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WEDNESDAY, AUGUST 26, 1998

Syamsu also dismissed spec- that at least 24 activists have

"Had the abductions been part in detention and tortured.

gone missing since April last

year. Nine resurfaced after

being absent for months and

spoke of being abducted, kept

Kontras says that one was

found dead from a gunshot in a

forest near Magetan, East Java,

on May 23 after being missing

for two days, and the rest are

Munic, said yesterday some of

the activists who had reap-

peared had reported meeting a

number of those still missing in

parent investigation into the

abductions of the political

activists. "Syamsu has asked the

public to give the team of inves-

return he must announce any

The Armed Forces has persis-

progress in the investigation."

Munir also called for a trans-

The coordinator of the team,

still unaccounted for.

the detention site.

Department tigators any information, but in

pendent Commission for tently denied any knowledge of

Missing Persons and Victims of the whereabouts of the activists

Violence (Kontras) has reported still missing. (imn/byg/aan)

PDI congress opens in chaos, 17 hurt

PALU, Central Sulawesi (JP): Violent clashes erupted at the opening of the Indonesian Democratic party (PDI) congress here vesterday when hundreds of loyalists of ousted leader Megawati Soekarnoputri tried to force their way into the venue tightly guarded by security men backed party faction.

What's inside:

Parties Sofjan to gather business-

Boat

men to help parties.

Seven drown, 12 missing after packed boat capsizes. Page 3

Farmers

Government should give incentives to farmers. Page 5

Airfare

House approves 100% air-

fare increase: INACA Page 8

tory on Jl. Supratman, the clash he preferred to lose a day's Megawati has persistently quoted by Antara as saying. intensified. The two camps earnings than have his car exchanged harsh words and smashed up by a mob. Besides, threw stones at each other "...not many people are venfor about 15 minutes, prompt- turing out of their houses in ing the Armed Forces to fire need of public transportation, volleys of tear gas as well as anyway," he said as quoted by rubber bullets to disperse the Antara. "These past two days, Election scuffling crowd.

crowd with tear gas because we patrolled areas considered to be from the government- were overwhelmed and the especially vulnerable to unrest. masses had become very vio-

> about the use of rubber bullets, barred from entering the com- reconciliation. reported that five of Megawati's tials signed by PDI secretary- many of the 800 official partic- Staging their demonstration outsupporters sustained severe rubber bullet wounds. Out of the 17 people injured. Antara said, five were police officers.

Army Lt. Col. Jumara told reporters at the scene that 1.097 police officers had been deployed at the congress, including riot Megawati supporters from police, mass control units and regular police. Many soldiers to Palu, intent on disrupting the

has also deployed 1,500 party

Palu, a city of two million or Yogyakarta. people, became tense yesterday morning following reports that two molotov cocktail exploded at a warehouse belonging to a local businessman.

with schools and shops near the validity of her ouster, with haj dormitory closing out of her popularity growing all fear of massive demonstrations the time. by Megawati supporters.

Affairs Syarwan Hamid opened vers stopped operating the gathering at the haj dormi- Razak, one of the drivers, said

our earnings have declined." "We had to shoot at the Riot police complete with rifles

lent," said one police officer. congress was a boycott by it could turn out to be the watisupporters protested against He did not say anything dozens of reporters who were venue for the two camps' the police for helping Soerjadi pound despite having credengeneral Buttu R. Hutapea.

The congress, which lasts through Saturday, is being organized by Soerjadi's camp with President B.J. Habibie's blessing. despite mounting protests from many quarters. Thousands of across the country have flocked gathering which is expected to Party faction leader Soerjadi elect a new chairman.

> Megawati plans to hold her own congress in October in Bali

Megawati was ousted in a government-backed breakaway congress in Medan, North Sumatra, in June 1996. Since then she has waged a It soon became a ghost town legal battle challenging the

The government has vowed

When Minister of Home Public transportation dri- to stay out of the matter, Central Sulawesi have said they rebuffed the call as she ognize her.

another of Soerjadi's maneu- Jakarta. Adding further spice to the vers, some actually hope that

supporting Megawati.

woman of the Palu PDI "At least five branches in (30/nur/swe)

although it is still calling on plan to nominate her when electhe two parties to reconcile. tion time comes," Kasese was

Ruslan from Aceh called on believes the government first Megawati to be gracious and has to revoke its recognition of attend the congress so a truce Soerjadi's leadership and rec- could be called and the conflict ended. "This congress has a strategic value for the party's survival," he said.

