

## CASE STUDIES OF MID-PEACE COUNTRIES

Using the most recent data available on the PPI, this section provides case studies of two countries, Timor-Leste and Indonesia, that have shown sustained improvements in *Well-Functioning Government* and *Low Levels of Corruption*. The countries are not without ongoing challenges, and in fact Indonesia has seen a decline in its ranking within the Global Peace Index in recent years likely because of increasing *group grievances* in the country. Timor-Leste has seen a significant increase in its youth not employed in education, employment or training (NEET), which in other countries has impacted levels of peace over the long term.

However, given the infrequency of sustained improvements in *Well-Functioning Government* and *Low Levels of Corruption* in mid-peace countries over the PPI's history, they have been selected to provide examples of strategies that have been used to improve in these two measures.

Over the period, Timor-Leste had 10 and 12 years of improvement in the *Well-Functioning Government* and *Low Levels of Corruption* Pillars respectively. Figure 4.11 shows that these improvements coincide with many other improvements in the PPI Indicators.

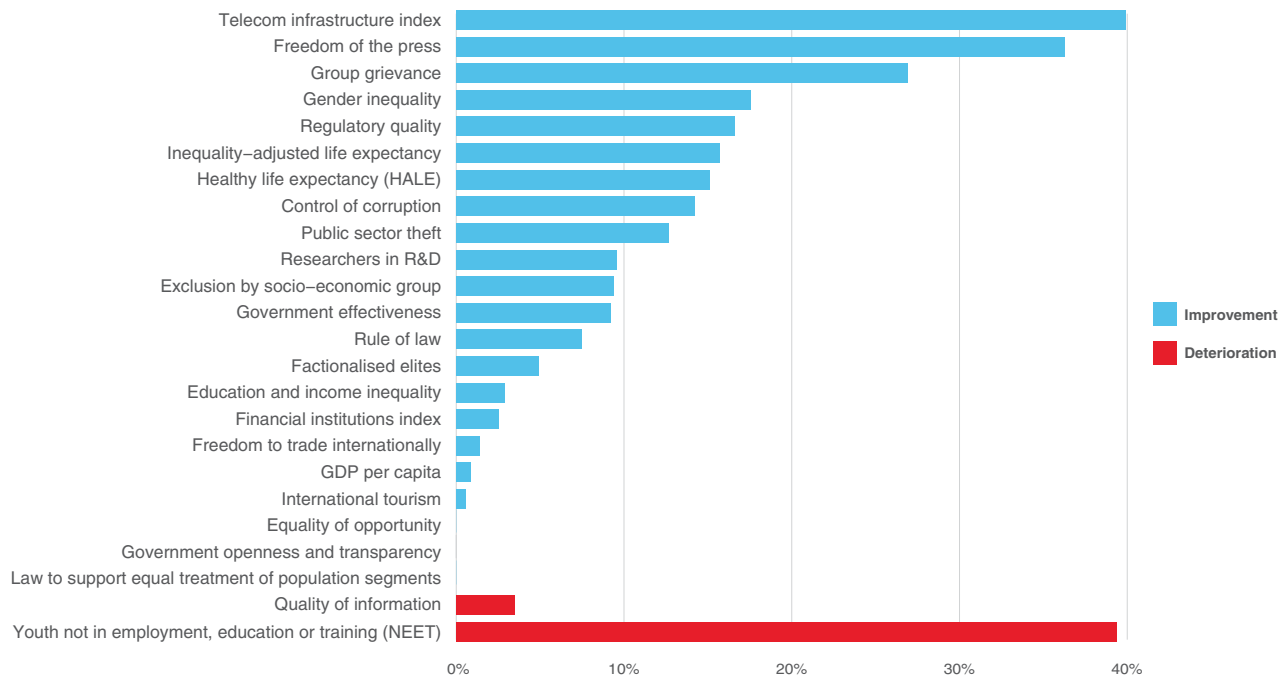
### Timor-Leste, general improvements in PPI and internal peace performance\*

Change in Overall PPI Score, 2009–2023:	Change in PPI Ranking, 2009–2023:	Change in Internal Peace Score, 2009–2023:	Change in Internal Peace Ranking, 2009–2023:
-0.34	19	-0.05	12
from 3.61 to 3.27	from 104 to 85	from 2.19 to 2.14	from 69 to 57

FIGURE 4.11

#### Change in PPI indicators in Timor-Leste, 2009–2023\*

The telecom infrastructure index indicator recorded the largest improvement, followed by the freedom of the press and group grievance indicators..



