

Singapore | 29 Sep 2014

Crossing the River While Avoiding the Stones: Jokowi's Run-up to the Presidency#

By Ulla Fionna and Francis E. Hutchinson***

EXECUTIVE SUMMARY

- In rejecting the legal challenge from rival presidential candidate Prabowo Subianto, the Indonesian Constitutional Court has cleared the way for Joko Widodo (Jokowi) to be inaugurated as President on 20th October.
- However, Indonesia's political system is still divided and the struggle between the country's new and old political elites continues behind the scenes.
- From now until 20th October, a number of key tests will determine the course and impact of the incoming Jokowi presidency. Several factors are beyond the control of the president-elect, meaning that his intended push for reform may be inhibited before he even assumes office.
- Perhaps because he is not a member of the old elite or perhaps the outgoing President has not wanted to risk his legacy, there has been no concerted effort to reduce the country's fiscally-crippling fuel subsidies. This has nullified some of the

momentum for reform and will cost Jokowi to expend some political capital on the problem soon after his inauguration.

- The first key test will take place on 25th September when the House of Parliament votes on whether to retain direct elections for local government. The elimination of these elections could undermine the new political elite, whose rise has depended on these elections. While more a referendum on SBY than Jokowi, the elimination of such elections will nevertheless mark a reversal of the shift in power.
- The other two tests are more within his control. First, Jokowi needs to assemble a strongly technocratic team in his cabinet if he is to be effective and live up to his campaign promises of transparency and meritocracy. Second, he needs to increase the size of his coalition in parliament in order to implement his reforms.
- However, these two goals are, to some extent, mutually exclusive. In order to increase his coalition, Jokowi will have to offer some choice cabinet positions to prospective coalition members. At the same time, he risks squandering goodwill if too many party insiders are appointed instead.

***Ulla Fionna** is ISEAS Fellow; e-mail: ufionna@iseas.edu.sg

****Francis Hutchinson** is ISEAS Senior Fellow; e-mail: fhutchinson@iseas.edu.sg

#This article was prepared before the plenary meeting on the regional elections (Pilkida) bill at the House of Representatives (DPR) on 25 September 2014.

INTRODUCTION

Karl Marx famously said that men make their own history, but not under circumstances that they choose. Rather, they must act within existing circumstances that are ‘transmitted from the past’. Joko Widodo (Jokowi) represents a new breed of Indonesian politicians, and is in fact a creation arising from the newly decentralized polity of the post-Suharto period. Despite this new situation, Jokowi must act within a complex political and institutional context. And, in the coming few weeks before he assumes office, several of the institutional junctures that Indonesia will traverse are not within his control. The sum of these events will largely determine the effectiveness of his administration.

THE ROAD TO THE PRESIDENCY

In July this year, Joko Widodo faced off against Prabowo Subianto in the Indonesian presidential election. Touted as the most polarising presidential election that the country has ever seen, the close and fiercely contested race pitted a member of the country’s old political elite against someone new and fresh, but with solid administrative credentials. Jokowi started as a small business owner from the town of Solo (Central Java), and went on to become Mayor of that city and then Governor of Jakarta. Prabowo, in contrast, comes from a line of technocrats and had a successful career in the military before turning to politics.¹ After an intense campaign and election, the General Election Commission announced that Jokowi had won 53.15 per cent of votes against Prabowo’s 46.85 per cent on 22nd July.

Alleging vote-rigging and fraud, the Prabowo camp decided to contest the elections before the Constitutional Court. In August, following a short and succinct review of the plaintiff’s complaints however, the Court rejected his requests to cancel Jokowi’s victory and conduct a re-vote. While Prabowo has yet to officially concede defeat, influential members of his coalition—including Hashim Djojohadikusumo, his brother, and Hatta

¹ Prabowo’s grandfather Margono Djojohadikusumo was one of the founders of Bank Negara Indonesia (Indonesian State Bank). He also led the Provisional Advisory Council (Dewan Pertimbangan Agung Sementara) and the Committee for Preparatory Work for Indonesian Independence (Badan Penyelidik Usaha Persiapan Kemerdekaan Indonesia, BPUPKI). Prabowo’s father Soemitro Djojohadikusumo was a prominent economist, who served as minister for the economy and for research and technology.