Megawati is currently busy Despite the fact that many with her own affairs, attendsee the Palu congress as yet ing party gatherings outside

In Surabaya, about 500 Megasupporter Dimmy Haryanto and It has been reported that his group go to the congress ipants to the congress have now side of the provincial police changed their stance and are headquarters on Jl. Ahmad Yani, the group caused heavy traffic Yvonne Kasese, the chair- congestion for two hours.

The activists said they were branch, said she believed hurt by the way the local gov-Megawati had a great chance ernment favored Soerjadi's be elected Soerjadi's camp. Dimmy and activists replacement despite her from seven local branches absence from the congress, were reportedly transported She pointed out that some on three police trucks to branches' activists had actual- Juanda Airport to board a ly started campaigning for her. flight to Palu on Monday.



World Bank pans govt subsidy program

JAKARTA (JP): The government's huge subsidy commitments are unsustainable and could lead to economic disaster if the policy is not revised, a World Bank and the Internasenior World Bank official tional Monetary Fund fully

tor Dennis de Tray said the government must carefully set a clear focus in its fiscal program.

tal market conference, warning

JAKARTA (JP): The govern-

ment plans another series of

major bank restructuring mea-

sures later this year when all

banks have to meet the new

minimum 4 percent capital ade-

quacy ratio requirement (CAR),

Minister of Finance Bambang

He said the CAR requirement

had to be fulfilled because

strong capital was one of the

favorable position, which would

enable it to grease the wheels of

the economy, and at the same

time to enable Bank Indonesia to

recover the liquidity support it

"So by the end of the year,

we'll have a healthier banking

system in place to support the

economy," he said at a capital

He explained that interna-

tional auditors who were now

conducting checks on all com-

mercial banks (about 200)

would complete their task by

extended to ailing banks.

market conference.

the end of October.

banking system recover its

prerequisites to helping the to be completed.

Subianto said yesterday.

warned vesterday. World Bank Indonesia direc-

"Subsidies are clearly not sustainable," he said at a capi-

could lead to economic disaster a huge amount of funds to subin the long term. He added, however, that the rice, wheat flour, cooking oil,

supported the subsidy pro-De Tray indicated that the projected for the state budget.

government was currently devising a program which would better target the subsidies.

banks may find difficulties in

meeting the CAR requirement

as they lacked the cash needed

to boost their capital to offset

the increasing level of their

Bambang declined to specify

what measures would be taken

against banks which failed to

meet the CAR requirement

of 38 private banks currently

under the supervision of the

Indonesian Bank Restructuring

Agency would be decided next

month after a complete audit of

them had been implemented. He

also said another round of bank

announced the suspension of

three private banks' operations,

the nationalizing of four others

including the country's largest

private bank Bank Central Asia

(BCA), and is in the process of

merging four state banks into

one in efforts to demonstrate

The government last week

suspensions was a possibility.

nonperforming assets.

sidize basic staples, such as fuel, medicines and sugar, in its current budget ending in March Habibie's administration. 1999. The subsidies are largely grams for the short term to responsible for creating a record of the gross domestic product

The government has allocated

financed by international aid.

Bambang said that in addi-

tion to recovering the central

bank's massive liquidity support

given to the four banks to be

priority was also to recover the

nationalized, the government's

loans given by the banks to their

affiliated groups, which reached

between 70 percent and 100 per-

restore the health of the

He said the four banks to be

nationalized had submitted

their proposals to return their

inter-group credits and the liq-

uidity support, but he declined

breaching of the legal lending

limit was the major cause of the

financial distress of most

majority owner, the Salim Group,

Reports earlier said that BCA's

domestic commercial banks.

Analysts have said that the

to give further details.

banks," he said.

"It will be useless if we only of corporations," he said.

More major bank restructuring planned

because the bank audits had yet cent of their total loans.

government over the huge subsidies, saying they comprised a populist policy merely to win support for President B.J.

