



1. Please provide information about the ‘Century Bank’ scandal and what flow-on effect(s) it had on the broader community?

The Century Bank (Bank Century) scandal was when that bank was bailed out by the Indonesian central bank during the global financial crisis in 2008. The amount of money used for the bail out, however, mysteriously increased tenfold and involved two key ministers of President Yudhoyono’s cabinet. Sources indicate that the flow-on effects from the bail out scandal are political and financial. No information was found associating the Bank Century scandal with the ethnic Chinese community in Indonesia.

BBC News reported that Bank Century, a small Indonesian lender, was bailed out by the Indonesian central bank during the global financial crisis in 2008. Indonesia’s Finance Minister Sri Mulyani Indrawati and Vice President Boediono, key members of President Susilo Bambang Yudhoyono’s cabinet, handled the bail out and are at the centre of misconduct allegations.¹ According to a *Sydney Morning Herald* news article the bank collapsed because of embezzlement and the bail out amount mysteriously increased tenfold.² It is alleged that after the bail out many of the bank’s wealthy clients donated money to the president’s election campaign. The president, vice president and finance minister have denied any wrongdoing.³ On 4 March 2010 the Indonesian parliament voted for a criminal investigation of Indrawati and Boediono, although the president is not legally required to take any action on the vote.⁴

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President Yudhoyono has stated that the decision to bail out Bank Century prevented the banking sector collapsing⁵ and that the allegations are a ploy to overthrow him.⁶ Two parties allied to Yudhoyono, Golkar and the Prosperous Justice Party (PKS), changed sides and agreed with the majority of parties that legal violations and probable corruption

¹ Vaswani, Karishma 2009, ‘Indonesia battles with widespread corruption’, *BBC News*, 9 December <http://news.bbc.co.uk/2/hi/8402212.stm> – Accessed 26 March 2010 – Attachment 1.

² Allard, Tom 2010, ‘Bailout debate turns into melee in Parliament’, *Sydney Morning Herald*, 3 March <http://www.smh.com.au/world/bailout-debate-turns-into-melee-in-parliament-20100302-pgcz.html> – Accessed 26 March 2010 – Attachment 2.

³ Vaswani, Karishma 2009, ‘Indonesia battles with widespread corruption’, *BBC News*, 9 December <http://news.bbc.co.uk/2/hi/8402212.stm> – Accessed 26 March 2010 – Attachment 1.

⁴ ‘Indonesia president defends bank bailout ministers’ 2010, *BBC News*, 4 March <http://news.bbc.co.uk/2/hi/8548811.stm> – Accessed 26 March 2010 – Attachment 3.

⁵ ‘Protests greet Indonesia Bank Century hearing’ 2010, *BBC News*, 2 March <http://news.bbc.co.uk/2/hi/8545036.stm> – Accessed 26 March 2010 – Attachment 4.

⁶ Vaswani, Karishma 2009, ‘Indonesia battles with widespread corruption’, *BBC News*, 9 December <http://news.bbc.co.uk/2/hi/8402212.stm> – Accessed 26 March 2010 – Attachment 1.

were involved in the bail out.⁷ The scandal has reportedly “transfixed” Indonesians⁸ and there have been demonstrations both protesting against and supporting the bailout⁹.

Financial commentators have stated that the Bank Century case is the “latest battleground in a war between reformers and traditional business elites that will decide the fate of two key pro-market allies of the president”.¹⁰ They write:

The outcome of this particular battle is crucial for foreign investors and Indonesians alike when it comes to pushing ahead with much-needed reforms and generating a faster pace of growth in southeast Asia’s biggest economy.¹¹

Another business source also raised concerns of a possible negative spill-over onto the local political scene and economic policy.¹²

2. Is there evidence that the Police would not assist in relation to reports of domestic violence within a marriage because the complainant is (a) Chinese/Buddhist or (b) a woman?

(a) Being Chinese/Buddhist

No information was found in relation to police assisting, or not assisting, Chinese/Buddhist women in domestic violence cases.

