's quite difficult. But hopefully people will always want good food that is not very expensive. And I don't like it when I feel bored or homesick. Of course I miss my family a lot but I have to be realistic about working and making enough money for them to get by.

What would you do if were the governor?

- If it was possible, I would lower prices and fares of everything. From transportation and gasoline, all the way to food and commodities. The prices must go down. Everything is too expensive for the people that live here. Most of them are not rich people and they need a lot of help. If the prices were lowered then everything would be a lot easier. Life would be a lot easier.

## Wayang side bar

Charles Anderson

"Here look the tree of life," the buffalo horn swivels in Aldi San-Jaya's fingers, "and here, look. Hell." Aldi San-Jaya smiles. The wayang puppet in his hand took two weeks to make. From morning to afternoon, painstakingly accurate. Shaped, molded, painted with elaborate decorations and intricate detail. "One mistake and we start again, we have to be very concentrated," Aldi says.

For generations, his family have been making puppets. But now he says his father is too old. "His eyes are very bad now. It is a shame but I hope one day my son will want to make puppets as well."

Wayang is the ancient form of story telling. Originating in Java, for ten centuries wayang flourished at the royal courts of Java and Bali. Today, wayang is practiced not only on Java and Bali, but also on the islands of Lombok, Madura, Sumatra and Borneo, where various local performance styles and musical accompaniments have developed.

In Taman Fatahillah is the Wayang Puppet Museum where Aldi and conservator Katimo work. "Wayang is in my blood," Katimo says. More than 5000 puppets from around Indonesia, Malaysia, India, England, France, china, America congregate here. Katimo counts off the countries on his hands. "Many, many." It is the largest collection anywhere in the world.

And the building which houses these specimens is a place of significance. It was an Old Dutch Church, and housed the crypt of Jan Pieterzoon Coen, the founder of Batavia. "But there are no bodies here now, trust me," Aldi says. "They were moved because of an earthquake. Now there are just the tombstones."

Like much of Taman Fatahillah's architecture, this building took some time before any efforts were made to restore it.

The first of these started in 1912, then again in 1938. In 1975, under the helpful watch of the then Minister of Information Ali Sekdun (check), the church was converted into a museum for the traditional puppets of Javanese culture. The wayang. But the renovations are still ongoing.

Aldi picks up another puppet. "Javanese people adapted the wayang from Hindu culture, maybe around 5<sup>th</sup> century. But they made it very much of their own culture. It is very important now."

In 2003 UNESCO cemented this, proclaiming the wayang puppet theater a Masterpiece of Oral and Intangible Heritage of Humanity.

Aldi is a puppeteer. He admits he is not very good at making them but his face lights up when he talks about the characters of wayang. Through glass cases he points them out, names them, performs their voices.

"There is a lot to learn to be a puppeteer. We have to learn characters and all the stories we keep in our mind." There are plenty of both. Ramayana, one of the more famous stories has eight episodes to it. Each of those episodes have other episodes. Hundreds of stories and thousands of characters.

It takes 8-9 hours to tell a story. Traditionally a player would not get any breaks so they need to starve themselves before hand so not to get hungry. "You can imagine that amount of time performing can be quite difficult," Aldi says. I try but I cannot.

Traditionally, Wayang performances took place not only in the courts of kings and noblemen, but also in the compounds of temples or of private families, in village squares and even in theatres. Wayang performers, the dalangs, musicians and singers performed for whoever wished to invite them.

Today, Katimo says, the pressures of modern, urban society are contributing to a break down of community and family life, the traditional family rituals which would have included wayang, are celebrated less frequently, and less elaborately.

"People have arts to give their lives meaning but many are so busy in work and business. We are here to help keep the culture alive and introduce people to it," he says.

"Jakarta is the capital. There are many different ethnicities here but we say these puppets are not just for the Javanese people these are for everyone they are part of our shared culture. The UNESCO decision also means that these puppets belong to everyone in the world."

The old building is 90 percent finished now. It has been a long process to create a world class museum. Katimo has seen most of that evolve and is excited by the prospect of seeing it finished.

"We hope the museum will continue to attract people into the future but it is a slow process. Step by step."

## Batavia Side Bar

## Charles Anderson

Seventeen years ago when Graham James bought an empty colonial building there was no private commercial enterprise in Taman Fatahillah. Seventeen years on there is one. The building that James spent two years renovating and converting into a restaurant bar – Café Batavia.

Sitting in a large leather lounge surrounded by the décor he hand-picked, James looks relaxed. He should do, he lives in Bali and only comes to bustle of Jakarta every few weeks.

