Parties and Factions in Indonesia: The Effects of Historical Legacies and Institutional Engineering

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INTRODUCTION

Political parties are an important building block in Indonesia’s political system. Compared to their counterparts in neighbouring countries such as Thailand or the Philippines, Indonesian parties are not only better institutionalized (Ufen, 2008), but are also more effective in fulfilling key functions such as political recruitment, interest articulation or political mobilization and participation (Mietzner, 2013: 192-214). Organizationally, most Indonesian parties have developed comprehensive institutional infrastructures that comprise branch offices across the entire archipelago. Nevertheless, they still suffer from many weaknesses including, among others, programmatic shallowness, pervasive corruption, elitism and lack of meaningful engagement with ordinary citizens. Many of them are highly leader-centric at the top, but largely clientelistic at the grassroots (Tomsa, 2013). All in all, internal dynamics in Indonesian parties tend to be driven primarily by rent-seeking and the quest for patronage rather than ideological or programmatic debates.

Factionalism in Indonesian parties is largely a reflection of their broader organizational characteristics. Factional divisions exist in most parties, but they are usually fluid and based on clientelistic loyalties or perceived opportunities for access to patronage rather than the representation of social cleavages, competing ideological paradigms or regional affiliations. In the formative years of the current party system, which emerged in the aftermath of the fall of Suharto in 1998, factional disputes often prompted defections and the establishment of new parties, but more recently this trend has slowed down due to changing incentive structures for the creation of new parties. Since 2009, the Indonesian party system has become more stable, even though heavy fragmentation persists (Tomsa, 2010). As institutional hurdles regulating the formation of new parties have incrementally tightened over the past few years, parties are now under unprecedented pressure to solve factional disputes internally. Some parties have been more successful in handling this challenge than others, thereby exposing not only subtle differences in the nature of factionalism between individual parties, but also in the parties’ ability to accommodate different interests within one organization.

This paper distinguishes between programmatic and clientelistic or patronage-driven factionalism and locates the roots of these types of factionalism in the Indonesian party system arising from a mix of historical legacies and institutional developments after
democratization in 1998. It argues that even though traces of programmatically infused factionalism still persist in some parties, the dominant variant of factionalism in Indonesia today is clientelistic. Intra-party conflicts between warring factions occur primarily over access to patronage, not policy. To what extent these conflicts disrupt party unity depends to a large extent on the party type. In strongly personalistic parties, leaders usually have the means to clamp down on factional squabbling, whereas in the more internally competitive parties, leadership disputes can have significant consequences including splits, defections and dismissals.

Organizationally, the paper begins with an overview of the evolution of Indonesia’s party system. It then proceeds to classify the parties that make up Indonesia’s contemporary party system, distinguishing between six core parties that have successfully competed in all post-Suharto elections (1999, 2004, 2009 and 2104) and four newer parties that were only formed after the 1999 election. The paper then identifies three main factors that account for the peculiar pattern of factionalism prevalent in Indonesia today. The first two factors are the prominent and still politicized social cleavage structure and the deeply entrenched culture of patronage politics inherited from the preceding authoritarian regime. The third factor that has shaped patterns of factionalism in Indonesia is the institutional framework that underpins the party system. Consisting of a set of party and election laws, this framework has undergone frequent changes in recent years, resulting in a dramatically altered incentive structure for factions and parties. The last section of the paper examines the implications of factionalism for party coherence, party system institutionalization and coalition politics.

**EVOLUTION OF THE INDONESIAN PARTY SYSTEM**

Indonesia has had four distinct party systems since achieving its political independence in 1945. Each of these systems had its origins in a critical juncture that altered not only the nature of the party system, but also the entire regime structure for years to come. But despite Indonesia’s tumultuous history with multiple deeply felt ruptures, some individual parties have managed to survive through several of the very different party systems. Indeed, a number of Indonesia’s contemporary parties can traced their origins back to as far as the country’s immediate post-independence period, while others were formed during the authoritarian New Order era (1966-1998). Overall, the longevity of these parties is a testimony to the relatively weak influence of factionalism on party politics.
The first Indonesian party system emerged during and after the revolutionary war against the Dutch (1945-1949). When the first post-independence election was held in 1955, the system manifested itself as a heavily fragmented multiparty system that was embedded in a broader regime of parliamentary democracy (Feith, 1962). In this regime, social cleavages were strongly ‘particized’ (Ufen, 2013) and factional divisions within the main parties often had an ideological dimension, even though clientelistic networks without ideological orientation also shaped internal party dynamics (Sugiarto, 2006). Parliamentary democracy ended in the late 1950s when President Sukarno tried to reshape Indonesian politics in accordance with his concept of Guided Democracy. Parliament was disbanded in 1958 and some parties including the largest Islamic party Masyumi were banned in 1960. Most other parties continued to exist but had no political influence. The only exception was the Indonesian Communist Party (Partai Komunis Indonesia, PKI) which kept growing in stature throughout Guided Democracy, but its expansion came to a dramatic end in the aftermath of an aborted coup attempt in 1965 and the ensuing anti-communist mass killings (Kammen and McGregor, 2012).

