

Reformasi Reloaded?

Implications of Indonesia's 2014 Elections

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For the third time since the end of the authoritarian Suharto regime the Indonesian people have directly elected their president. The victory of Joko Widodo ("Jokowi"), a self-made businessman from modest upbringings, has spurred hopes for a renewal of Indonesia's reform (reformasi) process, which had for the most part lain dormant during the second term of his predecessor Susilo Bambang Yudhoyono ("SBY"). While the new government has raised high expectations for swift reforms amongst its supporters, it faces a range of imminent challenges. An ailing state budget, bureaucratic red tape, dated infrastructure, as well as reforms in the fields of health care and education are but some of the policy fields that warrant quick action. The first reality check for Jokowi's reform policies will be in parliament, where his coalition currently holds a mere 38 percent of the seats. With regard to Jokowi's strong focus on domestic affairs and his lack of experience in foreign affairs, it is also to be expected that Indonesia will play a less active role in the region in the next couple of years.

Before his nomination as presidential candidate of the PDI-P (Indonesia Democratic Party of Struggle), Jokowi led across the board by a margin of up to 27 percent. So the extraordinarily narrow final result, 53.15 percent for Jokowi and 46.85 percent for Prabowo Subianto, took many observers by surprise.

The Election Campaign and the Results

The results led the loser, former general Prabowo, to declare the election results illegal and to contest them before Indonesia's constitutional court. The lack of

evidence provided by Prabowo for the alleged systematic fraud and vote-buying during the elections, however, makes an annulment very unlikely. The tight outcome needs to be seen against a number of mistakes during the campaign. First of all, Jokowi's late nomination in March 2014 and an ill-organized campaign that was not geared to its prominent candidate, significantly reduced Jokowi's impact on the parliamentary elections in April. Consequently, the PDI-P, while the strongest party in parliament with 19 percent of the votes, failed to win the 25 percent required to field its own presidential candidate. Instead it had to form a coalition with other

Table
Results of Indonesia's parliamentary
elections, 9 April 2014

Party	Number of seats	Percentage of votes (%)
PDI-P	109	18.95
PKB	49	9.04
NasDem	39	6.72
Hanura	16	5.26
Jokowi-led coalition (total)	213	39.97
Gerindra	73	11.81
Golkar	91	14.75
PAN	47	7.59
PKS	40	6.79
PPP	35	6.53
PD	61	10.19
Prabowo-led coalition (total)	347	57.66
Other parties	0	2.37
Total	560	100.00

Source: International Foundation for Electoral Systems, *Election Guide Indonesia*, <http://www.electionguide.org/elections/id/2398/?PageSpeed=noscript> (accessed 7 July 2014).

parties to enable Jokowi to run for the presidency. Jokowi formed his coalition with the newly established NasDem (which arose out of a civil society organization), the moderate Islamic PKB, and the nationalist Hanura. Prabowo's coalition consisted of his own ultra-nationalist Gerindra, Golkar, the PD, and three Islamic parties: PAN, PPP, and PKS.

After the parliamentary elections Jokowi's lead of more than 20 percent dropped to about 3 percent within a few months. Amidst a concerted smear campaign launched by Prabowo, accusing Jokowi of being a Christian, a Communist, or of Chinese descent, an often unprofessionally run campaign saw support for Jokowi halve within the space of a few weeks. Additionally, Jokowi's lack of a clear agenda, and his diffidence towards Prabowo's often strident demands, drove

voters into his opponents' camp. Moreover, Jokowi's seemingly tame and inert style had many Indonesians doubt his leadership as well as his political experience.

Generally the election campaign was dominated less by diverging agendas or political controversies, and more by the polarizing personas of the two contenders. On the one hand Prabowo, a former general from a wealthy business family with close ties to the Suharto regime, who campaigned for a return to a stronger state and a roll-back of "messy" democratic reforms. On the other hand Jokowi, a self-made businessman from a poor background who only entered politics after the fall of Suharto and is widely viewed by his supporters as a new type of a "clean" politician close to the people.

Because of the stark contrasts between the two candidates, the election results have come to symbolize a break with Indonesia's traditional politics of "KKN" (Korupsi, Kolusi, Nepotisme – corruption, collusion, and nepotism) and the opening of Indonesian politics. More so, Jokowi's victory – despite an election campaign which showcased very little difference in substance between the candidates – is regarded by many as the continuation of Indonesia's reform process (*reformasi*).

Jokowi's Political Agenda

The campaign period provides little insight into Jokowi's political state of mind. Drawing inferences from interviews, speeches, press conference remarks, and other public communications it can be argued that Jokowi's general political agenda shows some proximity to the ideas of Sukarno, founder of the Indonesian republic. In that vein he stressed national unity and the cooperation of all social groups, favored collectivist economic ideas, and voiced criticism of Western, liberal individualism. The strong emphasis on national sovereignty and the territorial integrity of the Indonesian state also reflects Sukarnoist thinking. Jokowi's Sukarnoism, however, is coupled

with a bottom-up understanding of state-society relations, in which national development is driven by the people (and thus less by the state), which in turn accentuates the need for constant interaction between state elites and civil society. Out of this a number of still very general political objectives have emerged: to reduce Indonesia's dependence on foreign investments and locate more of the value chain in Indonesia; to strengthen the military as the guardian of Indonesia's territorial integrity and security; and to give greater emphasis in education to Indonesian values and religious morals in education. Jokowi differs from Sukarno in the path he proposes to achieve these objectives, emphasizing the need for a mental revolution amongst fellow Indonesians rather than calling for vast social transformations. Inherent to his *revolusi mental* (mental revolution) is a sharp critique of Indonesia's corrupt, inefficient ruling class. Public servants should be free from any corruption, accountable, and hired on the basis of their expertise and merit, rather than their party affiliation or access to patronage networks. All of these general tenets are reflected in Jokowi's nine-point-plan.

