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A 2014 Indonesian Election Primer

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In 2014 Indonesian voters will select a new government in a series of legislative and presidential elections. Susilo Bambang Yudhoyono (SBY), who has governed for 10 years, will be replaced. The presidential front-runner Joko Widodo, the popular governor of Jakarta, is a new face linked to neither the Suharto regime nor transition periods. Canadian business interests will want to monitor the ascension of actors sympathetic to economic nationalism

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On April 9, Indonesians will participate in a parliamentary election, the fourth free competition since the fall of the authoritarian Suharto regime in 1998. Susilo Bambang Yudhoyono (SBY), Indonesia's president since 2004, will finish his second full term later this year. Constitutional provisions prevent him from running again, which means there will be a transition of power. Under SBY's watch, a sense of stability was returned to Indonesian politics following the upheaval and drama of the post-Suharto transitional period. Since then, there have been no major constitutional crises and no non-democratic actors have emerged to overturn the system.

Yet challenges will await the new Indonesian president. An economic slowdown in China and new restrictions on the export of resources could hinder growth, forcing tough budgetary choices. Anti-corruption efforts will require new vision and energy. The task of maintaining stability in past and present conflict zones - from Aceh in the west to Papua in the east - will demand attention.

Furthermore, the next president will need to confront the continuing and evolving problem of religious vigilantes and aspiring terrorists.

The competition to succeed SBY underlines several important trends. First, the politician topping most polls – Jakarta Governor Joko Widodo (aka Jokowi) – is a new face, associated with neither the Suharto regime nor the Jakarta-based politics of transition era. Most past presidents and viable contenders over the years were inextricably linked to the tumultuous *reformasi* period, either as opposition figures, regime stalwarts, or high placed consensus builders. Jokowi is from a new era: he is a politician who made his name as a competent governor in Indonesia's decentralized state. His rise indicates a shift in how politicians build a national profile, namely by establishing a regional reputation before pursuing a high national position. The era of the celebrity general is giving way to the era of the celebrity governor.

Second, the focus on leadership underscores the evolution of the Indonesian electorate. Indonesia's first post-Suharto election in 1999 was hailed by some as a return to the politics of the 1950s, when voters lined up behind parties representing their particular *aliran*, or socio-religious stream.¹ But old attachments have clearly weakened. SBY was able to pick up votes from across the spectrum thanks to his image as an honest, capable leader. Jokowi appears poised to do the same, suggesting that voters have weak loyalties and are now strongly influenced by personality politics.² Even though voters remain religious, support for Muslim parties has waned. This is not to say that socio-religious politics are dead, but neither are they paramount.

Third, the hunger for a fresh face is another sign the country remains hobbled by systemic corruption. SBY's rise was bolstered by his ability to paint himself as an outsider fighting against a corrupt system. His message worked, and voters appreciated his early efforts to curb abuses by politicians. The system, however, caught up to SBY and his allies, and the president's party and his coalition partners are wracked by corruption scandals. The opposition parties are gaining in strength though are compromised in their own way. Unlike 2009, frustrated voters appear to want change in the form of a new hero capable of shaking up the system.

Election Rules and Timelines

¹ See: King, Dwight Y. 2003. *Half-Hearted Reform: Electoral Institutions and the Struggle for Democracy in Indonesia*. Westport: Praeger.

² See: Liddle, R. William, and S. Mujani. 2007. *Leadership, Party, and Religion: Explaining Voting Behavior in Indonesia*. *Comparative Political Studies* 40 (7): 832-857.

Indonesian elections are massive affairs, and the 2014 election season could last up to six months. The first contest will take place April 9, when voters will choose the nation's new crop of legislators. On that day, Indonesians will be able to cast four ballots: one each for national, provincial, and municipal (kabupaten/kota) level legislatures, and another for a national-level, non-partisan regional representative council.

Once the legislative elections have taken place, parties are able to nominate their presidential candidates. Candidates must be nominated by a party or coalition of parties that account for 20% of the legislative seats or 25% of the electoral vote. After the legislative votes have been counted, parties will explore coalition possibilities and will jockey to have their candidate nominated as a president or vice-president.