Rajasa, his vice-presidential candidate and leader of PAN—have acknowledged Jokowi's victory.

Jokowi's presidency will mark the first time since Indonesia's independence that a locally-elected politician assumes national office. However, despite his personal popularity, political capital, and goodwill, Jokowi will have to manoeuvre a number of key tests that will determine the course and impact of his office.

THE TRANSITION

While Jokowi may be riding a wave of considerable momentum, he will need to use his political capital wisely. One of his first priorities will be to reduce the budget-sapping fuel subsidy, a historically tense political issue that has largely underwritten the transport costs of the upper and middle classes. This may mean that he will have no fiscal space to move on his health and education pledges. Moreover, his requests for a transition budget—jointly-formulated with SBY—were rebuffed. This could be due to a combination of factors, ranging from the outgoing President's desire to protect his legacy to an unwillingness to aid a political *parvenu* of Jokowi's kind. Indeed, the one-to-one meeting between the two men to discuss transition issues lasted considerably longer than anticipated, mainly due to their inability to reach an agreement on this issue.

The next critical test was on 25th September when the House of Representatives would vote on whether to retain or discard the direct election of mayors and regency heads in favour of indirect elections. The latter choice, favoured by the old political elite, would see regional legislatures directly elected as in the past, but choosing mayors or regency heads from among their own ranks. The current formula, in use since 2005, has been criticized for servicing money politics. In addition, the elimination of direct elections for public office would curtail the ability of new leaders to emerge. Beyond Jokowi, direct elections have enabled capable local-level leaders such as Ridwan Kamil, the mayor of Bandung, and Tri Rismaharini, the mayor of Surabaya, to attain office through direct appeals to the electorate.

While really a bellwether of SBY's democratic credentials as opposed to Jokowi's, this

impending decision will dramatically affect the political context within which the new President must manoeuvre. A reversal would dramatically favour the old elite, who would be better placed to lobby current legislators to appoint members from their ranks. It would mean dealing with not just the House of Representatives, but also with legions of local leaders – the majority of which would be from the old political elite.

At present, Jokowi does not have enough support in the national parliament to block this proposal. Despite him being media savvy and public opinion—which is largely in favour of retaining the status quo—being in his favour, the decision will be made by sitting legislators who are beholden to their party leaders. However, SBY's Democrat Party could tip the balance. While the President has stated his support for direct elections, his party only declared its support on 18th September. On the one hand, this is in line with SBY's public position. But, on the other, it means going against the large and influential Merah-Putih coalition led by Prabowo.²

WEAPONS OF THE WILFUL

While the broader political context within which he will govern is beyond his control, Jokowi can move on two fronts to bolster his position. The first of these is his coalition in parliament. As it stands, Jokowi's coalition comprises a mere 37 per cent of the 560 member parliament.³ In contrast, Prabowo's Merah-Putih coalition brings together the other 63 per cent.⁴

An opposition coalition of this magnitude constitutes a major structural constraint. As it

² Moch Harun Syah, "Partai Demokrat Dukung Pilkada Langsung" ("Democratic Party Supports Direct Election for Local Leaders"), *liputan6news*, (<http://news.liputan6.com/read/2106882/partai-demokrat-dukung-pilkada-langsung>), accessed 19 September 2014.

³ Joining Jokowi's Indonesian Democratic Party - Struggle (Partai Demokrasi Indonesia, PDIP) are the following: National Awakening Party (Partai Kebangkitan Bangsa, PKB); National Democratic Party (Partai Nasdem, Partai Nasional Demokrat); People's Conscience Party (Partai Hanura, Partai Hati Nurani Rakyat); and Indonesian Justice and Unity Party (Partai Keadilan dan Persatuan Indonesia, PKPI).