“After all that time, I’m the only one doing business here and I must say after that amount of time it does get a little lonely,” he says framed by photographs of everything and everyone from Elle Macpherson to WW2 spitfires.

It’s a 200 year old building set in 1937. James says he wanted the feeling of a grand European café before the war. “You won’t find any plastic in here, except for the reservation plates. There is nothing here that you wouldn’t find in the 1930s.” An electronic coffee grinder behind the bar whirrs into action. James smiles, “I guess you just caught me lying.”

When he found the building, it was falling down. “Everybody thought I was stupid for buying this run down property with nothing happening around it.” But for James, Café Batavia always was and still is a “passion project”.

“I did expect when I opened this place in 1993 there would be more happening now. If I had six bars close by I would double my income.” He says he doesn’t mind, and now it seems he doesn’t need it.

“I don’t need the money I just need something to keep my mind busy.” James does that by, amongst other things, being the Honorary Consul to Czech Republic in Bali (don’t ask).

After arriving in there in 1971 at the age of 25 it wasn’t long before James ran out of money. He came to Jakarta to look for a job and found one as an English teacher. “The school fired me on the first day because I didn’t turn up so I ended up started my own one.” Now he owns language schools all across the archipelago.

When James acquired the building in 1990 it was the only freehold property in Taman Fatahillah so the process was a bit simpler. Most of the buildings in the square are government owned, and inevitably a little run down.

“I fell in love with it, I love this sort of architecture,” James says. But he couldn’t think of anything else to do it. “A restaurant seemed the logical option, the only thing that would do well here. But even two weeks out from opening we weren’t sure what type of food we were going to serve. I’m not a restaurateur I just own it. Standing out front and shaking people’s hands I couldn’t think of anything worse,” he says, cigarette in one hand, glass of Australian Riesling in the other.

Fifteen years on James says the restaurant is everything he thought it would become. “It is the most famous restaurant in town. If you are going to bring a business partner to Jakarta you come here.”

He once enquired about expanding his collection of Dutch colonial architecture. He wanted to buy some of the small buildings next door to the café to convert into apartments but was deterred by the process and the red tape. “There has been some talk about creating a one stop shop for investors and developers for the area. Which would be really positive, as it stands it can be quite a headache. When I started up there was no trouble but now it would likely be a different story.”

So how does Café Batavia get a little less lonely? Fifteen years is a long time to be the only real business in the square.

“The whole area needs to be walking room. Get rid of all traffic and get people coming here at night. Going to bars, having an experience. There also needs to be some incentive for people to come in to these buildings and renovate. Look at that.” James leans forward and points out the window across the alleyway. The roof of an old building next door has almost completely collapsed. It is a lasting image for anyone who comes here. “Who wants to fix that? That’s a huge job, so they need something to help people out. We need something like the Rocks in Sydney but that takes time.”

Isn’t that a little over ambitious?

“Absolutely not. The buildings are here, they are not being used. The government could just lease them out for free or very little for 50 years. At the end of that you hand them back and they would have beautifully restored buildings.”

Would you be happy with that?

“Absolutely. These things are like teenagers, even after 15 years it sometimes better just to let them go.”

## Batavia Feature

Charles Anderson and Jen Blake

Trees poke their way through the collapsed roofs of colonial buildings, pockets of sunlight illuminating cracking concrete and rotten floorboards. Hollow laughter echoes through underwater prisons as children swim, oblivious to the cold walls which once bore witness to brutal torture and swathes of horrifying deaths.

Today, the glory of the city of old-Batavia has faded. Just a few disintegrating facades speak to the memory of Holland's Queen in the East, bitter reminders that the proud city became a ghost town long before Indonesia reclaimed their land.

For it was a city bought at a cost. Thousands perished on the treacherous journey from Europe. Hundreds died in its defence. And the epidemics of the 1700s saw tens of thousands of its citizens succumb to disease. In Holland, schoolyard tales of the fantastical colonial outpost gave way to night terrors as Batavia became known as The Graveyard of the Europeans.

Today, it stands as a decaying and neglected reminder of Jakarta's colonial past.

The rich and colourful history of old Batavia has been buried by years of inaction on the part of successive provincial governments and a generational, prophetic desire to forget the past and forge a new history for Indonesia.

For Ro King, Chairwoman of the Indonesian Heritage Society the way a nation moves forward is understanding how all the disparate parts of its past fit together. "There are negative parts and there are positive parts but understanding it is part of the whole mix."