The events of 1965 spelt the end of Guided Democracy. In its place emerged Suharto’s developmental authoritarian New Order regime which obliterated the PKI and prohibited the formation of new parties. Following an early election in 1971 which was contested by ten parties, the party system was soon simplified and a new tightly controlled three-party system was created consisting of the quasi-state party Golongan Karya (Golkar) and two newly established toothless opposition parties, the United Development Party (Partai Persatuan Pembangunan, PPP) and the Indonesian Democratic Party (Partai Demokrasi Indonesia, PDI). While with the establishment of the new artificial party system Suharto sought to de-ideologize party politics, yet he also entrenched the most basic social cleavage in Indonesian society between political Islam and secularism as the two opposition parties were specifically designed to represent the respective interests of the Islamic community (PPP) and secular and Christian groups (PDI). Within the three parties of the New Order, factionalism was rife as each of them struggled to accommodate a plethora of different groups and interests (see below for more details).

The New Order regime ended in May 1998 when President Suharto resigned amid a severe financial crisis and massive student protests. Under his successor, interim president B.J. Habibie, restrictions on party formation were lifted and Indonesia embarked on a transition to democracy that included some drastic crisis-ridden reforms in the early phase, founding
elections in 1999, and four protracted rounds of constitutional reforms between 1999 and 2002 (Crouch, 2010; Horowitz, 2013). The reform process paved the way for a new trajectory of party system fragmentation which Indonesia has since struggled to constrain. Between 1999 and 2014, four largely free and fair elections have been held, producing a party system with an average absolute number of legislative parties of 14.0 and an average effective number of legislative parties of 6.55. In the most recent election in 2014, no less than ten parties won seats in the House of Representatives (Dewan Perwakilan Rakyat, DPR).

Despite the fragmentation, however, there are some indications of late that the party system is actually stabilizing. Firstly, electoral volatility has remained relatively constant over the years, hovering between 23.0 in 2004 and 26.3 at the most recent election in 2014 (Higashikata and Kawamura, 2015: 8). Secondly, the number of new parties entering the legislature has continuously declined in the last two elections. Indeed, with only one new party successful in winning seats in the DPR in 2014, the national party systems of 2009 and 2014 look remarkably similar. Thirdly, the 2014 election also finally saw an institutionally induced convergence between local and national party systems, thereby ending years of excessive and continuously growing fragmentation in local party systems (Tomsa, 2014). And fourthly, there continues to be a discernible core of six parties that have now won seats in all four elections of the post-Suharto era. Significantly, in 2014 all but one of these six parties were able to stop a downward spiral of consecutive losses, reaffirming their central position in the party system. Their combined vote share increased again to 63.65%, after it had previously declined from 87.98% in 1999 to 72.61% in 2004 and 52.63% in 2009.
Table 1: Parliamentary election results, major parties only, 1999-2014 (in percent)

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<td>33.74</td>
<td>18.53</td>
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<td>Partai Amanat Nasional (PAN)</td>
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Source: Indonesian Election Commission

CLASSIFYING PARTIES AND FACTIONS IN INDONESIA’S CURRENT PARTY SYSTEM

The distinction between the core parties that have successfully competed in all democratic elections since 1999 and those that only started to participate in elections in 2004 or afterwards is useful because these two clusters of parties differ not only in the length of their organizational life span, but also in their rootedness in society and their organizational structures, which in turn has implications for the patterns of factionalism that are prevalent in these parties. Typologically, the newer parties including the Democratic Party (Partai Demokrat, PD), the Greater Indonesia Movement Party (Gerakan Indonesia Raya, Gerindra), the People's Conscience Party (Partai Hati Nurani Rakyat, Hanura) and the National Democratic Party (Nasional Demokrat, Nasdem) can all be classified as ‘personalistic parties’ (Gunther and Diamond, 2003: 187) because their sole purpose at the time of formation was to serve as electoral vehicles for the presidential ambitions of major political figures. Significantly, all of these parties were founded by or for ex-generals or tycoons formerly linked to Golkar (Aspinall and Sukmajati, 2016: 17).

Most of the core parties, on the other hand, are more difficult to classify as they combine various elements of different party types (Tomsa, 2013). What distinguishes them most
clearly from the newer parties is the absence of a strong, almighty leader who concentrates power in the hands of a single individual. The only exception here is the Indonesian Democratic Party-Struggle (*Partai Demokrasi Indonesia-Perjuangan*, PDIP) with its dynastic party tradition centred on party leader Megawati Sukarnoputri. Even the PDIP, however, is a more complex organization than just a vehicle for Megawati. Like the other core parties, it has strong clientelistic elements, especially at the local level, and it also represents a relatively distinct ideological orientation, especially in regards to Indonesia’s most salient social cleavage, the place of Islam in politics (Mietzner, 2013: 167-191). PDIP was formally established in 1999, but it is effectively much older, tracing its organizational roots and socio-political values back to the time before the current democratic era (Johnson Tan, 2013). The other core parties share this organizational feature. The National Awakening Party (*Partai Kebangkitan Bangsa*, PKB) and the National Mandate Party (*Partai Amanat Nasional*, PAN), for example, have strong affinities with two parties from the 1950s, the Nahdlatul Ulama (NU) and Masyumi. Golkar and PPP, of course, are state-sponsored products of the New Order regime, whilst the Prosperous Justice Party (*Partai Keadilan Sejahtera*, PKS) emerged out of a campus-based religious movement that originated in the 1970s.