⁴ Joining Gerindra in Prabowo's coalition are these parties: National Mandate Party (Partai Amanat Nasional, PAN), United Development Party (Partai Persatuan Pembangunan, PPP), Prosperous Justice Party (Partai Keadilan Sejahtera, PKS), Crescent Star Party (Partai Bulan Bintang, PBB), Democratic Party (Partai Demokrat, PD), and Golkar Party (Partai Golkar, Functional Group Party).

stands, Prabowo's Merah-Putih coalition may well attempt to impeach Jokowi in the first parliamentary sitting if he attempts to reduce the fuel subsidies. The opposition has alleged that eliminating or reducing the subsidy would entail a major economic burden for average Indonesians and would constitute a violation of the constitution. This is due to Article 33, which states that it is the government's responsibility to manage natural resources for the greatest public benefit.

That said, given the privileges of office, observers have predicted that the opposition coalition would crumble. As it is, there are factions in two smaller parties, the United Development Party (PPP) and the National Mandate Party (PAN), that are allegedly in favour of crossing the floor. PAN, a Muslim-based nationalist party, is a middle-sized party which managed sixth place this year at the parliamentary elections. This issue is currently being debated at the highest levels in the party. While party founder Amien Rais is adamant in his support for Prabowo, Hatta Rajasa, Prabowo's vice-presidential candidate, is seen to be leaning towards the government coalition.

PPP is one of Indonesia's most established political parties. Nominally Islamist, it was one of only three parties allowed to compete under the New Order, and even had former president Suharto as its chairman for a short period. In post-1998 Indonesia, it was steadily losing votes until this year, which saw it recover slightly to rank ninth in the votes garnered. The PPP has publicly maintained its commitment to eliminating direct elections, even under its new, more democratically-oriented leadership. However, there is strong grass-roots support for retaining the current political structure. The PPP's former chairman Suryadharma Ali—recently detained on corruption charges—faced strong protests within his party when he made a public appearance at a rally organized by Prabowo's party, Gerindra. Thus, a last minute turnaround cannot be completely ruled out.

Despite its close alliance with Prabowo during the election, it is even conceivable that Golkar may cross the floor. Party Chairman Aburizal Bakrie's decision to side with Prabowo has proven unpopular among party officials, even leading some to call for his replacement. And it should not be forgotten that Joko's Vice-President, Jusuf Kalla, also retains considerable influence within the party. However, the hold of Akbar Tandjung—a

prominent party member and former minister under the New Order—on Golkar, and his close relationship with Prabowo may tilt the balance towards the Merah-Putih coalition.

An inter-linked challenge for Jokowi is the composition of his cabinet. He has been adamant that positions would not be allocated in return for support for his coalition. Instead, Jokowi has opted for a different approach in allocating appointments. His team has set up a website with the names of potential candidates for each ministerial post. This has been well-received by the public.⁵ This is consistent with his term as governor of Jakarta, when he adopted ‘open selection’⁶ for the positions of *camat* (sub-district leaders) and *lurah* (village heads).

However, despite Jokowi’s promise to establish a skinny (*ramping*) cabinet, he has announced that he will have 34 ministerial positions – similar to the number under SBY’s administration, and more than initially indicated. He has announced that over half of his cabinet (18) will be technocrats, including the ministers of finance, energy and state-owned enterprises. Jokowi’s team said that the remaining 16 positions could be filled by members of various parties, but candidates are still required to have relevant expertise.⁷

A transitional team has been set up to prepare for Jokowi’s inauguration. The reactions have been mixed as he has already been criticised for the appointment of Rini Soemarno as its head. As the former minister of trade and industry, Soemarno is a close aide of Megawati, the former president and current chair of Jokowi’s party, PDI-P. During her tenure as minister, Soemarno implemented a number of politically unpopular protectionist policies and was allegedly involved in a few high-profile corruption scandals.⁸

⁵ The first stage of polling is now closed and results can be found here: <http://www.jokowicenter.com/2014/08/pers-rilis-hasil-polling-menteri-kaur-tahap-i/>, and the second stage can be found here: <http://www.jokowicenter.com/polling-menteri/>.