(b) Women

A range of sources, including government, NGOs and media, indicate that police are able to assist women who report domestic violence through special crisis rooms and women’s desks. There are concerns raised, however, at the adequacy of police training and the level of qualified personnel and resources available for these programmes. Corruption and bribery could also be a factor in police providing assistance in domestic violence cases. Under Indonesian law domestic violence, and other forms violence against women, is prohibited, although social pressures force many women not to report that violence.

Police operate “special crisis rooms” or “women’s desks” at which female officers receive criminal reports from female and child victims of sexual assault and trafficking and the victims are found temporary shelter.¹³ Amnesty International reported, however, that “women’s police desks, although a positive initiative, need to be further promoted

⁷ Allard, Tom 2010, ‘Bailout debate turns into melee in Parliament’, *Sydney Morning Herald*, 3 March <http://www.smh.com.au/world/bailout-debate-turns-into-melee-in-parliament-20100302-pgcz.html> – Accessed 26 March 2010 – Attachment 2.

⁸ Vaswani, Karishma 2009, ‘Indonesia battles with widespread corruption’, *BBC News*, 9 December <http://news.bbc.co.uk/2/hi/8402212.stm> – Accessed 26 March 2010 – Attachment 1.

⁹ Widhiarto, Hasyim 2010, ‘Police nip violence in the bud as protests over Century drag on’, *The Jakarta Post*, 4 March <http://www.thejakartapost.com/news/2010/03/04/police-nip-violence-bud-protests-over-century-drag.html> – Accessed 26 March 2010 – Attachment 5; ‘Protests greet Indonesia Bank Century hearing’ 2010, *BBC News*, 2 March <http://news.bbc.co.uk/2/hi/8545036.stm> – Accessed 26 March 2010 – Attachment 4; ‘Indonesia protest over corruption’ 2010, *BBC News*, 28 January <http://news.bbc.co.uk/2/low/asia-pacific/8484822.stm> – Accessed 26 March 2010 – Attachment 6.

¹⁰ Webb, Sara and Creagh, Sunanda 2010, ‘Indonesian reform fought on Bank Century battlefield’, *Reuters*, 1 March, Yahoo! Finance India website <http://in.biz.yahoo.com/100301/137/bav5rz.html> – Accessed 26 March 2010 – Attachment 7.

¹¹ Webb, Sara and Creagh, Sunanda 2010, ‘Indonesian reform fought on Bank Century battlefield’, *Reuters*, 1 March, Yahoo! Finance India website <http://in.biz.yahoo.com/100301/137/bav5rz.html> – Accessed 26 March 2010 – Attachment 7.

¹² ‘Implications Of Bank Century Bailout’ 2010, *Business Monitor Online*, 19 January <http://www.allbusiness.com/economy-economic-indicators/economic-conditions-growth/13745497-1.html> – Accessed 26 March 2010 – Attachment 8.

¹³ US Department of State 2010, ‘Women’ in *Country Reports on Human Rights Practices for 2009 – Indonesia*, 11 March – Attachment 9; Amnesty International 2009, *Unfinished Business: Police accountability in Indonesia*, AI Index 21/013/2009, June, p.33 – Attachment 10.

including amongst poor and marginalised communities to ensure that women and children victims of crimes know about the services available and feel comfortable using them.” In addition, Amnesty International stated that qualified police personnel and resources are lacking at the district and subsidiary levels.¹⁴

Similar concerns were raised by the Indonesian Working Group on the Advocacy Against Torture (WGAT) in 2008:

In order to improve the protection and respect for victims of domestic violence, all cases related to domestic violence shall be handled by Special Service Room/ Special Service Centre mechanisms at police stations as provided by Article 13 point (a) of Law no 23 Year 2004. Through this unit, police investigators (usually are women) are specifically equipped with investigation method which is gender sensitive, especially to deal with the victims. However, these two mechanisms are not available at the lowest level of the police, namely Police Sector. Moreover, financial problems have hampered the work of these mechanisms.¹⁵

More generally on police, the US State Department has reported that police impunity and corruption is a problem in some areas. Bribes, ranging from minor amounts in traffic cases to large sums in criminal cases, were commonly sought by police.¹⁶ Thus corruption and bribery could be a factor in police providing assistance in domestic violence cases.