The differences in the organizational development and institutional structures between the older core parties and the newer presidentialist parties have implications for the scope and the nature of factionalism prevalent in these parties. As loosely organized groupings within larger organizations that compete with each other for power advantages (Belloni and Beller, 1978: 419), factions can range from relatively coherent programmatic factions that pursue clearly defined policy goals to more fluid clientelistic factions that gather around powerful patrons in the hope of securing access to lucrative patronage resources. In Indonesia, traces of programmatic or even ideological divisions can still be found in some of the core parties, but overall the dominant pattern of factionalism in recent years has been shaped by what Sartori (1976: 76) called ‘factions of interest’ rather than ‘factions of principle’. This is particularly evident in the newer, highly personalistic parties where factional dynamics revolve almost exclusively around access to patronage resources distributed by the dominant leader. All in all though, both the intensity of factionalism as well as its impact on broader party politics in Indonesia has been fairly limited, especially when compared to other Southeast Asian countries such as Thailand or the Philippines. The following sections will first outline the main factors that account for this peculiar pattern of factionalism in Indonesia before
illustrating some of the implications of this factionalism pattern for party politics and the quality of democracy in Indonesia.

ENDURING CLEAVAGE STRUCTURES AND OTHER HISTORICAL LEGACIES

The longevity of the core parties highlights the significance of historical legacies and critical antecedents, defined here in accordance with Slater and Simmons (2010: 886) as ‘factors or conditions preceding a critical juncture that combine in a causal sequence with factors operating during that juncture to produce divergent outcomes’, for the formation of party systems in new democracies. Compared to the many other parties that have come and gone over the past four elections, the six core parties all had a head start at the time of the critical juncture in 1998 because they could utilize pre-existing networks and structures based on parties, mass organizations and social movements that had already been in existence for decades. However, while they used this advantage to establish themselves as strong contenders in the new democratic party system, they also inherited significant organizational baggage including peculiar leadership structures and factional divisions derived from their organizational trajectories before democratization.

To begin with, PAN and PKB were both established in 1999, but the historical roots of these parties date much further back because they are inextricably linked to the Islamic mass organizations Muhammadiyah and NU, which were established in 1912 and 1926 respectively. Muhammadiyah and NU are the organizational expressions of a long-running schism in Indonesian Islam between modernists and traditionalists. Although the importance of this social cleavage is now gradually fading away, the long history of politicizing this divide still reverberates today. Back in the 1950s, NU had acted as a political party while Muhammadiyah was the backbone of Masyumi which was later banned by Sukarno. During the New Order, NU and Muhammadiyah withdrew from formal party politics and the cleavage went into ‘hibernation’ (Ufen, 2013: 44), but when Suharto resigned, it was almost instantly revived as both Muhammadiyah and NU urged their respective leaders to establish their own new parties. The result was the formation of PAN and PKB.

By establishing themselves as the electoral vehicles for huge mass organizations, PAN and PKB inherited a solid base of loyal followers, but they also inherited the internal frictions inherent in these organizations. To a large extent these frictions revolved around clientelistic
networks and access to leadership posts (see below), but they also had a more programmatic dimension, especially in the early days of party formation after the fall of Suharto. Some religious leaders from NU, for example, questioned whether direct involvement in party politics was actually desirable for a social organization that was primarily engaged in religious education (Mietzner, 2009: 253-254). In PAN, meanwhile, a bitter feud unfolded between proponents of a more pluralistic orientation for the party and others who preferred a straightforward Islamic identity (Tomsa, 2008: 163). Following the formal establishment of the two parties, these conflicts ebbed and flowed, often compounded by personal rivalries between competing clientelistic networks. As successive party leaders struggled to reconcile religious ideals and political opportunism, both PAN and PKB became increasingly alienated from their mass organizations, losing votes as a result of the factional skirmishes. It was not until the 2014 election that the two parties turned around their electoral support, especially in the case of PKB this has been attributed largely to their newfound proximity to NU (Arifianto, 2015: 67-68).

Another Islamic party that has experienced programmatically infused factionalism is PKS. In contrast to the other two parties discussed above, however, PKS has no linkages to pluralist mass organizations. Instead, it emerged out of a relatively small, mostly campus-based social movement, the tarbiyah movement, which was only set up in Indonesia in the late 1970s and early 1980s (Machmudi, 2008). Largely clandestine during the New Order due to its more radical Islamist orientation, the tarbiyah movement initially pursued the goal of turning Indonesia into an Islamic state based on Sharia law. After the fall of Suharto, the movement’s leaders created a political party to struggle for this objective, but poor results in the 1999 election convinced its leadership that a more moderate party appearance was necessary to woo voters. When election results did indeed improve in 2004 under a slightly changed name – PKS had run as PK in the 1999 election – and a more moderate platform, the strategy soon developed its own dynamic, fostering the emergence of two distinct factions who struggled over the party’s future direction. While an openly pragmatic faction sought to entrench the party in mainstream power politics, religious idealists urged it to stick to its Islamist roots (Tomsa, 2012: 492). Between 2004 and 2014, the pragmatists held the upper hand in this struggle, but stagnant election results have recently prompted a resurgence of the idealist faction within PKS.
The PAN, PKB and PKS cases show that where linkages with affiliated social organizations have imbued a party with a relatively distinct socio-political identity, directional changes instigated by party leaderships are prone to internal challenges. More specifically, since all the three parties are Islamic parties, the factional divisions that emerged carried a distinctly religious undertone where engagement in mainstream politics was simply deemed morally wrong by certain sections in these parties. Significantly, the last of the Islamic core parties, the PPP, has not experienced a comparable pattern of factionalism, which in part is due to the fact that it has no close linkages to a mass organization even though many of its functionaries are also active in NU and Muhamмadiyah. Established during the New Order as a means to tame Islamic political activism by forcibly merging traditionalist and modernist Islamic groups into one party, PPP has, for most of its existence, been largely preoccupied with tackling the internal divisions created by its conflicting foundation. While factionalism in PPP also has a vaguely programmatic dimension, it is not in terms of political pragmatists against religious idealists but, rather, the factionalism is primarily a fight for internal party supremacy and access to patronage fought by factions that can be loosely defined as traditionalist and modernist.