And Batavia is a mix. Cloves, pepper, nutmeg; the holy trinity of the Asian spice trade. Upon these, the fortunes of Java's colonizers and Western explorers were first founded. And it was these that brought the Dutch to the archipelago. By the end of 1601, six years after the first exploratory ship arrived from Holland, another 65 vessels had gone to the East Indies.

The following year the Dutch changed the face of modern commerce by establishing their very own monopolizing merchant company, the VOC. As Dutch historian Dr Lilie Suratminto explains "It was a bit like a state. They made their own money and recruited soldiers to defend their empire."

The fourth governor general of the Dutch East Indies, Jan Pieterszoon Coen, believed the ideal spot for a capital of this new empire was right on the bank of a slow flowing river called the Ciliwung on Java's north coast opposite a village called Jayakarta.

Local historian Andy Alexander describes how they were received. "At first, the Dutch were greeted as friends. The Javanese believed they were merchants."

Merchants they were, but soon a great gathering of Europeans made their way to Batavia. Small armies of Dutchmen working as traders, bankers, surveyors, soldiers, farmers, engineers and tax collectors. All dedicated to the one unerring mission: making money. As the VOC monopolized the coast, their relationship with the Javanese changed irreparably.

In any grand plan, obstacles always make themselves unnervingly apparent. In the case of Batavia this came in the form of a stupefying fear of attack from the local Javanese.

At first, the Dutch created a series of high wooden palisades around their little enclave, but after thirty years of growing insecurity the governor general agreed to put aside funds to enclose an area of about a mile square within a formidable laager of stone.

"It said to the Javanese, 'We have built the wall – we are here but we are not for you.' ", says Serrano Sianturi of the Sacred Bridge Cultural Foundation.

Today there is little to remind anyone of the stronghold those walls once protected but in 1628 they held strong. And they needed to.

One hundred thousand Mataram soldiers under the leadership of the Sultan of central Java descended on Batavia, equipped with nothing more than pikes and an attitude that Alexander describes as "crazy". For two years they laid siege to the walls, scaling at night in the hope of catching the VOC off-guard.

"This was a system of battle which they did not know how to fight. Walls were a European import. So they had nothing." Alexander says. Their attempts were met with volleys of musket fire and a long fall to their death.

Eventually the Sultan's troops failed, and for that they would be punished. Seven hundred and eighty eight men were tied to trees and systematically run through with the same pikes they had used in their campaign. Those that were able fled on foot into the surrounding jungle.

The battle with the Sultan burned many bridges for the Dutch traders. According to Scott Merrillees, a collector of Batavian photographs, "Relations between the Dutch and their Javanese subjects did not improve for well over a century. It forced the VOC to rely upon the Chinese for labour, trade, and even negotiations between the many people groups living in the port city." It was a reality that the Dutch would foolishly underestimate, decades later.

The 18<sup>th</sup> century saw the Europeans outnumbered by the Chinese six-fold. After years of peaceful symbiosis the Dutch had unwittingly allowed the Chinese to form the backbone of the economy. As trading expanded to include cotton, porcelain, tea and oriental wares; the cargoes of visiting Chinese Junk Ships became increasingly valuable. Of less value were the hundreds of immigrants the ships brought with them. "The Batavian economy could not support so many newcomers, and destined for unemployment and starvation, many Chinese who settled outside the walls turned to thievery", says Alexander.

Governor General Valckenier began to arrest the unemployed and deport them to Ceylon. Beyond the city walls, however, rumours of a very different nature were circulating. "It was the belief of the Chinese that these unfortunate immigrants were actually being dumped at sea, and these rumours, though unfounded, spread quickly", says Alexander. Armed gangs soon formed outside the city, attacking outposts and protesting outside the walls. As city-dwellers panicked and Chinese traders within the walls closed their doors, Valckenier ordered all Chinese homes within the city searched for arms.

Fire broke out, and in the ensuing confusion soldiers, sailors, slaves and Dutch citizens rushed to the streets, plundering Chinese houses and murdering thousands. "Valckenier had no mercy, giving orders to kill all Chinese prisoners and patients in a local Chinese hospital."

Behind the city hall, five hundred Chinese prisoners were called one-by-one to the courtyard and systematically butchered. The canals were blocked with corpses and blood ran in the streets. 7000 homes were in ashes, and at least 5000 were dead.

The bloody episode of 1740 proves that present day struggles in race relations are not without root in history. The true reach of the carnage would extend beyond its year. Whilst Valckenier was arrested, the real price for the violence was paid by the city. For the Chinese fled Batavia's walls, and the economy collapsed.

It spelled the beginning of the end for the VOC. Riddled with corruption, and soon to be crippled with debt, the company was no longer the bastion of wealth and power the Dutch had long boasted of.