The first round of the presidential contest will take place July 9. For a presidential ticket to win a first-round victory, it must earn: 1) over 50% of the national vote; and 2) 20% of the vote in 50% of the country's provinces. SBY did accomplish a first-round victory in 2009, but it is unlikely the feat will be repeated in 2014 as no candidate has a profile as SBY's. In the event that no ticket wins a first-round victory, a run-off election between the top two tickets will be held in September.

The National Competition

Only 12 parties will be competing this year, down significantly from 38 in 2009. All but one ran in 2009, so the competitors have a record and an electoral history. Policy platforms in Indonesian elections tend to be vague and rarely receive attention. Instead, national parties promote their leaders, their records of accomplishments, and their claims to represent socio-religious traditions. For instance, the People's Conscience Party (Hanura), the Greater Indonesia Movement (Gerindra), and the National Democrats (NasDem) are all spin-offs of Golkar, Suharto's former party, and they all occupy a similar policy space. What distinguishes the parties is leadership: Hanura, Gerindra, and the NasDems are each synonymous with the political ambitions of their founders, Prabowo Subianto, Wiranto, and Surya Paloh respectively.

Indonesia's largest competitor, **The Democratic Party (PD)**, has similar roots in personality politics. Its initial rise in 2004 was due to SBY's personal popularity, and its growth in 2009 a product of both personality and governance record. Growth and power came at a price, however. The list of PD legislators under investigation continues to expand, enveloping the party's top brass. The party's young Chairman [has been detained by Indonesia's Corruption Eradication Commission](#). One of his former competitors for the top party post [has also been arrested](#) for corruption. These charges will not play

well with the urban, middle-class voters that have been the base of the party. With a questionable record and lacking a popular figure at the helm the PD stands to lose many supporters.

Indonesian **Democratic Party of Struggle (PDI-P)** is looking to cash in on personality politics as well. They have been lifted by the popularity of their presidential candidate Jokowi, the onetime Surakarta mayor who won the gubernatorial race in Jakarta in 2012. Jokowi's blend of competence, transparency, and populism has earned him a national profile. Jokowi routinely leads the presidential polls that include his name, and his association with PDI-P allows the party to ride on his coattails.

Nonetheless, Jokowi will have more difficulty controlling his party than SBY ever did. PDI-P remains chaired by Megawati Sukarnoputri, who served as president from 2001 to 2004. As the daughter and political heir of Sukarno, Indonesia's first president, Megawati and her family are deeply embedded in PDI-P. Her husband, whose corruption is said to be "legendary," according to leaked US cables, holds a top post in the nation's legislature. Megawati's daughter leads PDI-P's legislative caucus. For Jokowi to govern, he will need Megawati's blessing, but stepping aside will be difficult for Megawati to do.

Golkar runs primarily on its record. Their presidential candidate – Aburizal Bakrie – has not taken off in the polls. He has been dogged by accusations of abuse of office and one of his energy companies has been faulted for causing the Sidoarjo mud flow. Still, Golkar's image as a middle-of-the-road party of effective governance remains intact. Most Indonesians have never known a government without Golkar, and that is unlikely to change: Golkar has been polling second, behind PDI-P, and will make itself a willing coalition partner.

Five parties implicitly or explicitly seek to represent the political interests of Indonesia's devout Muslim population. The Prosperous Justice Party (PKS) is the largest Muslim contender and Indonesia's most institutionalized party.³ PKS was founded by activists inspired by the Muslim Brotherhood, but only expanded its appeal in 2004, after it switched to a message of clean governance. The National Awakening Party (PKB) and National Mandate Party (PAN) were both founded by activists from Indonesia's largest Islamic organizations, Nahdlatul Ulama and Muhammadiyah. The United Development Party (PPP), Crescent Star Party (PBB) explicitly champion Islam in their rhetoric and use of symbols. They have all participated in – but never led – government and all struggle to find a charismatic leader. To different degrees, all five cater to active Muslims and use religious networks to mobilize supports.

³ See: Kikue Hamayotsu, The Political Rise of the Prosperous Justice Party in Post-Authoritarian Indonesia, Source: *Asian Survey*, Vol. 51, No. 5 (September/October 2011), pp. 971-992

The Local Competition

A party's promotion of its leadership, records, and claims to represent social groups are important national-level factors that will sway voters, but much of the Indonesian campaign will be local and transactional. The national competition will interact with the simultaneous sub-national races. In a decentralized state like Indonesia, sub-national office is a valuable position. Politicians use local state resources to support their followers and it is important for voters to have connections with powerful people in low levels of government. Popular sub-national politicians can have a spill-over effect, lifting the fortunes of their party even at the national level.