Like PPP, the other New Order opposition party PDI also entered the reform era on the back of divisive interventions by the Suharto regime. Created in 1973 through a regime-enforced merger of secular and Christian opposition parties, the PDI represented the other side of Indonesia’s main religious cleavage and was envisaged by Suharto as the counterbalance to the Islamic PPP. Unlike the PPP where the influence of modernists and traditionalists was relatively even, the PDI was always dominated by one faction that was much stronger than the party’s other constituent elements. Led by members of the old Sukarno-inspired PNI from the 1950s, this faction primarily sought to uphold the legacy of the Sukarno era including nationalism, secularism and pluralism. But when in 1993 Sukarno’s daughter Megawati Sukarnoputri assumed the party leadership, the New Order regime regarded this symbolic move as a threat and quickly removed her from the post (Aspinall, 2005: 182-191). The ensuing feud between Megawati and a small band of Suharto loyalists in the party quickly supplanted pre-existing divisions that gradually led to the establishment of the PDIP as a new yet effectively old party after the fall of Suharto. While the Suharto-endorsed PDI faction swiftly disappeared into oblivion, PDIP became the strongest party in the first post-Suharto election.
PDIP’s victory and the good results for PKB, PAN and, to a slightly lesser degree, PPP, exemplified the ongoing salience of the predominant aliran divisions in the immediate post-Suharto period (King, 2003). But the results were also a triumph for charismatic party leaders like Megawati Sukarnoputri, Amien Rais and Abdurrahman Wahid. Liddle and Mujani (2007) contend that voters who voted for PDIP, PAN and PKB did so primarily because of their leaders, thereby setting the tone for future voting patterns that would indeed often be guided by the appeal of charismatic leaders. Buoyed by the election results, these leaders developed an enormous sense of entitlement, in particular Megawati emerged as an untouchable matriarch who kept unmitigated control of PDIP until the present day. Megawati’s supremacy sparked discontent among those who had hoped to turn PDIP into a more egalitarian party, but she ruthlessly marginalized all internal opposition and soon there were no factions left within PDIP that had the capacity to disrupt or challenge her leadership (Mietzner, 2012: 520).

Megawati’s grip on internal party matters is unique among the core parties. Arguably, her dominant position in the party is only rivalled by that of the oligarchs and former army generals who now control the new personalistic parties that emerged after the first post-Suharto election. But unlike these newer parties, whose long-term survival is precariously linked to the political fate of their leaders, PDIP and the other core parties still possess obvious, though gradually fading, linkages with certain core constituencies that go beyond the lure of charismatic leaders. While the 2004 and 2009 elections provided some evidence of a de-alignment process (Ufen, 2008), the 2014 elections saw a remarkable resurgence of the core parties, indicating that party identification within the established constituencies remains reasonably intact (Fossati, 2016).

PATRONAGE AND OLIGARCHIC CAPTURE OF PARTY POLITICS

Somewhat surprisingly, Golkar was able to build an established core constituency, even though the party is not rooted in a clearly delineated social milieu like the other core parties. Indeed, rather than laying claim to represent the interests of a particular cleavage-based community, Golkar is linked to its support base by its reputation as a ‘natural government party’ (Tomsa, 2012) that can reliably provide patronage to its members and supporters. Reflecting this linkage structure, the dominant pattern of factionalism in Golkar is also clientelistic and opportunistic, driven by the constant quest for new patronage resources. The
origins of this particular form of factionalism can be traced back to the early New Order days when Golkar was transformed from an obscure assemblage of so-called functional groups into a quasi-state party that accommodated a plethora of different interests. Divisions between and among these interest groups were deliberately fostered by Suharto ‘in order to prevent the emergence of independent power centres within the party’ (Tomsa, 2008: 39). Today, the party is still characterized by the existence of numerous competing factions that are in a constant process of formation and reformation. This section will examine this facet of factionalism in Indonesia in greater detail, arguing that while Golkar remains the prototypical Indonesian patronage machine, and while programmatic aspects still shape factional politics in some parties, the quest for patronage is now the most dominant motivation behind factionalism in all Indonesian parties.

The centrality of patronage is often regarded as one of the main pathologies of Indonesia’s post-authoritarian regime. The roots of the current patronage democracy, however, can be traced deep into the past. Ever since the first Indonesian party system came into being in the 1950s, political parties have used their access to state resources as a means to reward members and supporters with jobs, contracts and material incentives (Feith, 1962). However, it was not before the institutionalization of the New Order regime in the 1970s and 1980s that political and economic power became so closely intertwined that patronage would become a quintessential characteristic of Indonesian politics (Robison and Hadiz, 2004). Directed from the top of a highly centralized state apparatus, corruption, collusion and nepotism soon permeated all sectors of the political system including the state-controlled party system. Patronage became both the glue that tied clientelistic networks together as well as the force that pulled these networks apart.