They argued that the subsidies were unsustainable and could help the poor survive the eco- deficit equivalent to 8.5 percent lead to uncontrollable inflation. Economist Anwar Nasution

said yesterday that the Habibie Most of the deficit is being administration must strictly limit its subsidies to certain com-A group of 15 local econo- modities to prevent even greater

to problems at the bank.

large number of banks' nonper-

forming loans to be transferred

to IBRA's asset management unit.

rowed from overseas creditors.

will have to be put in place,"

could not forcefully recover the

would threaten the business

sector and cause more layoffs.

still provide employment,"

Bambang said. (rei)

"We have to find a balance

that corporations can

Support — Page 9

"A well structured program

The government, he said,

oil, flour and fuel were not necessary because they were not essential for the poor to survive De Tray noted that Indonesia must not only address its capital

He said subsidies for cooking

outflow problem but also the increasing level of human capital and completed the dossiers. being drained due to worries that social unrest like that seen dur- Their testimonies were used as ed him yesterday to immediately ing the May riots could recur. "Reversing capital outflow is an important element to recov-

ery, but the key issue is the entrepreneurial capital flight, which is a major loss to the country", he said, adding that Analysts said that domestic that it is serious about restruc- had proposed surrendering to the the key to solving the problem turing the ailing banking sector. financial authorities assets and was to restore confidence. Many talented Chineseshares it owns in a wide range of Indonesian professionals fled businesses as part of the solution

> riots which were seen to target Bambang said the bank restructuring process would cause a the ethnic group. Confidence of the Indo- the government. nesian people may not return until a political change is

the country following the May

underway," de Tray said. "So eventually IBRA will have to carry a restructuring program remember is that it is action, not

to be completed.

Bambang added that the fate recover the liquidity support He acknowledged, however, words, that restores confidence."

National Police chief Lt. Gen. who are almost ready to testify Chinese descent were systematically and the de He said the government must Roesmanhadi. because we may have to come that dealing with nonperforming also be aware of market perto the rescue again if we fail to loans would be difficult because ception regarding its actions. domestic corporations also bor-

You have to stay ahead of the expectation curve. Good policies that lag behind market expectations will not restore confidence," he added.

The government, he said, must improve on its poor pubbad loans quickly because it lic relations capabilities to win international confidence. "Indonesia is in the business ed National Commission on

of selling itself... and it is competing with other crisis-hit countries in the region." (rei/gis)

five-day congress in Palu, Central Sulawesi.

mander Maj. Gen. Syamsu Djalal

said vesterday the Armed Forces'

(ABRI) fact-finding team now

had the evidence with which to

press Lt. Gen. Prabowo Subianto

with criminal charges for his

alleged involvement in the

"Prabowo's testimony before

members of the Officers Honor

the abductions of nine activists

(who have since resurfaced)

could be used as an evidence to

bring him before a military tri-

bunal," Syamsu told reporters

He said the team had ques-

at his office in Central Jakarta.

tioned Prabowo and the two

other officers of the Army

week before the establishment

of the Honor Council on Aug. 3.

Coordinating Board (Bakin) Lt.

"We have questioned Prabo-

Council that he was involved in-

Military Police Corps Com- Honor Council," he said.

abductions of political activists.* complete the dossiers of 11 oth-

Special Force (Kopassus) a year, but those of the nine

wo, Muchdi and Chairawan, and April of this year.

material evidence for the inves- complete the investigation.

into the violence.

Human Rights.

ment, Melly G. Tan from the Economists — Page 8 Atma Jaya University sociology

The fact-finding team is led by Marzuki Darusman, deputy chairman of the highly respect-

Reacting to Moetojib's state-

JAKARTA (JP): Scholars and research center said: "I was indicates the start of an attempt observers strongly criticized the appalled ... he should not have to prevent an investigation of object to that.

tigation conducted by the

ABRI commander Gen.

Wiranto honorably discharged

Prabowo and removed the two

others from active duty for their

and torture of political activists.

er Kopassus officers, who will

be court-martialled," he said.

suspected roles in the abduction

"We'll resummon them to

He then asked for more time.

