

REVIEW OF POLITICAL DEVELOPMENTS

Democratic Challenges: Seeking an Alternative Leader and Eradicating Corruption

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This review of the political situation in Indonesia during the second quarter of 2013 focuses on three main issues: the preparation of the political parties in the lead up to the 2014 election; question on the current coalition government; and the corruption cases undermining cadres of the political parties.

Political Parties' Preparation for the 2014 Election

Next year Indonesia will host a General Election – the third since reform era started. The selection of legislative candidate members will be held in April, and the Presidential elections will be held in July. 12 national parties and three Acehnese parties will contest the election; the total number of which is the smallest number of political parties over the last two elections. This indicates that Indonesia continues to evolve into a stronger representative democracy. As a comparison, 48 political parties participated in the 1999 General Elections, 24 parties in 2004, and 34 parties in 2009.

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The preparations leading up to the 2014 elections, both the legislative and the Presidential elections, consist of lobbying activities and internal party meetings, which have been the dominant activities of political parties over the last three months. The final number of candidates who have registered with the Election Commission is 6,560 individuals, who will compete for the 560 seats in the House of Representatives.

Election regulations, namely article 55, regulation No. 8, 2012 regarding General Elections for the DPR, DPD and DPRD stipulates that party candidates must be comprised of at least 30 percent female members, of the total number of candidates put forward by the political parties. In the legislative elections of 2009, the number of female representatives in the DPR (House of Representatives) Republic Indonesia totaled only 108, or approximately 18 percent, in the provincial DPRD (Regional House of Representatives) there were only 16 percent, and in the regional DPRD and associated town centers only 12 percent female representation. Only 6,560¹ filing candidates will be included in the Provisional Candidates List (DCS).

There are a number of significant issues with regards to the DCS. Not all participating political parties fulfill the minimum 30 percent female candidates quota. On the list, 2,445 candidates are women, in comparison to 4,115 male candidates. Chairman of the campaign team of the Indonesian Justice and Unity Party (PKPI), Lieutenant General (Ret) Yusuf Kartanegara, acknowledged the difficulties in meeting the minimum quota of 30 percent female candidates. A similar concern was expressed by the Chairman for the Crescent Star Party (PBB), MS Kaban, who requested the Election Commission not to impose the required quota of female candidates. On the other hand, the inability of political parties in preparing suitable female candidates could lead to a culture of nepotism and cronyism if forced to fulfill the quota requirements.

Another issue is related to the intention of the Election Commission to open the candidates' CVs to public scrutiny. Of the total number of candidates on the DCS, 140 are not willing to publicize their respective backgrounds. As this plan is not yet ratified in the electoral

¹ Dani Prabowo, "Hari ini, KPU Umumkan DCS," *Kompas.com*, 13 June 2013, accessed on 1 July 2013 <http://nasional.kompas.com/read/2013/06/13/10333048/Hari.Ini..KPU.Umunkan.DCS>

rules and regulations, the Election Commission cannot make this compulsory, particularly for candidates who refuse to do so. However, the public has clearly expressed in the mass media and social networking outlets, that there is a need for candidates to willingly publicize their CV's. A large proportion of the population is of the opinion that when an individual becomes a representative of the people, information about their lives – including information regarding personal matters such as wealth, and telephone numbers – should be known by the people. This allows the public to vote for a candidate based on clear information as well as track record.

In addition to the legislative candidacy, candidates to be nominated for president are also a hot issue. A number of political parties such as Golkar, Gerindra and Hanura, have already publicize their parties' respective presidential candidates. Other major parties such as PDIP and the Democratic Party are yet to give a clear indication of their intended presidential candidates.

The results of the legislative elections would generally be a basis for political parties to determine a presidential candidate. At the time this review was written, a meeting of the legislative body has not yet decided whether to revise Regulation No 42 (2008) regarding the election of the President and Vice President. The first stage of Presidential selection should already commence by October 2013.

Under Regulation No 42 (2008) it is stipulated that presidential candidates nominated by the political parties or coalition of political parties must achieve a minimum of 20 percent of seats in the House of Representatives or 25 percent of the national vote tally. In 2009, the Democratic Party alone was able to nominate a Presidential candidate as they secured over 20 percent of seats, while the other parties necessarily formed a coalition in order to nominate a Presidential and Vice-Presidential candidate. If the regulations in the 2014 General Election remain, other parties that cannot meet the requirements will also need to form a coalition.