In 1997/98, public frustration with these shady practices were a key motivating factor behind the mass student protests that helped oust President Suharto. But when Suharto resigned, the protracted nature of the ensuing democratic transition set Indonesia on a very peculiar post-authoritarian trajectory which allowed many influential powerbrokers from the New Order era to retain control over key political institutions, including many political parties (Horowitz, 2013). While accommodating these spoilers during the transition helped safeguard Indonesia’s territorial integrity in the post-Suharto era, it also paved the way for patronage and corruption to remain as central features of Indonesian politics in the new democratic era (Aspinall, 2010). The collective embodiment of this patronage democracy has become known
simply as ‘the oligarchy’, a somewhat amorphous assemblage of old regime elites and new upstarts including business tycoons, bureaucrats and politicians who quickly captured the new democratic institutions and continued the New Order practice of fusing the bases of economic and political power (Hadiz and Robison, 2013: 38).

Although the extent to which these oligarchs dictate the process of interest articulation in contemporary Indonesia is contested (Ford and Pepinsky, 2014), there can be little doubt that oligarchs have enormous influence over Indonesian parties today. Parties like Golkar, PAN or Nasdem are or were at some point led by some of Indonesia’s richest men, while in other parties like Partai Demokrat, Gerindra or Hanura oligarchs have held important positions in central leadership boards or the often equally powerful advisory councils. Moreover, beneath the top layer of the superrich, most parties also harbour large numbers of entrepreneurs and entrenched bureaucrats who are seeking political office primarily for self-enrichment. All in all, the influx of these oligarchs and entrepreneurs has facilitated a massive commercialization of electoral politics, which in turn has had negative implications for accountability and representation.

Driven by the constant need to replenish limited patronage resources, Indonesian parties have at times resorted to cartel-like behaviour, sharing rather than competing for power (Slater, 2004). Oversized rainbow coalitions are the most obvious manifestation of this ‘promiscuous power sharing’ (Slater and Simmons, 2012), but behind the veneer of these collusive cabinet structures, there is often intense infighting within individual parties over access to the top powerholders and the patronage resources they control. Often, these internal struggles pitch members of parliament against cabinet members of the same party (Sherlock, 2010). But by far the most intense factional battles over patronage are fought during leadership contests, at least in those parties where the chairmanship is actually a contested position. Somewhat ironically perhaps, Golkar has emerged as the most internally competitive party in the current party system as no single Golkar chairman has yet managed to win a second term. As a matter of fact, all leadership battles since 1998 were bitterly contested between competing clientelistic networks and, significantly, they were all won by the candidate who was deemed to be more capable of delivering much-desired cabinet representation or other means of state patronage (Tomsa, 2012). Similar dynamics could be observed during leadership contests in PPP, PAN and PKB.
Meanwhile, in the newer personalistic parties where leaders run their parties largely unopposed either as chairmen or leaders of almighty advisory councils, factional disputes follow a similar logic but are confined to the second tier in the party hierarchy. Where the top job is not up for grabs, factions will gather around party functionaries who are believed to be able to elicit favouritism from the party leader when it comes to legislative candidature selection, appointments in the party organization and other patronage opportunities. An interesting outlier in this party group though is the Democratic Party. Not only was it the first of the personalistic parties to be successful at the ballot box, but its long-time de facto leader, Susilo Bambang Yudhoyono, was also unusually detached from the party. In fact, it was only in 2013, in the wake of a massive corruption scandal that engulfed some top PD politicians, that Yudhoyono became chairman of his party. Previously, he had left the position open for competition, but this had led to deep rifts and corruption allegations within the party as competing networks were trying to position themselves as potential successors for the day Yudhoyono would leave the party (Honna, 2012). The 2010 congress in particular was tainted by criminal activities, ultimately resulting in the arrest of party chairman Anas Urbaningrum merely four years after his election. He is currently serving a 14-year jail sentence for corruption.

Anas’ fall from grace is exemplary for the often ruthless battles between competing factions over patronage. Like Anas, other party leaders such as former PKS chairman Luthfi Hasan Ishaq and former PPP chairman Suryadharma Ali also abused their power in order to consolidate their positions in the party hierarchy (and to enrich themselves) and then suffered a similar fate when they were convicted of corruption and sentenced to lengthy jail terms. For the party factions associated with these leaders, the loss of their patron often resulted in marginalization and exclusion from the most lucrative patronage streams. Significantly, since the advent of decentralization, this pattern of patronage-driven factionalism is mirrored at the provincial and district levels where local party networks are often engaged in similar zero-sum games over the distribution of power.

To sum up this section, it is clear that historical legacies have played an important role in shaping Indonesia’s current party system and the factional dynamics within the parties. In the first election after the critical juncture of 1998, the overwhelming majority of votes was won by parties with links to the past. Though a large number of completely new parties was formed, attempts to build programmatic alternatives to the parties with pre-existing
infrastructures failed because years of de-ideologization and the deliberate fragmentation of civil society during the New Order had created very high barriers to mobilizing electoral support (Aspinall, 2013). In subsequent years, splinter parties emerged as a result of factional infighting within the core parties and, more broadly, the growing dominance of patronage politics, but most of these splinter parties quickly disappeared again and only those led by wealthy patrons with deep links into the previous regime were successful. The following section will complement the preceding analysis by tracing the emergence of these new parties in institutional developments after 1998, especially the introduction of direct presidential elections and the progressive tightening of the regulations for party formation.