Source: IEP

(\* for this case study on Timor-Leste, the figures are updated to include 2023 data)

Positive Peace in Timor-Leste improved by over nine per cent from 2009 to 2023. Alongside significant gains in *telecom infrastructure index*—a global trend during this period—Timor-Leste saw substantial progress in *freedom of the press*, improving by more than 36 per cent. It has contributed to a marked improvement in the *Free Flow of Information Pillar*. The Pillar has improved by 29 per cent over the past 15 years.

Improvement in *freedom of the press* can be attributed to targeted initiatives, including the enactment of the Social Communication Law, which has ensured media independence and professional secrecy, and the establishment of the Press Council of Timor-Leste to uphold media ethics and accountability.<sup>3</sup> Constitutional protections for freedom of expression and support from UNESCO for media self-regulation, such as creating a code of ethics, have further strengthened the media landscape. These efforts, alongside increased training for journalists and open dialogue, have fostered a freer and more resilient press in Timor-Leste.

The country also made significant strides in addressing various forms of societal inequality, with *group grievances*, *gender inequality*, and *inequality-adjusted life expectancy* all improving by over 15 per cent. Historically, group grievances in Timor-Leste have stemmed from the struggle for independence. Socio-economic disparities, land disputes, and gender inequality further deepened tensions among groups.<sup>4</sup> To address this, Timor-Leste developed and implemented initiatives like the Commission for Reception, Truth, and Reconciliation to heal past divisions, the Resilience and Social Cohesion Project to strengthen peacebuilding, and traditional conflict resolution mechanisms like Nahe Biti Bo'ot to foster dialogue.<sup>5</sup>

*Gender inequality* in Timor-Leste has been addressed through the National Action Plan on Gender-Based Violence, which focuses on preventing and responding to violence against women and girls. Furthermore, the "Together for Equality" program, funded by the South Korean aid agency, KOICA, and implemented with UN agencies, enhances women's access to services and promotes gender equality. These programs and initiatives have resulted in an 18 per cent improvement in the *gender inequality* indicator in Timor-Leste. Lastly, the establishment of the National Health Sector Strategic Plan 2011-2030 and the implementation of community-based health programs have helped improve healthcare accessibility and quality in Timor-Leste since 2011.<sup>6</sup> As a result, *inequality adjusted life expectancy* has improved by 16 per cent in Timor-Leste in the 2009-2023 period.

Despite these improvements in Positive Peace indicators, Timor-Leste continues to face significant challenges with youth unemployment. The *youth not in employment education or training (NEET)* indicator deteriorated by close to 40 per cent over the past 15 years. The youth unemployment rate has risen sharply, increasing by over 10 percentage points from under 20% in 2009 to over 30% in 2023. This persistent issue stems from limited job opportunities and rapid population growth, which hinder economic inclusion for young people. While progress has been made in education and skill development, many youths still encounter structural barriers to employment, including a weak private sector and heavy reliance on the public sector. As NEET is believed to be a leading indicator for conflict, Timor-Leste will need to focus on addressing this to ensure continued increases in peace.<sup>7</sup>

## Focus improvement: tackling corruption in Timor-Leste

Corruption has been steadily declining in Timor-Leste over the past 15 years. *Control of corruption* and *public sector theft*, two indicators of the *Low Levels of Corruption Pillar*, improved by more than 10 per cent over the 2009-2023 period, leading to a 10 per cent overall improvement in the *Low Levels of Corruption Pillar* in Timor-Leste. The Improvements were achieved through institutional reforms, legal enhancements, and civil society involvement.

Recognising that corruption undermines governance and public trust, the country has taken a comprehensive approach to tackle it. A critical step was the establishment of the Anti-Corruption Commission (CAC) in 2010, which has investigated and prosecuted corruption at various levels of government. Supported by international bodies like the United Nations Office on Drugs and Crime (UNODC), the CAC has steadily increased its investigative capacity, strengthening its role in addressing financial misconduct and reinforcing the government's commitment to transparency and accountability.<sup>8</sup> Timor-Leste's anti-corruption drive is further supported by legal reforms targeting transparency in public finance. New anti-corruption laws have introduced stricter regulations for public spending and procurement processes, which were previously prone to mismanagement. These reforms, supported by the Asian Development Bank (ADB), have standardised procurement and budget oversight, contributing to more effective governance and reducing opportunities for misuse of public funds.<sup>9</sup>

Civil society organisations have also played a pivotal role in promoting accountability and public awareness. Through educational campaigns, these groups have empowered citizens to demand integrity from leaders, fostering a culture of accountability that underpins long-term governance reform.<sup>10</sup> Additionally, local NGOs, such as La'o Hamutuk, have encouraged public participation in budget discussions and fiscal transparency, providing a channel for citizens to engage with governance processes directly.<sup>11</sup> Media coverage has further strengthened Timor-Leste's anti-corruption efforts. Investigative reporting on government activities has helped expose corruption cases, contributing to an environment where misconduct is increasingly met with public scrutiny, making it harder for corrupt practices to thrive.<sup>10</sup> Despite ongoing challenges, Timor-Leste's coordinated approach—leveraging institutional reform, legal action, civil society, and media—has laid a foundation for continued progress in transparency and accountability.