⁶ This is a fit and proper test, where every candidate who meets requirements may submit proposals of a plan of what he/she intends to do if selected. The provincial government deliberates and announces the results and decides on the placement, and also assess the success and efficiency of the selected candidate.

⁷ “Indonesia’s president-elect Widodo looks to technocrat for cabinet”, *reuters*, 15 September 2014, (<http://uk.reuters.com/article/2014/09/15/uk-indonesia-politics-idUKKBN0HA16I20140915>), accessed 19 September 2014.

⁸ “Rini Soemarno Dianggap Ancaman Bagi Jokowi” (“Rini Soemarno Considered as Threat for Jokowi”), *tribunnews.com*, 6 August 2014, (<http://www.tribunnews.com/nasional/2014/08/06/rini-soemarno-dianggap-ancaman-bagi-jokowi>), accessed 19 August 2014.

Furthermore, her links with Megawati raise questions over the extent to which Jokowi will be independent. There have also been criticisms over the choice of former National Intelligence Agency Gen. (ret) A.M. Hendropriyono as an advisor to the team. Hendropriyono has been allegedly involved in human rights abuse cases.⁹ Beyond the specifics of these allegations, it is also imperative for Jokowi to reach out to Indonesia's powerful military.

The fact that no parties from the opposing coalition have yet crossed the floor could mean that they are holding out for more choice appointments to be made available. However, the size and composition of Jokowi's first cabinet will be a key indicator of his tenure. If too many key appointments are given to party insiders, he will lose legitimacy. And if he does not succeed in enticing more parties to join his coalition, Jokowi will face opposition for every significant measure.

The inevitable horse-trading has taken longer than anticipated, meaning that Jokowi may well either declare his cabinet line-up only just before his inauguration, or immediately after. If the latter, he would have reneged on his pledge to unveil his line-up before assuming office. However, more than the timing, the composition of the cabinet will determine the stock of political capital Jokowi will possess upon assuming the Presidency.

CONCLUSION

The next few weeks will be vital for Jokowi's presidency. In the wider context, he has no control over whether direct elections will be retained. If they are retained, the traditional elite will be occupied with attempting to retain the vestiges of their influence at the local level. If they are not, he will be the product of an all-too-brief experiment with grass-roots democracy and the vertical mobility it offered to non-traditional politicians.

⁹ Haeril Halim and Margareth S. Aritonang, "Controversial Hendropriyono gets transition team support", *The Jakarta Post*, 11 August 2014 (<http://www.thejakartapost.com/news/2014/08/11/controversial-hendropriyono-gets-transition-team-support.html>), accessed 20 August 2014.

Regardless of this, Jokowi will have to move quickly and invest his political capital wisely. Policy priority number one is to reduce the fuel subsidies to create the financial wherewithal needed for him to invest in health and education initiatives. Beyond the measure itself, Jokowi will need to be backed up by a solid team and a somewhat larger parliamentary faction. Despite their mutually exclusive nature, the upcoming president will have to achieve moderate success in both these tests. Most presidencies are given a grace period of 100 days in office. Jokowi must be acutely aware that his 100 days have already started.

ISEAS Perspective is
published electronically by
the Institute of Southeast Asian
Studies, Singapore.

Institute of Southeast Asian Studies
30, Heng Mui Keng Terrace
Pasir Panjang, Singapore 119614
Main Tel: (65) 6778 0955
Main Fax: (65) 6778 1735

Homepage: www.iseas.edu.sg

ISEAS accepts no responsibility
for facts presented and views
expressed. Responsibility rests
exclusively with the individual
author or authors. No part of this
publication may be reproduced
in any form without permission.

Comments are welcomed and
may be sent to the author(s).

© Copyright is held by the
author or authors of each article.

Editorial Chairman: Tan Chin Tiong

Managing Editor: Ooi Kee Beng

Production Editors: Benjamin Loh,
Su-Ann Oh and Lee Poh Onn

Editorial Committee: Terence
Chong, Francis E. Hutchinson
and Daljit Singh