Furthermore, ground campaigns are run by candidates, who often compete against co-partisans as much as they do other parties. Candidates invest heavily in their campaigns and gift-giving is an important mechanism of promoting one's candidacy. Money, food, donations to community organizations, and promises of future support are all used to sway voters. The exact effect of this factor is difficult to measure but impossible to ignore.

What to Watch

Indonesian elections have several reoccurring themes, including the role of religion in public life, the extent of state activity in the economy, and the need for clean governance. So far, however, 2014 lacks any defining issue that crystallizes any one of these themes. Past election coverage focused heavily on leadership characteristics, with issues arising in a superficial way (for instance, the religious habits of presidential candidates' spouses received considerable attention in 2009). A clear focus on policy positioning would represent a break from tradition. Still, there are several themes and issues to watch:

Muslim Party Performance: While the parties outside the governing coalition have been polling well, support for the Muslim parties has waned. This has eroded their ability to define the agenda. Discussion has already started as to why Muslim parties have lagged and what needs to be done. The Chairman of PBB blames stigmatization and the resources of non-Muslims, while other activists have [called on Muslim parties to abandon their "middle-path" strategies and return to a clear Islamic message](#). The drop in Muslim party support is, in all likelihood, a cyclical phenomenon. Muslim parties have been in government for 10 years and weary voters appear ready for a change. PKS benefitted from a similar sentiment 10 years ago. Muslim parties look set for a poor performance in 2014, but their star could rise again, especially if one of the parties produces a competent, credible presidential candidate from its

stable of sub-national leaders. If Jokowi dominates in 2014, as he is poised to, his rise will be the new model for all parties.

Floating Voters: 2014 will see a significant reduction in the number of parties competing. Most of the parties that have been excluded are small and did not meet the electoral threshold required to seat national legislators in 2009. Still, the collective electoral vote for parties that won no national representation was 18%, only slightly under the 21% gained by the largest national party. In 2014, most of these ‘floating voters’ will need to find a new party to support. There are particularly large pockets of floating voters in eastern Indonesia, Golkar’s traditional regional support base, which could give the party an edge in attracting new voters.

Economic Nationalism: Two of the most viable presidential candidates – Jokowi and Prabowo – both belong to parties sympathetic to economic nationalism. In 2009, [Megawati and Prabowo ran on the “People’s Economy,” a loosely defined concept denoting a preference for increased state regulation and intervention to help the economically marginalized](#). The ascension of either Jokowi or Prabowo is likely to tilt policy toward a statist economic model. This could mean wider investment in state-owned enterprise, further export restrictions in the mining sector, and/or additional reticence to enter trade agreements.

Why Should Canada Pay Attention?

Canada – and the world – has taken Indonesia’s political stability for granted since SBY came to power. The good news is that this stability is likely to continue. The 2014 election is unlikely to see a surging Islamist party come to power and provoke an Egyptian-style political crisis. Prabowo’s victory could complicate relations with Western countries, as his human rights record could impede close relations. Although his rise is unlikely to lead to either a serious reversal of political rights or new communal violence, it is also possible that Prabowo’s critics and former victims are less optimistic in their outlook.

The resurgence of economic nationalism could affect Canadian business interests. Even under SBY, the policy environment has not been favourable for Canada’s resource-based firms. The new Mining Law, for instance, has placed restrictions on the export of unprocessed resources. If the parties sympathetic to economic nationalism rise, these restrictions are unlikely to be softened, and it is possible new sectors will face restrictions. The potential tilt toward economic nationalism requires

monitoring; nonetheless, there has not been heated rhetoric on the issue of foreign investment, and policy changes are more likely to represent a marginal series of adjustments rather than a drastic programme of change. At this point, we know the president will change but policy changes will still need to be negotiated with a legislature that prefers to operate by consensus. Elections in Indonesia have policy consequences, though they tend to be revealed over a long time period. Certainly this is an improvement over the authoritarian era, when elections mattered little and policy changed at the whim of the dictator.