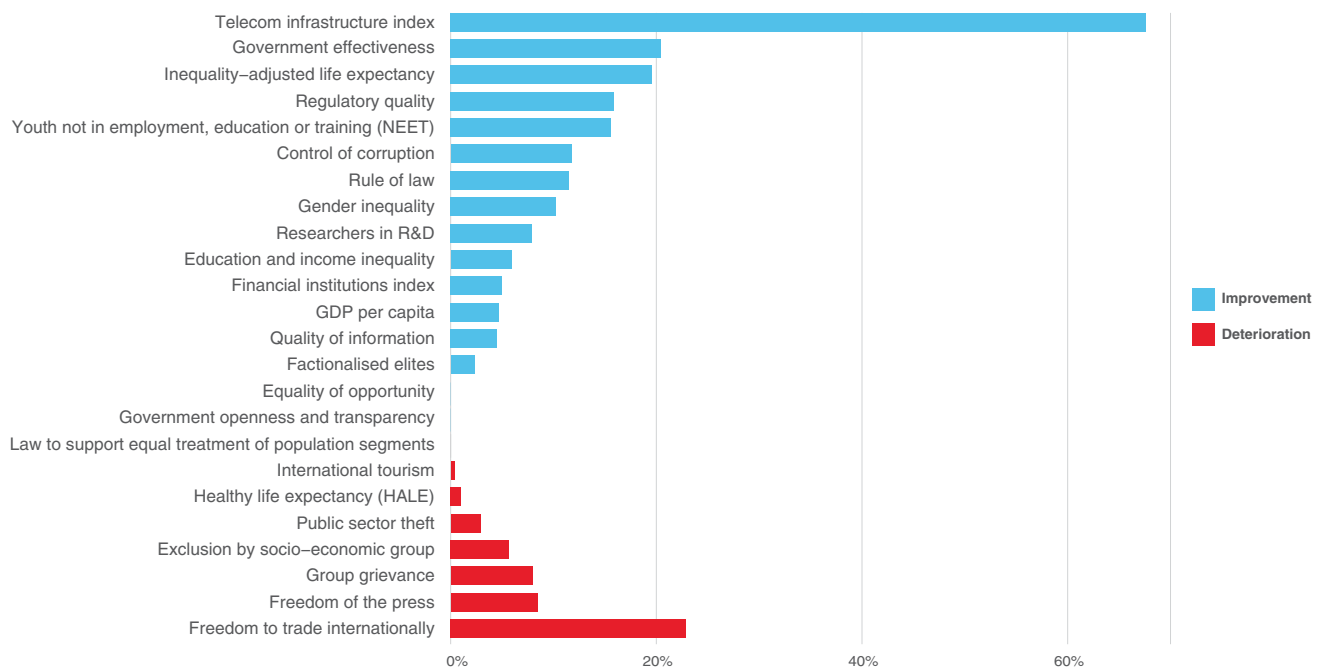
# Indonesia, general improvements in PPI and internal peace performance\*

Change in Overall PPI Score, 2009–2023	Change in PPI Ranking, 2009–2023	Change in Internal Peace Score, 2009–2023	Change in Internal Peace Ranking, 2009–2023
-0.25	27	0.08	8
from 3.50 to 3.25	from 97 to 70	from 1.92 to 2.00	from 40 to 48

FIGURE 4.12

## Change in PPI indicators in Indonesia, 2009–2023\*

Besides Telecom infrastructure index, Government effectiveness and Inequality-adjusted life expectancy recorded the largest improvements in Indonesia between 2009 and 2023.



Source: IEP

(\* for this case study on Indonesia, the figures are updated to include 2023 data)

From a Positive Peace perspective (data in green on the left), Indonesia had 11 and 9 years of improvement in the *Well-Functioning Government* and *Low Levels of Corruption* respectively. Despite this, its level of peace according to the Global Peace Index has fallen since 2009 (data in red on the right), reflecting systemic issues remain a barrier to it becoming to a more peaceful country.