The tale of Batavia's decline is told in history books and illustrated in photographs. But according to Dr Lillie Suratminto, who has made a life's work out of deciphering Old Dutch epitaphs, it is most pertinently told by the eroding gravestones of the Dutch people. Few of their gravestones exist today. In the early 1800s many graveyards were relocated outside the city to prevent the spread of disease. Others fell victim to the elements, as rain and waves washed away the last vestiges of Dutch ruin from island outposts.

"These graves tell a story", Suratminto says, "even if few now understand it. They form a disappearing reminder of how many met their ends in the unforgiving climate of the East Indies."

Deadly epidemics of malaria in the 1730s became so severe that the VOC could not fill the places of all those who died. The company was weak, and the British were ready to exploit that weakness. By 1796 the British Navy had taken control of all outer trading posts and frequently blockaded the harbour that was the lifeblood of the Dutch colony.

In a last-ditch attempt to thwart the British and protect what little remained of Dutch assets in the East, the King of Holland absorbed the VOC into the crown and sent Marshal Herman Willem Daendels to rebuild Batavia.

"The glory days were over," Merrillees says. "Daendels was sent to 'fix' the city he had grown up hearing grand tales of, but what he arrived at was the Graveyard of the Europeans". The East Indies was now the last resting place of many who had come seeking fortune and died, finding only disease and despair in the forsaken reaches of the Pacific Ocean.

Daendels' determination was matched only by his cruelty. He tore down the indefensible walled city, and built new fortifications inland. In his short tenure he built roads that cut transport time by days, facilitating trade at a rate that had not yet been imagined. He constructed hospitals and filled in the festering canals of the old city. To do so, he used slaves as labourers, and thousands of conscripts perished under his guiding hand. However, he laboured in vain. In 1811, within three years of his arrival, the British had taken Batavia.

Dutch rule would be restored in 1816, but the time of true colonial power was over.

Jakarta's colonial history has been, for the most part, swept under the carpet by an administration desperate to forget that the history of Jakarta was, for the most part, a Dutch one. But the story has meaning even for the indigenous peoples of Java - for those who welcomed the initial trade ships and to those that fought a brave battle to oust the Dutch in 1628.

It not only affected Indonesia's political heritage, but vastly altered Javanese cultural values. Siarenturi of Sacred Bridge explains "When the Europeans monopolised the seas, our marine culture transformed to a land culture. We changed from being a patient and daring people on the seas to being patient and caring on the land."

The Dutch "froze" indigenous culture, according to the economist. "Now it is time to defrost our history, to reclaim our culture. If we defrost it and really look at it, only then can we preserve it and learn from it better."

## Islamic finance education

Charles Anderson

As the financial world crumbles and fresh commerce graduates around the globe struggle to find employment, Indonesia's fastest growing financial sector is still confident the opportunities are there for those with a differing vision of the future of industry.

The job market in conventional banking might be shrinking but in Syariah banks or Islamic financial institutions, there is a shortage.

Ferhat Muhamad Alhabsyi a lecturer in Islamic Finance at the University of Indonesia is confident his graduates will have the best opportunity in an uncertain environment. "They will walk mainly into banks, government departments, the central bank, and the ministry of finance," he says. "Because the market is growing and money is flowing in these areas right now there is demand for employees. But very few have the type of knowledge employers need."

International investment banks have been systematically cutting jobs over the last year in an effort to stave off worsening profit forecasts.

Speculation stalwarts Goldman Sachs and JP Morgan Chase both cut 10 percent of their workforce late last year.

Around the same time however HSBC saw a growing opportunity and announced the opening of three new Syariah branches across the Indonesian archipelago. Mahmoud Abushamma, head of HSBC Amanah Syariah, says the expansion was to move in line with a growing trend. "With the same spirit as when we first opened, we are proud to be bringing leadership and commitment to Indonesia by expanding our Amanah branch network and expanding our reach enhances our position as a leading provider of Islamic financial services in Indonesia."

Such movements are strongly supported by government. Last year Vice President Jusuf Kalla declared the current global financial crisis was in large part created by the Western capitalist structure and urged the expansion of Indonesia's own sharia financial system. "One of the causes of the current crisis is the capitalist system, Therefore we should develop a sharia economic system," he said.

And that development is well underway. The government has already announced plans to issue up to Rp 5 trillion worth of Islamic bonds or sukuk to retail investors this year.

So the job market has to grow with the demand. Bank Indonesia has said there is a requirement for at least 15,000 people to fill jobs in the Islamic banking sector alone. Trisakti University, the largest private university in Indonesia, believes there is a need for around 8,000 PhD graduates and 16,000 Masters Graduates.