He also said the investigation

citing that hastily prepared or

incomplete dossiers might lead

only covered the abductions

which occurred between March

The abductions of political

activists started in April last

activists that Prabowo report-

edly admitted to having been

involved in occurred in March

Syamsu said Wiranto instruct-

to incorrect prosecutions.

and April of this year.

SHIELDING SOERIADI: Riot police cower behind their shields as they weather a hail of stones from supporters of

Megawati Soekarnoputri, the ousted leader of the Indonesian Democratic Party (PDI), outside the venue of the congress organized by

her government-backed party rival Soerjadi. The Megawati supporters tried yesterday to disrupt the opening of Soerjadi's faction's

Investigator says Prabowo

could be court-martialled

Bakin under fire over statement on rapes

Gen. (ret) Moetojib vesterday for "It's against all rules and ethics." his remark that reports of gang rapes during the May riots had fact-finding team is still investibeen exaggerated to undermine gating the matter," she said.

"Didn't Moetojib know the They said Moetojib had been investigation team was set up by "careless" in his statement and the government?" Melly said. had apparently failed to learn

Melly added that Moetojib's "Another important thing to from a similar blunder commit- statement could discourage

> They said separately yester-Theologist Marianne Kattopday that Moetojib should have po, interviewed on the sidelines of a political discussion held by exercised self-restraint and not made the comments, at least the Center for Strategic and until the government-spon-International Studies here yessored joint fact-finding team terday, was brief with her comhad completed its investigation ment: "He should be ashamed."

Political scientist Smita Notosusanto from University of Indonesia said: "Pak Moetojib was not being realistic. He said yet to receive reports (from vic- threatened tims and witnesses) ... but who activists if they continued to

trusts the military these days?" press their claims without pro-"It's possible the statement viding supporting evidence.

violence," she added

ulation that the abductions

were part of an intelligence

operation to safeguard national

of an intelligence operation, the

Armed Forces Intelligence

Agency (BIA) would have been

"BIA chief Maj. Gen. Zacky

However, he did not dismiss

Anwar Makarim has testified

that he did not know anything

about the abductions," he said.

the possibility that the number

of suspects to be court-mar-

completion of the investigation.

chiefs of the North and East

Jakarta Military Districts and

also the chief of the Jakarta

regarding their involvement in

the abductions of some of the

activists," he said. The inde-

"We have guestioned former

tialled would increase on the

stability and order.

informed about them.

On Monday Moetojib said the (for him to say that) since the state intelligence board has yet rather than come out with a to find any evidence that the statement of this nature. rapes actually took place.

police or the Armed Forces (ABRI) had found any substan-

"Why hasn't a single one of contrary, the rape victims come forward to file a report?" he remarked. Although the government has Chinese-Indonesian officially condemned the rapes, officials who have questioned

and even lashed out at those uncover the truth.

Yesterday, Sofjan Wanandi said: "(Moehead of the State Intelligence said such things. I strongly the military's alleged role in the tojib) should have urged the fact-finding team to complete its investigation more swiftly

"After the police chief, now He also claimed that neither it's the intelligence chief who the joint fact-finding team, the had been too hasty to comment on the matter. If it is later discovered that the rapes dic tial evidence to support claims indeed take place they will look ted last week by his colleague, those victims and witnesses that at least 168 women of very stupid," said Sofian, who

ically raped during the unrest. Despite recent claims to the Commission on Human Right has confirmed that man

were gang-raped during the riot Moetojib joined the ranks of of May 13 and 14 in Jakarta. The Volunteers for Humanit led by Catholic Priest Igr who have continued efforts to Sandyawan Sumardi was th first non-governmental orga

Last week, National Police nization to raise the alar the Armed Forces (ABRI) has chief Lt. Gen. Roesmanhadi about what it alleged was the to prosecute systematic rape of women Chinese descent. (aan)

Dilemma — Page Husbands - Page

NO WAY THROUGH: Hundreds of laid-off workers from Kartosuro, Central Java, clash with rict police as they attempt to march to the Jakarta office of the International Labor Organization to seek help over their dismissal. The incident took place yesterday in front of the office of the Foundation of the Indonesian Legal Aid Institute in Central Jakarta, where the workers had spent the hight after arriving from Central Java. Story on Page 3