Surveys and polls conducted by a number of institutions² have provided an overview of the popularly preferred candidates from a list

² Centre for Strategic and International Studies, "Survey Nasional Partai Politik," Jakarta, May 2013. This is a national survey conducted by CSIS on 9-16 April, 2013. The survey made a list of seven names of the most popular potential candidates.

of names of potential presidential candidates. At least 30 names have been considered as potential candidates. There are of course the "old" names such as Megawati Sukarnoputri, Aburizal Bakri, Prabowo Subianto, and Hatta Rajasa. Then there are the "new" names such as Joko Widodo and Anies Baswedan. Of course, names of candidates will not be submitted until the results of the legislative elections in April 2014 are known.

There is widespread desire for new, alternative figures as presidential candidates, as expressed in a number of surveys.³ These surveys generally differed in the numbers of participants polled or the amount of surveys issued; however, the tendency or popular thread among the people is the underlying hope toward a new alternative candidate, which underpinned all the surveys. This phenomenon shows that most people want change; hence, political parties should be open to alternatives and provide an opportunity to those individuals excelling in these polls.

Persistence in nominating only the chairperson of the party will most likely be a weak point for parties and bring election disappointment. Large parties such as Golkar and Gerindra, who have already given strong signals that they will put forward the chairpersons of their own parties as their presidential candidates, should heed the emerging voter sentiments. The well-established political dynasties, which are interwoven in a number of political parties, will be strongly challenged by these trends. The loyalties of the traditional party cadres will be tested by the rationality of voters. The 2014 Presidential election will differ from previous elections, as there is no incumbent who will be contesting the upcoming election.

The main question is whether these parties will be willing to cede the top position to people outside of their political families. For example, will the Chairperson of the PDIP willingly give the parties' presidential candidacy to outside the Soekarno Clan? Will the presidential candidate of the Democratic Party not be a descendant of the Cikeas family? As for Golkar and Nasdem, although the parties' convention allows the opportunity for internal cadres as well as external party candidates to be nominated, will they continue to nominate their

³ See *Ibid.*

Chairpersons – Abu Rizal Bakrie and Surya Paloh respectively – even if the preferred Presidential candidates as per the pre-election surveys show it should not be the case?

Another issue is the fact that political parties do not yet have a mechanism to gauge why they should be nominating candidate A and not B or C. Primordial considerations still seem to determine the party nominations. This goes against the fact that the public has its own logic, and this logic may differ from that of the political parties. This is even more so to specific social circles such as the middle class and educated youth who want change.

Michael Malley⁴ expressed pessimism in regard to the emergence of young candidates and associated significant change in democratic life, and improvements in public welfare for the following reasons: (1) the framework of the political system, which is structured toward promoting the older generation of leaders; (2) the ability of political leaders to free themselves from connections to the New Order government and their ability to build an image as champions of democracy; and (3) the existing regulations, which benefit the longest standing major political parties. The leaders of the previous generations will continue to seek legitimacy directly through regional electorates. This leads to the tendency to not only hamper the emergence of young leaders in the outlying regions, but also create a new balance between Jakarta and these regions where, ultimately, regional leaders are not only pressured by the central administration to strengthen decentralization, but also to lend legitimacy to the older generations of leaders who control these regional electorates.

Awareness on the part of political parties regarding the wishes of the public to have a new president – not one drawn from a selection of old, bygone figures – will influence the pattern of campaigning undertaken by the larger parties that are looking to put forward their long standing candidates. Campaigns will be structured in such a manner that the efforts of candidates to charm, and the recently evident promises of change will only be verified after the votes have been cast.

⁴ Michael Malley, "The Future of Indonesia Beyond 2014: Prospects and Challenges," RSIS Conference Report, Singapore, 2009.

Fuel Subsidy and the Coalition Government

On 21 June 2013, the government announced a rise of fuel price. This announcement put an end to the year-long discourse about fuel price and fuel subsidy, which had triggered the onset of uncertainty in both economic and political spheres. The price of subsidized fuel went up from Rp 4,500 per liter to Rp 6,000 per liter. The announcement was made four days after the House of Representatives passed the 2013 State Budget through a full sitting of the House. To temporarily compensate the fuel price hike, as much as 9.3 trillion rupiah was allocated for a direct assistance scheme, where each family accounted for on the list of impoverished families will receive a payment of up to Rp 150,000 per month for four months.

Aside from the economic consequences, this policy also has political implications, as fuel subsidy has always been a sensitive political issue. There are many issues related to this policy, which cannot currently be extrapolated or decisively understood due to the complexity of the political risk calculations. On the one hand, the government's decision is considered to be slow in its response to the already ballooning fuel subsidies. On the other hand, political parties risk a drop in popularity in the eyes of the voters, especially shortly before the 2014 Election. The burden on the people will likely become increasingly heavy, especially for those close to the poverty line. In addition to this, there are strong and persistent lobbying from businesses that enjoy the profits of low oil prices. In short, the lack of support from both the public and political support, the government is always a hostage when implementing its policies. The institutional capacity or the Governments are not able to maintain credible commitment over a number of policies.