This industry which is bucking the trend of global finance operates on a different premise. With each look at falling squiggly lines on the international business pages many believe this premise is only getting more publicity.

Sharia stresses justice and partnership. In the financial world that stress means a ban on speculation and on the charging of interest. The notion of a lender imposing a straight interest charge offends these principles. Companies that do business in industries seen to be immoral are off limits and those that have too much debt are steered clear of. This is generally defined as having debt totalling more than 33 percent of the firm's stock market value. Such criteria means sharia-compliant investors avoid highly leveraged conventional banks. Perhaps not a bad idea according to program director of Islamic Finance at Trisakti University Prof Dr Sofyan Harahap.

"Indonesia should stand up and say it is implementing an economics which is both efficient and just," Harahap says. "For too long it has been in thrall to that out-dated, ossified corruption of science which is called conventional economics. Indonesia should first look to developing and implementing new paradigm thinking for itself rather than relying on others who can almost be guaranteed to do it in an incomplete bad-intentioned way."

If growth lies in the unconventional then Indonesia is trying its best to be avant-garde. Not that syariah finance is in fringes. Islamic financial institutions have in recent years experienced spectacular growth, increasing 25 percent in 2006, and 37 percent in 2007. Rating agency Standard & Poor's estimates Islamic financial assets now exceed 4 trillion dollars with assets managed by Islamic rules growing at 10 to 15 percent annually. What was once a small niche has now gone mainstream. Most major Western financial institutions are involved in one way or another in Islamic finance.

So where some glass revolving doors of financial powerhouses are closing, others closer to the Muslim world are opening.

Head of syariah banking for Permata Bank Adrian Gunadi believes these offers are only going to get better. "The opportunities are there. Human resources plays a critical role in developing this industry. It has only been four years since Indonesia started seriously with syariah banking. So there is actually a war on talent. With a few number of good people and a shortage of capital basically there is a lot of competition." But it is a long road. Right now Islamic banking only owns 1-2 percent of the Indonesian banking market share. That does not mean the ambition is not there. When The University of Indonesia offered courses in Islamic finance in 2001, they were the first to do so. At the moment UI has 300 students going through varying levels of education. "We want syariah banking to reach 55 percent market share," Muhamad Alhabsyi says. "We see that this knowledge is becoming bigger and bigger and nothing can stop it. It is proof that global economy wants this to happen. And we will be there to support it."

Senior bank researcher for Bank Indonesia Dadang Mulijawan says that support needs to come from both the education and commercial sectors. "The tertiary sector is not directly influencing the market but it is supplying it with players. If we want a stable financial system, all players should have the same skills as far as management and regulation. We need better information exchange between all relevant sectors." And that is happening. Permata Bank for example works with UI, providing quarterly scheduled trainings. "It is part of our participation to educate the market about this industry," Gunadi says.

Educating and inspiring the market place. It may be that combination which can offer some answers to the 600,000 of Indonesia's unemployed tertiary graduates.

## **Krakatoa**

## **Charles Anderson**

The child of Krakatoa puffs smoke. It is an orphaned offspring, created out of the largest recorded explosion in human history over 100 years ago.

'Anak Krakatau' first showed its head above the white tipped waves of the Sunda Strait in the last week of June 1927. Decades on, this child has grown up. Each and every year since its birth, the volcano has grown taller by 20 feet. It may still be a baby in geological terms but in human history it stands as a reminder to the ferocity of its parent's former life. And a reminder of its impact for modern civilization. All from one sleepy morning in August 1883.

Today it is dark, foreboding. A combination of rain and sea water belts across the side of the flimsy boat we have hired for the 1½ hour trip from Carita in Banten Bay, West Java.

I am informed by a tourism website "On a clear day one panoramic highlight is the visibility of the infamous Krakatoa Volcano rising above the horizon in the Sunda Strait between Java and Sumatra." But today is not clear. And it is wet. There was a weather warning suggesting small boats avoid crossing the Sunda. But according to our guide, Poi, today is calm.

The boat launches off a wave, achieves a brief moment of zero gravity then slaps back down on the water. Girls scream. I hold tightly. Poi smiles.

Through grey spitting clouds, three islands appear, two framing the other. The picture. Yes it looks like a volcano, an almost perfect dome with wisps of sulphurous gas rising into and blending with the sky above.

We pull closer to the coast and the picture becomes clearer. Its smoking caldera is now visible. Below, trees, greenery and bushes sprout from one of the world's youngest islands. Life exists on Anak Krakatau.