Amnesty International reported that the Indonesian Criminal Code specifically prohibits a number of violent acts against women. In 2004 the *Law on Domestic Violence of 2004 (Law No. 23/2004)* was introduced which improved on the provisions in the Criminal Code on violence against women.¹⁷

In 2007 the Canadian Immigration and Refugee Board noted different interpretations of the laws by law enforcement agencies:

The Chairwoman of Indonesia’s National Commission on Violence Against Women, cited in a 16 April 2006 *Jakarta Post* article, indicated that the country’s legal and law enforcement institutions have different interpretations of the domestic violence law regarding what constitutes domestic violence and the type of evidence that can be presented before the courts. A 9 March 2005 *Jakarta Post* article similarly notes that many law enforcement officials are still unfamiliar with the domestic violence law...¹⁸

More recent news articles report police being trained on dealing with domestic violence¹⁹, what action to take against perpetrators of the violence²⁰ as well as joining in women’s empowerment forums²¹.

¹⁴ Amnesty International 2009, *Unfinished Business: Police accountability in Indonesia*, AI Index 21/013/2009, June, p.33 – Attachment 10.

¹⁵ Indonesian Working Group on the Advocacy Against Torture 2008, *Shadow Report Prepared for the UN Committee against Torture in connection to its review of Indonesia’s Second Periodic Report under the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment*, Association for the Prevention of Torture website, May, p.35 <http://www.ap.t.ch/region/asiapacific/ShadowReportWGAT.pdf> – Accessed 19 February 2010 – Attachment 11.

¹⁶ US Department of State 2010, *Role of the Police and Security Apparatus*, in *Country Reports on Human Rights Practices for 2009 – Indonesia*, 11 March – Attachment 9.

¹⁷ Amnesty International 2009, *Unfinished Business: Police accountability in Indonesia*, AI Index 21/013/2009, June, p.32 – Attachment 10.

¹⁸ Immigration and Refugee Board of Canada 2007, *IDN102179.E – Indonesia: Protection, services and legal recourse available to women who are victims of domestic violence (2005-2006)*, 15 February <http://www.unhcr.org/refworld/docid/47d65457c.html> – Accessed 19 February 2010 – Attachment 12.

¹⁹ ‘Government devises new strategy to tackle silent epidemic’ 2009, *The Jakarta Post*, 22 August – Attachment 13; Sertori, Trisha 2010, ‘Domestic violence is a war zone’, *The Jakarta Post*, 9 March – Attachment 14.

²⁰ ‘Government devises new strategy to tackle silent epidemic’ 2009, *The Jakarta Post*, 22 August – Attachment 13.

The US State Department also noted that social pressures force many women not to report domestic violence.²² A December 2009 *Jakarta Post* news article stated that under the law “a woman claiming to have been physically abused must first report the case to the police.”²³ According to the news article Rita Serena Kolibonso, the head of a local women’s crisis centre, stated on the reluctance of women to report domestic violence:

“In Indonesia, many women think twice about reporting domestic violence,” Rita told *The Jakarta Post* on Tuesday.

“Besides the physical threat they face from their perpetrator husband, most of them are also cowed by society’s cynical perception of divorcees.”²⁴

Having regard to the above information there are avenues available for women in Indonesia to seek police assistance in domestic violence cases. Any action taken by the police, however, is restricted by inadequate training, resourcing and the possible influence of corruption and bribery.