PARTY AND ELECTIONS LAWS: HOW INSTITUTIONS HAVE SHAPED FACTIONAL DYNAMICS

Indonesia’s current party system has its institutional roots in the reforms to party and election laws initiated by interim president B.J. Habibie in 1998/99. Although drafted in haste, these laws had path-defining characteristics. Not only did they determine the shape of the party system as a fragmented multiparty system, but they also had a major impact on forms and consequences of factionalism as politicians quickly came to treat political parties as vehicles for personal rather than programmatic goals. Since 1999, these laws have continuously changed and forced parties to adjust to them, but the quintessential institutional foundation that underpins the structure of the party system – a proportional representation (PR) electoral system – has remained in place. Initially, restrictions on party formation were relatively lax, making it easy for factions within existing parties to create splinters and spin-offs. Indeed, all core parties except PKS experienced such defections of splinter groups in the early years of the transition. However, more recent legislation has created tougher barriers for establishing new parties, resulting in less splinters and more intense internal party factionalism. At the same time, the introduction of direct presidential elections in 2004 also altered the incentive structure for the formation of new parties. This section will examine the combined effects of these institutional changes and trace their impact on the nature and scope of factionalism in Indonesia.

The euphoria that came with the 1998 reform movement demanded a complete overhaul of the New Order’s restrictive party and election laws, but the drafting process for the laws involved many considerations. On the one hand, the laws needed to incorporate the varying
interests of the three parties represented in parliament at the time of the transition – Golkar, PPP and PDI. On the other hand, they also needed to reflect the reform aspects demanded on the streets outside parliament. When the new laws were eventually passed in January 1999, they represented a mix of New Order elements and democratic reforms (King 2003, Crouch 2010). Among the key features of the new laws were significantly greater freedoms for the establishment of new parties and the retention of the closed list proportional representation system that had already been used during the New Order.

The adoption of the new laws opened the floodgates for aspiring politicians to establish their own political vehicles. As the new law required only 50 people as the minimum to found a new party, the option was easy and attractive, especially compared to relying on the unpredictability of furthering a political career in a major party. Moreover, parliamentary representation was beckoning even with a miniscule share of the vote as the election laws featured only a poorly designed electoral threshold which, rather than banning parties that failed to reach the threshold from gaining seats in parliament, only banned these parties from contesting the next election under the same name. As a result of this rather hastily formulated regulatory framework, a multitude of new parties was formed in the run-up to the 1999 election. 48 parties eventually contested the poll and 21 won at least one seat in parliament.

In response to the election results, lawmakers sought to put in place new measures to control the number of parties. First, the electoral threshold was increased. If in 1999 parties had needed at least 2 percent of votes to be eligible to compete again in the 2004 elections, this requirement was increased to 3 percent for those wanting to compete again in the 2009 elections. However, these changes were not very effective in bringing the number of parties down because parties that failed to reach the threshold could still simply change their names ahead of the next elections. It was not just before the 2009 election that the threshold regulation was finally revised to make it an effective parliamentary threshold. The most recent election law enacted in 2012 also stipulated that any party that fails to pass the threshold (by now revised to 3.5%) will not be eligible for seats in parliament.

The second hurdle consisted of new organisational requirements for the parties. In 1999, the secession of East Timor as well as ongoing rebellions in Aceh and Papua had ignited fears of greater national instability, which was reflected in efforts to reduce the possibility of regional or ethnic parties that could form a base for communal conflicts (Hillman, 2012: 421). As such, the 1999 Election Law had already required parties to have established branches in half
of all provinces and half of the districts and municipalities in each of these. Although fears of secessionism subsided in later years, the prerequisites for extensive organisation were subsequently used as an institutional tool to contain the formation of new parties. Over the years, restrictions in both party and election laws became progressively stricter, forcing parties to invest rather heavily in the development of an organizational infrastructure. Mietzner (2013: 65) has summarized the legislative framework for branch organization. (see Table 2)

Table 2: Organizational Requirements for Parties, 1999-2014

<table>
<thead>
<tr>
<th>Election Year</th>
<th>Party Law</th>
<th>Election Law</th>
</tr>
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<tbody>
<tr>
<td>1999</td>
<td>None</td>
<td>Parties must have regional chapters in 50% of all provinces and 50% of districts/municipalities in the province</td>
</tr>
<tr>
<td>2004</td>
<td>Parties must have chapters in 50% of all provinces, 50% of districts/municipalities in the province, and 25% of sub-districts in the districts/municipalities</td>
<td>Parties must have chapters in two thirds of all provinces and two thirds of districts/municipalities in the province</td>
</tr>
<tr>
<td>2009</td>
<td>Parties must have chapters in 60% of all provinces, 50% of districts/municipalities in the province, and 25% of sub-districts in the districts/municipalities</td>
<td>Parties must have chapters in two thirds of all provinces and two thirds of districts/municipalities in the province</td>
</tr>
<tr>
<td>2014</td>
<td>Parties must have chapters in 100% of all provinces, 75% of districts/municipalities in the province, and 50% of sub-districts in the districts/municipalities</td>
<td>Parties must have chapters in 100% of all provinces, 75% of districts/municipalities in the province, and 50% of sub-districts in the districts/municipalities</td>
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While the abovementioned measures were intended to rein in party system fragmentation and strengthen especially the larger parties, other institutional changes had the simultaneous effect of weakening rather than strengthening the parties. Two changes in particular shifted the focus of electoral competition from parties to personalities. First, the introduction of direct elections for the president and local executive leaders like governors, mayors and district heads has created an electoral system heavily focused on individuals. As votes in
these elections are cast directly for candidates rather than party symbols and parties remain the main vehicles for nomination, there are significant incentives for ambitious individuals to create their own electoral vehicles. Yet, at the same time the tighter electoral and party laws also represented enormous constraints that ensured that only wealthy oligarchs would have the means to do so. As such, only two new competitive parties emerged ahead of the 2009 elections: Wiranto’s Hanura Party and Prabowo’s Gerindra Party. As further evidence of the difficulties in creating a new party, there was only one new party in 2014, the National Democratic Party (Nasdem) led by Surya Paloh.