After 1883 all three islands were entirely stripped of vegetation but arguments continue as to how complete this destruction of flora and fauna was. When the first researchers reached the islands in May 1884, the only living thing they found was a spider in a crevice on the south side of Rakata

A short while later blades of grass had sprung from the volcanic soil.

Poi directs us to jump ashore.

We are greeted by a sign outlying some of the rules of the volcano. "No drugs, no drink, no weapons and no music instruments." The volcano gods are audio-phobic Mormons. Don't upset them.

The volcano erupted again in June 1994 and many tourists were caught scaling its slopes. Lava bombs spewed by the caldera killed one American tourist, injured three Britons and two Indonesians.

I ask Poi about that day. He nods. "Pssh pshsh," he says, moving his hands as if squeezing an undersized beach ball. He shakes his head. "Very bad. Very bad."

Poi's tour company was started by five young men more than 15 years ago. Iyan Sebastian was 18 when he helped found it. "I needed something to do and this seemed like the best way to do it," he tells me.

For him the strange fascination with a place of such wide-spread disaster has become a positive influence in the local community.

An influence he is always promoting. "How did you find our company? You see our name on Google? It is very hard to get to number one search on Google."

It seems the dozy town of Carita has embraced the information superhighway.

"We have internet marketers who help us out."

The company, Java Rhino Ecotour, was created to establish an example of sustainable tourism in the area.

"Having responsible tourism means we can aid the conservation of the environment and also improving the welfare of local people," Sebastian says looking along the beach to Javanese holiday makers frolicking in novelty colored inflatables. As the only tour company in the area which operated run by locals, the organization is doing to ensure the community sees some benefit.

"Of course we have a lot of challenges. Sometimes the environment won't allow tours, other times the visitors just are not there. Also so many travel agents sell a tour package to Krakatau. As far as we know there are over 100 based out of Java and Bali but we are one of the best and we try to give the best service for our clients."

The last big eruption was in May. Poi was there. "You could not get onto the island but I was on the boat just over there." He points to Rakata, the island which housed Krakatoa before the 1883 eruption.

I follow his hand. The site feels significant. But it is a shadow of its former glory. Rakata is now two thirds of its original size. Most of it was blown in the ocean after the main eruption. Much of the volcano collapsed and slid into the sea in a roiling mess of boiling ash, steam and rock. Its velocity and landmass displaced huge volumes of water, creating a devastating tsunami which hit the coasts of Java and Sumatra killing almost 40,000 people.

I try to imagine watching it happen in front of my eyes. I try to imagine that 45m wave form. I try to trace its path to the coastline of an invisible Java. But I can't. It seems too foreign. Too big. Too distant. In the year following the eruption, average global temperatures fell by as much as 1.2 degrees Celsius. Weather patterns continued to be chaotic for years, and temperatures did not return to normal until 1888. Further around the coast of West Java, the beaches have white sand and blue water. In the surroundings of Anak Krakatau the sand is black and the sea is green.

"I'm sorry it is not clearer, quite murky yea?" Poi says pointing to faint outlines of coral lurking just beneath its surface.

Nothing, I think, compared to what it must have been like. In 1883, 25 cubic km of rock and ash was thrown 50km into the air.

The blast was equivalent to 200 megatons of TNT — about 13,000 times the yield of the Little Boy bomb that devastated Hiroshima, and ended the Second World War.

This blast prompted American firefighters into action half way round the world. Off to battle what they assumed to be rampant firestorms. In truth it was merely the brutal sunsets caused by the churning clouds of Krakatoan fallout.

Such occurrences are often reduced to popular myth. In 2004 researchers proposed the idea the blood red sky depicted in Edvard Munch's 1893 painting *The Scream* was caused by a little known volcano in the Indonesian archipelago: "Suddenly the sky turned blood red," Munch wrote of his painting. "I stood there shaking with fear and felt an endless scream passing through nature."

Now on Anak Krakatau it is quiet. Peaceful. Not a sound.

The silence breaks with a step and loose black volcanic rock shifts easily under foot. The landscape is Spartan. Sparse. Dotted with boulders and the faint smell of brimstone.

"I think we should run up there," Larisa, a girl in our tour group declares, as she looks up to the crater.

I raise an eyebrow and stand awkwardly in the silence.

"I think we should do it," she adds. I laugh uneasily. It's not that funny. Plus it is 1500m to the top. Potential death and excessive sweat is not a combination that sits particularly easily with me.

"I'm joking Charlie."

I am relieved but staring up to the caldera, I try not to show it.