Attachments

1. Vaswani, Karishma 2009, ‘Indonesia battles with widespread corruption’, *BBC News*, 9 December <http://news.bbc.co.uk/2/hi/8402212.stm> – Accessed 26 March 2010.
2. Allard, Tom 2010, ‘Bailout debate turns into melee in Parliament’, *Sydney Morning Herald*, 3 March <http://www.smh.com.au/world/bailout-debate-turns-into-melee-in-parliament-20100302-pgcz.html> – Accessed 26 March 2010.
3. ‘Indonesia president defends bank bailout ministers’ 2010, *BBC News*, 4 March <http://news.bbc.co.uk/2/hi/8548811.stm> – Accessed 26 March 2010.
4. ‘Protests greet Indonesia Bank Century hearing’ 2010, *BBC News*, 2 March <http://news.bbc.co.uk/2/hi/8545036.stm> – Accessed 26 March 2010.
5. Widhiarto, Hasyim 2010, ‘Police nip violence in the bud as protests over Century drag on’, *The Jakarta Post*, 4 March <http://www.thejakartapost.com/news/2010/03/04/police-nip-violence-bud-protests-over-century-drag.html> – Accessed 26 March 2010.
6. ‘Indonesia protest over corruption’ 2010, *BBC News*, 28 January <http://news.bbc.co.uk/2/low/asia-pacific/8484822.stm> – Accessed 26 March 2010.
7. Webb, Sara and Creagh, Sunanda 2010, ‘Indonesian reform fought on Bank Century battlefield’, *Reuters*, 1 March, Yahoo! Finance India website <http://in.biz.yahoo.com/100301/137/bav5rz.html> – Accessed 26 March 2010.
8. ‘Implications Of Bank Century Bailout’ 2010, *Business Monitor Online*, 19 January <http://www.allbusiness.com/economy-economic-indicators/economic-conditions-growth/13745497-1.html> – Accessed 26 March 2010.

²¹ Asrianti, Tifa 2009, ‘Turning harassment into empowerment’, *The Jakarta Post*, 14 June – Attachment 15.

²² US Department of State 2010, ‘Women’ in *Country Reports on Human Rights Practices for 2009 – Indonesia*, 11 March – Attachment 9.

²³ Widhiarto, Hasyim 2009, ‘Roll out free exams to boost violence reporting, says NGO’, *Jakarta Post*, 23 December <http://www.thejakartapost.com/news/2009/12/23/roll-out-free-exams-boost-violence-reporting-says-ngo.html> – Accessed 19 February 2010 – Attachment 16.

²⁴ Widhiarto, Hasyim 2009, ‘Roll out free exams to boost violence reporting, says NGO’, *Jakarta Post*, 23 December <http://www.thejakartapost.com/news/2009/12/23/roll-out-free-exams-boost-violence-reporting-says-ngo.html> – Accessed 19 February 2010 – Attachment 16.

9. US Department of State 2010, *Country Reports on Human Rights Practices for 2009 – Indonesia*, 11 March.
10. Amnesty International 2009, *Unfinished Business: Police accountability in Indonesia*, AI Index 21/013/2009, June, pp.30-36.
11. Indonesian Working Group on the Advocacy Against Torture 2008, *Shadow Report Prepared for the UN Committee against Torture in connection to its review of Indonesia's Second Periodic Report under the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment*, Association for the Prevention of Torture website, May <http://www.ap.t.ch/region/asiapacific/ShadowReportWGAT.pdf> – Accessed 19 February 2010.
12. Immigration and Refugee Board of Canada 2007, *IDN102179.E – Indonesia: Protection, services and legal recourse available to women who are victims of domestic violence (2005-2006)*, 15 February <http://www.unhcr.org/refworld/docid/47d65457c.html> – Accessed 19 February 2010.
13. 'Government devises new strategy to tackle silent epidemic' 2009, *The Jakarta Post*, 22 August. (FACTIVA)
14. Sertori, Trisha 2010, 'Domestic violence is a war zone', *The Jakarta Post*, 9 March. (FACTIVA)
15. Asrianti, Tifa 2009, 'Turning harassment into empowerment', *The Jakarta Post*, 14 June. (FACTIVA)
16. Widhiarto, Hasyim 2009, 'Roll out free exams to boost violence reporting, says NGO', *Jakarta Post*, 23 December <http://www.thejakartapost.com/news/2009/12/23/roll-out-free-exams-boost-violence-reporting-says-ngo.html> – Accessed 19 February 2010.