Second, the switch from a closed list PR system to a partially and eventually fully open list system also weakened the position of parties vis-à-vis the candidates. As the open list system means that a candidate’s victory is solely based on the number of votes, competition and rivalry between candidates became fierce, particularly among those from the same party. Observations from the 2014 legislative election revealed that candidates from the same party would rather avoid each other and were more tolerant towards those from other parties. Parties were also often unable or unwilling to support individual candidates in their campaigns, turning much of the campaign into competition between individuals with no effective links to the parties that nominated them. A significant side effect of this development was that vote buying and other illicit campaign tactics by individual candidates increased exponentially (Aspinall and Sukmajati, 2016).

Summing up this part, it is clear that institutional engineering has altered the incentive structures for factions and influenced their strategic behaviour. If in the early days of democratization factional divisions often resulted in defections and formation of new parties, the subsequent tightening of regulations made this option far less attractive for many second-tier party cadres. Nevertheless, for wealthy oligarchs the avenue remained open such that when the likes of Prabowo, Wiranto and Surya Paloh started building their parties, the new opportunities were welcomed by many core party members who had affiliated with factions that had lost recent battles for influence. Unsurprisingly then, the ranks of Gerindra, Hanura and Nasdem were mostly filled with former members of the core parties rather than freshly recruited new blood. At the same time though, the core parties themselves also devised new strategies to try and keep those who had lost out in factional disputes within their parties. A popular strategy was to expand leadership boards and give disgruntled members of losing factions positions as deputy chairmen or heads of internal party departments (Mietzner, 2013: 119). However, as the next section will show, these strategies did not always work smoothly.
IMPLICATIONS FOR PARTY COHERENCE AND PARTY SYSTEM STABILITY

Although the combined trends of fragmentation and personalization of electoral politics have progressively weakened the position of political parties in the system, parties continue to exercise control over key tenets of the political system. Most importantly, parties are still the gatekeepers that determine political careers because they retain the near-exclusive right to nominate individuals for political office (independent candidates are only allowed in local executive elections). Central leadership boards, often dominated by individual leaders, hold a firm grip over personnel decisions including candidate selection processes, and even though decentralization has made local chapters more assertive in recent years, central leadership boards usually call the shots in the end. Moreover, parties also have the right to recall members of their parliamentary caucuses if the latter are deemed to have violated party instructions (Ziegenhain, 2015: 101). Taken together, the prominence of the parties in the political system and the centralized organizational infrastructures have, by and large, helped to contain the potential for overly excessive factionalism. Nevertheless, factionalism has left its mark on Indonesian party politics, in at least two key areas: first, it has damaged the internal coherence of individual parties and second, it has adversely affected party system stability and the durability of coalitions.

To begin with, factionalism has severely disrupted party coherence and at times completely paralyzed the functionality of individual parties. Although attempts to accommodate losing factions through power-sharing have at times been successful, a cursory investigation of a few recent cases of leadership splits reveals that many parties still lack effective internal dispute resolution capacity. For example, the NU-affiliated PKB has faced a number of bitter leadership splits in its history, but none more debilitating than that between former president and long-time party leader Abdurrahman Wahid (Gus Dur) and his nephew Muhaimin Iskandar in the run-up to the 2009 election. As both sides repeatedly claimed to be the legitimate leaders, the party proved incapable of resolving the split. Instead, it had to rely on outside intervention in the form of court rulings and instructions by the General Election Commission to at least be able to field candidates for the 2009 election. As a result of the split, the party recorded its worst ever result and came close to fading into oblivion. It was only after Wahid passed away in December 2009 that the party eventually rallied behind Muhaimin. Since then, he has proven successful in restoring party unity, largely by appealing to the Nahdlatul Ulama (NU) supporters to reaffirm their strong emotional attachment to the party. Muhaimin’s efforts to realign PKB more closely to this core identity has encouraged
and convinced members to cast their differences aside. In addition, a much-needed injection of funds from a business tycoon, Rusdi Kirana, also proved useful in boosting party performance, with PKB finishing in fifth place in the 2014 election.

Apart from PKB, two other parties suffered similarly disruptive episodes of internal friction in recent years. Golkar, for example, was also unable to resolve its most recent factional split internally and had to ask for assistance from the courts to mediate between rival leaders Aburizal Bakrie and Agung Laksono (Fionna, 2016). The two had fallen out over Aburizal’s decision to back Prabowo during and after the 2014 presidential election – while Aburizal is an avid Prabowo supporter, Agung had declared his support for Jokowi. After two national congresses organized by each of the leaders and other internal measures had failed to reconcile the two camps, the conflicting factions eventually decided to follow an order by the Supreme Court and organized an Extraordinary Congress. Under pressure from President Jokowi, the congress resulted in the election of Setya Novanto as new chairman, another deeply entrenched oligarch with good connections to Jokowi’s right hand man Luhut Panjaitan (Mietzner, 2016: 221).

Similarly, the 2014 election also left a divide in the PPP. Unlike Golkar however, the split in PPP was still unresolved at the time of writing (October 2016). Initially, former chairman Suryadharma Ali’s show of support for presidential candidate Prabowo had created tension within the PPP, particularly amongst those who claimed that the action did not represent the party. Consequently, Romahurmuziy (Romy) then emerged as leader of a new faction which challenged Suryadharma and his loyalist Djan Faridz. When Suryadharma was subsequently arrested in a graft case, various meetings and congresses were organised to reconcile the two sides, but to no avail. Although Romy’s side claimed the rightful leadership as declared by the Ministry of Law and Human Rights, Djan’s faction remained defiant and in turn claimed victory at the Supreme Court in late 2015. But the government refused to recognize this result, leading to yet another congress in February 2016 in which Romy was eventually unanimously elected as new chairman (Mietzner, 2016: 223).