I have no intention of standing any closer to the edge of geological and historical consequence. Anak Krakatau's yellowish teeth look imposing enough from here but from here it is easy to forget its authority.

We turn our backs on the child.

It faintly belches as if in acknowledgment of our decision to leave it alone.

Scanning the area, one thing stands out more than the odor. The seismic equipment around the volcano looks broken. Solar panels that power them smashed, fences that protect them bent. It causes just a little worry as to how the field station for the Krakatoa Volcanic Observatory back in Carita might predict the next big explosion.

Back then it began with just a sudden trembling.

## **Banter Gebang**

**Charles Anderson**

In a village with no written maps, no street signs and where the only distinguishable land marks are a couple of schools, and mountains of refuse, it is not hard to get lost. So I do within the hour.

Bantar Gebang is not just the resting place of Jakarta's unwanted garbage. It is home to thousands. Around the outskirts of the Rubbish Mountains are three villages, two schools, children playing, men laughing. This is their home. And the thousands of tonnes of plastics that flow here every week are their livelihood.

Walking in the city's largest rubbish dump is a different experience. Through alleyways of garbage, sludge and sodden plastic, the thousands of families that live here have erected crude if not resourceful ways of existing in the heart of this recycling economy. Vast stretches of sandals are spewed throughout the community grounds. On first impression one wonders why anyone would leave hundreds of thousands of pairs of footwear strewn across the village. Then you realise if they were not there, you would sink into an ever-shifting floor of mud. So you tread carefully into these peoples' homes.

A bunk bed houses three children and their parents. Old on top, young on the bottom. Their floor is sandals, their roof old jackets, blankets and minimal tarpaulin.

They live in, out of, and on trash.

"Apakabar?" I ask a middle-aged woman sitting on her porch. Anywhere else in the world you might get a scornful look, as if the question of "how are you?" predicates a certain intrusiveness on one's home life. But here she invites me inside. Carrying her three year old child, the response is a grin. "Baik Baik." She is doing well. And so are the rest of the villagers, you smile at them and they smile back. This is a community. One that functions off the mountain scramblers who operate further down the road.

There, heavy machinery shifts putridity like a bulshy child playing with its food. Scampering around the diggers are hundreds of men and children with baskets on their backs, looking for their payload. The plastics. These workers are the shifters, the pushers and the community's lifeblood.

The scramblers sell the plastics to the villagers who then wash them and on-sell them to buyers or "lapak" who might turn these bags into polystyrene bean bag beads or plastic water cups. But today is wet and it is hard to dry anything. So another middleman enters the fray.

The price is 7,000 rupiah per kg of plastic. Today this man might shift 100kg. But he admits he is an optimist and the price varies. His cut is eaten into at any opportunity. "It is difficult to eat sometimes," he says. Today he is smiling and smoking.

I venture further into the village, the materials change but the attitude is the same. Plastic bags are now tin cans, bottles. But always a smile. The inside of these homes are meagre. It has the feel of an army bunker. They may not be at war but life is a daily struggle these families deal with. This is their home.

It is a maze. I duck underneath makeshift washing lines and weave around corners of bamboo fence posts only to find myself in someone's backyard.

I smile awkwardly. "Selamat pagi" I say. "Pagi" comes the reply with a bigger smile. Two men are drinking coffee and snacking on some deep fried tofu. It is riddled with flies. They too are locals. "Enak?" I ask cautiously. They nod vigorously and grin. It is apparently delicious. So I rip a piece off and place it in my mouth. It is indeed "enak" but tomorrow will tell whether my digestive system agrees. You get used to that conflict.

By now I don't want to admit that I am intensely disorientated. Backyards blend with roads which blend into cul de sacs of plastic bag houses. Desperately I turn to the first person I see walking in a vaguely familiar direction. He is 10. But he is helpful, that is until I realise he doesn't really understand what I am saying. He smiles, points and I follow with the best of hopes.

I always seem to be geographically bewildered in this country. Frustrated with my constant remedial questioning, the boy flags down a friend on motorbike and plonks me onboard. I am forced into an impromptu tour. Hopefully I remember a corner, a plastic bag, a smiling child. I do they are everywhere.

## The Gili Islands

## Charles Anderson

Three Swedes have barely moved 15 metres in eight days. It is an impressive feat for any self respecting tourist. But on Gili Trawangan, an island off the coast of Lombok near Bali, self respect is not something you either seek or find.

Chalek, Andreas and Louise sit in a pool bar over the fence from their bungalow, sipping Heineken and playing guitar.

"So have you gone snorkelling yet? Apparently it is great snorkelling here," I ask.