Indonesia has seen an improvement of seven per cent in Positive Peace from 2009 to 2023, driven by significant advancements in several indicators, particularly in *government effectiveness*, *inequality-adjusted life expectancy*, and *regulatory quality*. These improvements underscore a concerted effort by the Indonesian government to strengthen public institutions and create a more stable environment for its citizens. However, despite these strides, there are deep structural issues within the country that continue to hinder its overall progress and highlight the complexities behind its positive indicators.

Indonesia’s gain in *inequality-adjusted life expectancy* was a result of adopting and implementing a set of effective government policies and programs. Indonesia has implemented

the Jaminan Kesehatan Nasional (JKN), a universal health coverage program launched in 2014, aiming to provide comprehensive healthcare services to all citizens and reduce disparities in health outcomes. Additionally, the government has increased mandatory health spending since 2009, leading to improved primary care functions, reduced out-of-pocket expenditures, and enhanced maternal and child health outcomes.<sup>12</sup>

Indonesia's fight against corruption, led by the Corruption Eradication Commission (KPK), has contributed to a significant reduction in corruption levels. High-profile investigations have enhanced public trust in government, signalling a commitment to addressing systemic corruption.<sup>13, 14</sup> Despite these efforts, corruption remains entrenched at the local level, where regional power structures and weak enforcement continue to undermine progress. This persistent issue highlights the limits of national efforts to combat corruption, as local networks and entrenched interests often evade accountability.

However, press freedom has faced significant setbacks, with an increase in violence against journalists and growing digital censorship.<sup>15</sup> In 2023, Indonesia experienced the highest number of attacks on journalists in a decade, driven by political interference and restrictive legislation.<sup>16, 17</sup> This decline in *freedom of the press* is a troubling indicator of the erosion of democratic norms and an attempt to suppress dissent and critical reporting. The Indonesian media landscape remains dominated by corporate interests, and legal protections for journalists are insufficient, leaving the media vulnerable to political manipulation.

Social divisions and rising group grievances remain another significant obstacle to stability. In recent years, religious and political divisions have deepened, exacerbating societal tensions. These divisions have contributed to a deterioration in *group grievances*, which worsened by nearly 8 per cent from 2009 to 2023. The rise of identity politics and the growing influence of conservative religious groups have contributed to violence against minority communities, further fragmenting society and undermining social cohesion.<sup>18, 19</sup> Excessive force has been used to break up peaceful demonstrations and military operations in Papua have resulted in serious human rights abuses.<sup>20</sup>

The economy remains heavily reliant on the export of raw materials, while sectors like R&D and value-added production stagnate. While there are some exceptions, such as the innovative Gojek system, the broader economic structure continues to mirror that of a colonial economy, with low technological advancement or industrial development.<sup>21, 22</sup> This lack of innovation places Indonesia at a disadvantage in the global market, limiting its ability to leverage its potential for long-term economic growth.

Despite these challenges, Indonesia has managed to reduce youth unemployment through programs aimed at improving skills and vocational training, with youth unemployment declining from 27% to 21% over the 2009-2023 period. While this is a positive development, the pressure which continued economic uncertainty places on its political system will only increase, making it harder to sustain the positive trends achieved in recent years.

## Progress in well-functioning government in Indonesia

Over the past decade, Indonesia has made significant strides in improving the *Well-Functioning Government* Pillar through comprehensive reforms that have enhanced the efficiency and accountability of its public institutions.

One of the central advancements has been the digitalisation of public services and the streamlining of bureaucratic processes, which have reduced inefficiencies and made government services more accessible for citizens. By simplifying administrative procedures and implementing online services, the government has made it easier for individuals and businesses to interact with public institutions, improving service delivery.<sup>23</sup> Indonesia has also made substantial progress in strengthening the rule of law, a critical component of effective governance. Judicial institutions have been reinforced, and legal frameworks aimed at combating corruption have been bolstered.

Transparency has seen notable improvements as well, with the adoption of open government initiatives that have increased public access to data and information. Through initiatives such as the Open Government Indonesia (OGI) program, the government has provided citizens with greater access to information on public spending, policy decisions, and institutional performance. This transparency enables the public to hold officials accountable, fostering a more participatory approach to governance.<sup>23</sup> Furthermore, Indonesia has strengthened mechanisms for public participation and oversight, empowering citizens to play a more active role in governance. New avenues for citizen engagement, such as online platforms for feedback and grievance redressal, have been established, allowing for more inclusive decision-making processes. This shift has helped cultivate a culture of accountability and transparency within the country's governance structures.<sup>24</sup>