The three cases revealed not only significant organizational shortcomings within these three core parties, but also demonstrated that after the initial flurry of frequent defections and new party formations had subsided, warring factions in more recent conflicts will often do whatever it takes to remain with their ‘home’ parties. But as factions are increasingly
determined to battle it out internally, they threaten internal coherence and risk significant damage for the party. In 2009, PKB came close to being disqualified from the legislative election and the Golkar dispute in 2015/16 threatened to derail the party’s preparation for the 2016 local elections. In fact, it is worth noting that the same kind of leadership disputes also often occur in local chapters. In addition, local chapters often experience factional splits in the run-up to local executive elections, especially if two or more rival faction leaders seek the nomination from the same party. Such party disunity may deter candidates with high electability to eventually choose the party, while other parties may not want to align themselves in coalitions with parties struggling with internal splits.

More broadly, the persistence of factionalism has hindered the formal institutionalization of individual parties and the party system. Especially in the early years of the transition, factionalism contributed directly to volatility and party system fragmentation as there were few constraints to establish new parties. With the recent tightening of party and electoral laws, however, the balance between incentives and constraints has shifted rather drastically and, as a consequence, the number of parties at last seems to be stabilising. Provided these parties will find more effective mechanisms to deal with internal disputes, this trend should make it easier for the party system to institutionalise over time, as the established parties would reveal more regular patterns of competition (Mainwaring and Torcal, 2005: 4). Whether such regularity and predictability will also extend to coalition formation and durability, however, remains to be seen. Up until now, factionalism has chiefly induced fragility in coalitions. Golkar, in particular, has often shifted coalition allegiances in the aftermath of factional infighting as was evident most recently in the decision to leave the Prabowo-led opposition coalition and join the government coalition after the election of Setya Novanto. As long as the pursuit of patronage remains the driving force behind both factional dynamics and coalition formation, stability and predictability in coalition-building will remain elusive.

**CONCLUSION**

Factionalism has been present in the current Indonesian party system since its inception in 1998/99. But its defining features and levels of intensity have changed over time as programmatic divisions have lost much of their relevance and patronage became the driving force of party politics. Today, factions are, by and large, clientelistic alliances that are only
kept together by a common desire to improve their access to patronage resources. Remnants of programmatic factionalism can basically only be found in PKS, whereas all other parties that initially experienced tensions over programmatic directions have either overcome their factional divisions (like PDIP) or lost much of their programmatic identity (like PAN).

Changes have also occurred in the behavioural patterns of factions. If in the early years of the transition factional splits within parties regularly resulted in defections and formations of new parties, more recently conflicts between factions have often been fought with both sides trying their utmost to remain in the host party. In some cases, losing factions have been accommodated in subsequent reconciliation gestures, but in others hostilities were so severe that no side was prepared to accept defeat and courts and other external actors eventually had to decide the fate of these factional battles. The main reason behind the decrease in turncoatism has been the changed institutional framework that has made it increasingly difficult and expensive to establish new parties. The few that have successfully emerged in recent years are without exception personalistic parties led by wealthy oligarchs with ambitions to become president.

Factionalism in Indonesian parties has rarely been observed, as their leaders tried hard to preserve unity through the dispensation of patronage. Instead, factionalism has remained most persistent in some of the core parties, especially those that had already inherited splits and infighting from the pre-democratic era. Golkar and PPP, in particular, have been largely unable to shed the legacies from their New Order past when factional divisions were deliberately fostered in the parties by the Suharto regime. Upon entering the democratic era, the two parties struggled to find authoritative leaders who could unite the diverging interests inherent in the parties. To complicate matters further, both parties not only lack strong leadership but also a value-based identity that could act as glue to bond competing factions more forcefully together (Fionna, 2013). The third party to be heavily affected by factionalism is PKB. Unlike Golkar and PPP, this party entered the democratic era with both a strong leader and a strong value-based identity. But factionalism soon spread because party founder and long-time leader Abdurrahman Wahid alienated many of his former followers through his erratic leadership style.

Significantly, the PKB case provides valuable insights about the pitfalls of personalistic leadership. Although factionalism in such parties is often suppressed as long as the dominant leader reigns supreme, the potential for damaging power struggles between would-be
successors is immense. PD experienced this first hand when party patron Susilo Bambang Yudhoyono allowed open competition for the position of party chairman in 2005 and 2010. Other dominant leaders like Megawati Sukarnoputri (PDIP), Prabowo Subianto (Gerindra), Wiranto (Hanura) and Surya Paloh (Nasdem) have maintained a tighter grip so far and shut down all challenges to their authority. Sooner or later, however, these parties will also face the succession question and the potential for ugly factional battles over the top leadership positions in these parties is therefore substantial.

What is increasingly unlikely though is that losing factions in these future battles will simply defect and form their own parties. The evolution of Indonesia’s party and election laws has led to a regulatory framework which makes it exceedingly difficult for new parties to enter the system. Not only that, recent debates about further revisions to these laws in fact indicate that the requirements might be tightened even further ahead of the 2019 election. If passed into law, these revised laws will further raise the stakes in future leadership battles and the intensity of factional conflicts is likely to rise.
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