Chalek smiles. "We went once. It was ok. We prefer this," Chalek takes another swig of his beer.

Over the years the Gili Islands have secured themselves the reputation of being a retreat for fed-up tourists, dive enthusiasts and pleasure seekers.

Up and down streets paved with a muddy blend of sand and dirt, tourists from around the world trudge.

What they are searching for is not clear because on Gili Trawangan there is not that much to see.

To your left, a bar. To the right, a restaurant. A little further down the road, a different kind of restaurant, one that serves the Gili's notorious "bloody fresh" hallucinogenic funghi fare to the thousands of punters that land here every week.

What they look for is not clear. Robi and his five friends have not come far. They were all born and now work on Lombok, just a half an hour boat ride away. But the Gilis offer something a little different.

"A getaway," Robi says in-between sly drags on a mild cloved Sampoerna. "It is good to come here, it's peaceful and hey," Robi shrugs, "it's fun."

I feel I must agree. There are few places in the world where the express intention of the destination is to engage in the activity of nothing. And nothing can be very relaxing. But after three days of it, you can't help but feel a little exhausted.

When the lights go down on Gili Trawangan, the pavements become a little safer. The taxi service, served by elaborately decorated horse drawn carts, disperses into the night. Now the traffic flow consists of bronzed, burnt and boozed Europeans. Here nationality stands out a mile away.

Three Finns with fluoro yellow back-to-front caps stumble in front of me blurting random hilarities to each other in a bastardised Finnish. I know they are from Finland.

"Hey you," one turns around and stares at me. He throws his arms up in air. "Finland!"

I nod and smile politely.

For an island with such a renowned reputation, Gili Trawangan is subdued most nights. However, every night without fail you can hear the thump of live music from Sama Sama. The bass lines of Bob Marley building with each step.

On stage is a six piece band. The lead singer sits on a stool with tight black jeans and dreadlocks waving his hands and tapping his feet with the beat.

It's good music. I look over and see Chalek. Almost incredibly, he has moved perhaps 200 metres down the road and resettled himself with another Heineken.

He smiles and raises his half drunk green bottle in my direction. I feel strangely out of place with nothing in my hand to echo his sentiment. So I go to the bar.

After some convincing, the vessel which is handed to me is not German pale ale. But a paper cup, with a straw and some black muck. It tastes of a strange combination of dirt and banana and black muck. My favourite.

Though people end up here for different reasons, more often than not, the intention of the trip is the same. Nothing.

Ashleigh sits comfortably upon some novelty-sized cushions outside the bar. Her legs are tucked up underneath her knees wrapping her arms around her shins as she rocks from side to side. Because her hair is in pigtails and she wears a thin white spring dress, Ashleigh looks younger than she actually is. After teaching in South Korea for two years Ashleigh thought it was time to get out. After university she got out of Canada, and then she saw the world, well at least part of it. And now she is here. Beer in hand, friend by her side. "I am enjoying life really. I'm not sure if I want to go back to Korea but at the moment I'm not thinking about that. At the moment, I'm just travelling. I'm only 23."

Down on the beach something else altogether which did not require much thinking. Midnight dips are not the most novel idea in the world, but hundreds of miles from the bustle of Jakarta, swimming in the pitch black of the Gili Sea seems pure genius.

However in the present state, the climbing of moored boats and jumping off their framing into the inky water below is probably not the most intelligent pastime, but that does not mean any less enjoyment.

Richard, another Australian, clammers aboard and hoists himself up onto the flimsy roof. He has an endearingly oafish quality, spurred by the amount of body hair he sports and the amount of rubbish he talks. Constantly. He jumps, whoops and disappears. A pause. Silence? His head breaks the surface and his face is contorted. "I got spiked."

We swim ashore and look down at his foot. Three black holes stare back. The heartbeat races.

One of the band members is found close by and he comes to inspect. One exclamation and two words that any tourist never thinks they want to hear: "Awww...Fire Fish."

Cue expletives. And then some other words.

"Here tie this around your leg."

Fire fish sounds nasty but whether or not it actually was a Red Firefish or a Sea Urchin will be one of the great mystery's of the Gilis. Either way there is no emergency service on Gili Trawangan, apparently just this zonked out reggae devotee with a piece of coral in one hand and lime in the other. He proceeds to systematically beat Rich's foot and squeeze on the lime, presumably for taste. It looks awfully impressive and half an hour later it seems it is. Rich is still alive and I am still laughing at the ridiculousness of the situation.

Rich stumbles home, plonks himself on his bed. Hopefully to wake up and do nothing all over again.