Domestic Implications

The two main themes of Jokowi's election campaign were Indonesia *pintar* (smart Indonesia) and Indonesia *sehat* (healthy Indonesia). Given the popularity of these themes amongst ordinary Indonesians, and the experience Jokowi gained in earlier posts in these two policy fields, this came as little surprise. Indonesia *pintar* calls for a significant increase in the education budget in order to provide all Indonesian children with free schooling. Furthermore, Islamic *pesantren* (boarding schools) are to receive increased state funding, teacher training is to be improved, and teachers' salaries are to be raised. In a similar manner Indonesia *sehat* aims to provide universal health care to all citizens by modernizing hospitals and

community health centers and providing free inpatient and outpatient services.

However, the realization of both policies rests on the availability of funding. The new expenditures are to be financed by cutting the extraordinary high fuel subsidies, which currently account for a quarter of the state budget, and by boosting the economy, which is showing its slowest growth rates in five years. Plans to boost economic growth are based on strengthening the manufacturing sector, modernizing infrastructure, and cutting red tape. Jokowi needs to secure support for his policies in parliament in order to facilitate rapid implementation. The presently adverse circumstances in parliament, where the coalition led by Prabowo currently holds almost 60 percent of the seats, could turn out to be a stumbling block for Jokowi's reforms. Some efforts have been made to logroll other parties, especially the deeply divided Golkar party, into joining Jokowi's coalition. The horse trading for prominent posts in the cabinet and bureaucracy, however, is likely to put his earlier commitments to non-transactional politics to the test. It seems certain that Jokowi will have to accommodate the demands of potential new coalition partners as his coalition for the time being holds only about 40 percent of seats in parliament.

Another important factor is the relationship between the president and the leadership of his PDI-P party. Jokowi's power base in the party has traditionally been weak. He showed little interest in becoming involved in internal politicking during his tenures as mayor of Solo and governor of Jakarta. He also has been rather detached from the party power center around former Indonesian president and PDI-P chair Megawati Sukarnoputri. His rapid rise from outside the party ranks to president has thus earned him many enviers within his own party. His future maneuvering is therefore also dependent on his ability to secure ongoing backing by the PDI-P grandees.

Foreign Policy under Jokowi

So far Jokowi has had little experience in foreign affairs, and international politics played no significant role in the election campaign either. Little is known regarding his views on key foreign policy issues such as relations with China, the United States or Australia, or Indonesia's role in ASEAN. He was also unable to define Indonesia's role in the territorial disputes in the South China Sea during a televised presidential debate. Bold proposals such as opening an Indonesian embassy in Palestine appeared more like pandering to voters than sound ideas on Indonesia's future foreign policies. He has, however, made it clear that diplomacy and negotiations are his preferred approaches to solving international disputes and that he does not intend to move away from the "million friends, zero enemies" paradigm established under his predecessor SBY. Demonstrations of protectionist credentials by both candidates during the election campaign, however, have had some investors worried. And to some extent such concerns appear vindicated, with Jokowi favoring more protectionist approaches in sectors such as natural resources, banking, and manufacturing. This could also affect aspects of global governance, such as climate protection, where Indonesia under Jokowi can be expected to be less cooperative than under his predecessor.

Jokowi is a dark horse in the field of security and defense, too. Despite having no military background himself, many of his advisors are military hardliners. This, and the campaign emphasis on safeguarding Indonesia's territorial integrity, suggests that Jakarta's security and defense policy (especially in areas perceived to be of importance to territorial integrity such as the Papua issue) will become more conservative than during SBY's tenure. Jokowi recently announced plans to raise the military budget to 1.5 percent of GDP, to purchase drones to improve surveillance of illegal fishing and logging activities, and to establish a national security council.

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The election of a self-made businessman from a working-class background and the defeat of a former army general with excellent connections to the wealthy elites can be interpreted as a sign of a gradual opening of Indonesian politics. From a European perspective, Jokowi's promise to revitalize crucial democratic reforms, rather than the return to the 1945 constitution envisaged by Prabowo, must be viewed as generally positive signs. Nonetheless Jokowi will not be able to fulfil hopes for a renewal of Indonesia's reform process solely by acting as a "man of the people." With strong opposition in parliament for the time being, Jokowi will be forced to tone down some of his idealistic policy objectives to make concessions to other parties. And unless the Indonesian state is able to significantly boost its budget a number of key reforms in the education and health care sectors will suffer from funding shortfalls. A recent drop in the prices of many of Indonesia's export commodities, crippling fuel subsidies, and endemic corruption represent further structural hurdles that warrant immediate attention. So far not much is known about what exactly Jokowi plans to do about many of these challenges.

High expectations with regard to Indonesia's foreign policy are misplaced, too. Jokowi's strong domestic agenda and emphasis on national sovereignty suggest that relations with Indonesia will not be trouble-free either.

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