Acting PM Chernomyrdin in favor of coalition govt Yeltsin fired his liberal-dom- nomics, and industry. MOSCOW (Agencies): Acting

Russian premier Viktor Chernomyrdin said yesterday he was in favor of building a that included members of Russia's opposition parties, cabinet to his liking. news agencies reported

from the centrist Russia's sure to improve soon. Regions faction.

boss Gennady Zyuganov, who

President Boris Yeltsin. myrdin promised State Duma speaker Gennady Selezyov that ernment to help Russia through its economic crisis.

inated cabinet Sunday and gave Chernomyrdin, a former "strongly oppose Chernomyr-Soviet apparatchik who had broad coalition government served as premier for five years, firm him for the post of premier broad powers to draft a new even under the threat of Duma

Chernomyrdin, who is hold- quoted llyukhin as saying. "It is necessary to form a gov- ing a flurry of meetings with ernment of accord," Itar-Tuss parliament leaders before his quoted Chernomyrdin as say- confirmation hearings open ing after meeting with a leader next week, said the economy is

The term is a Russian formula been lost," Chernomyrdin was long used by Communist Party quoted by Interfax as saying. Viktor Ilyukhin, a top

wants the government to be rep- Communist lawmakers and resentative of parliamentary fac- chairman of parliaments secuthe news agency reported.

ter in charge of finance, eco-

tions and not just imposed by rity committee, said he expect- members to stay, Yeltsin yestered left-leaning factions to win day accepted the resignation of The Interfax news agency had at least 10 ministerial posts in former first deputy premier reported Monday that Cherno- Chernomyrdin's government, Boris Nemtsov, once seen as a Ilyukhin said he further reforms, Russian news reports

Otherwise, Communists will din's government and not condissolution," the news agency

Chernomyrdin has so far not named any perspective members of his new cabinet.

Yeltsin, meanwhile, took the nation out of legal limbo yester-"Far from everything has day decreeing that the members of recently ousted prime minister Sergei Kiriyenko's cabinet should stay on the job until replacements are appointed.

While asking other cabinet driving force behind economic he would form a coalition gov- expects a Communist to be said. The resignation is expected named a deputy prime minis- to be formally announced today. Greed - Page 5

Even ghosts hit by

economic crisis

ghosts cannot escape the economic crunch currently hitting Singapore, as living Singaporeans are forced to cut costs on sacrifices for the restless dead during this year's traditional Chinese Hungry Ghost Month, which started last week.

"It does not really matter even when we do away with porean retiree Robert Choo, who organizes an annual festival to honor ghosts, said in the Straits Times newspaper over the weekend.

said the budget for this year's Chinese lettering on them. festivities would have to be

percent from last year's is sacrificed to ghosts, for a S\$90,000 (US\$52,941).

THIS ODD WORLD...

"Each year we try to have the next year's fete. bigger, better celebrations. SINGAPORE (DPA): Even But this year, we are cutting costs because of the econom-

> ic crisis," Choo said. Choo's ghost party, held in a suburb of the city-state of Singapore, usually includes a lavish stage show with Chinese from Taiwan or Hong Kong.

Though the show is intended for ghosts, some 400 living the frills and celebrate on a Singaporeans pay S\$80 each smaller scale. Our ghost broth- to watch, and to enjoy a diners will understand," Singa- ner of roast suckling pig and ters from the Order of other Chinese dishes.

join in an auction, where they buy donated items ranging from washing machines and Choo, who has been han- video cameras to lumps of dling the event since 1979, charcoal with auspicious

Proceeds from the dinner lent way of reaching

Nuns go rapping in name of Lord

donation to charity and for

ROME (DPA): A group of 100 Italian nuns will be ster ping out in Rome on the week singers, sometimes flown in end in a specially choreogra phed rap session designed get young people interested Christianity, the newspaper Messaggero reported Monda To prepare for the event, s.

Daughters of Mary Help Mortal participants also Christians have been take lessons in the jerky, spok word pop style from professi als such as B-nario and La P-As well as boosting th street credibility, the n

say rap seems like an ex cut by some 20 percent to 30 and auction pay for food that younger generation.