The political risk immediately following the policy has caused dissension within the coalition government, because not all coalition members support the policy of the Government. The Prosperous Justice Party (PKS) since the beginning has held the opposite position on fuel subsidy. Even on the moment the government announced the new fuel price, PKS banners and posters which opposed the price rise were posted. This condition has triggered tension within the coalition. A proportion of the coalition members requested President Yudhoyono

to take decisive action against the duplicity of PKS. It was hoped this stern action would expel the PKS from the coalition and oust three PKS-based ministers, namely the Minister for Information and Communication, Tifatul Sembiring, the Minister for Agriculture, Suswono, and the Minister for Social Affairs, Salim Segaf Al Jufri. The most vocal were the cadres of the Democratic Party. PKS was seen as a renegade political faction and was also perceived as a party that pursue political popularity without heeding political ethics. However, PKS remains resolute, arguing that a coalition does not disallow criticism, while leaving the final decision in the hands of the President.

Speculations regarding a decisive action to be taken by the President never came to fruition as PKS remains a part of the coalition government. Allegations that there would be a reshuffle of Cabinet to discipline the PKS, namely the expulsion of PKS ministers, did not occur. This may be due to considerations of costs versus benefits. A reshuffle of the cabinet that is less than one year old would most likely cause a political uproar, with no clear benefit or impact on the performance of the cabinet. Moreover, a firm action would actually benefit PKS, as it would allow PKI to claim to be the party that is consistent in fighting for the interests of the people and dares to take risks in opposing the government. PKS could also claim to be the 'abused' party – a perception that could garner public sympathy in the 2014 elections. On the long run, PKS could use such opportunity to strengthen internal solidarity, and divert public attention away from the issue of corruption and the beef import fiasco, which is currently wracking the party. Nonetheless, this matter has been handed over entirely to the people to assess the politics of PKS and manifest their assessment in the form of the vote in the upcoming election.

This situation highlights the fragility of the coalition. Previously, the Golkar Party did not fully support the government and maintained different attitudes from the Democratic Party, particularly in the Century Bank case.⁵ The lack of ensuing action against Golkar indicated the need for SBY to maintain the support of Golkar and the PKS through the coalition. This is a similar case to the one with PKS now, and por-

⁵ For more details of the Century Bank case, see, for example, the news archive in Tempo <http://www.tempo.co/topik/masalah/2696/Kasus-Century>

trays how the coalition seems to have no strict rule about how it should address members that support the government's policies, and those that oppose. It is also quite difficult to measure the performance or stability of the coalition, as it is too fragmented. It must be noted that the aforementioned issues did not immediately cause instability within the cabinet, and perhaps this is why there is no decisive action to expel PKS from the coalition. Additionally, parties who do not fit the mainstream generally do not feel uncomfortable, nor the need to exit the coalition. In this regard, a coalition is no longer essential in securing government policies, as each party will be adhering to the safest path.

The fragile coalition of parties that has the potential to disrupt the implementation of policies is closely linked to the political system adopted by Indonesia. The 1945 Constitution regulates the system of governance, which is the presidential system. The presidential system has two main characteristics. First, the head of the government (the president) is elected separately from the parliamentary member's elections; hence, the result of the legislative elections does not directly determine the executive. Second, the head of government is elected to rule for a fixed time period.⁶ In addition to these, there are important additional characteristics. One is that the President does not have the authority to dissolve the parliament, nor does the parliament have the authority to dismiss the President. As a comparison, other countries with presidential system may still retain the parliament's right of impeachment; however, the right of parliamentary impeachment is regulated with restrictive requirements.⁷

Parliamentary support for the President is highly influential in the process of law-making and the implementation of policies and Government programs, as the greater the parliamentary support for the president is, the more effective the government's implementation of public policy is. Thus, any policy that is not supported by sufficient parties will be difficult to implement. Although the president cannot be ousted by the parliament, in terms of policy-making and implementation, the president cannot ignore the majority of sentiment of the parliament.

⁶ Mainwaring, Scott, "Presidentialism, Multi Party Systems, and Democracy: The Difficult Equation," *Comparative Political Studies* Vol 26(4) (1994).

⁷ Partono, "Sistem Multi Partai, Presidensial dan Persoalan Efektivitas Pemerintah," *Jurnal Legislasi Indonesia* Vol 5(1) (2008).

Moreover, Indonesia has a multi-party system. In 1955, the first election was contested by 29 political parties. This was a milestone event in the implementation of a multi-party system. The election regulation, which sets the threshold to enable a political party to be registered, is also the driver of the multi-party system. In a multi-party presidential system, building a coalition of political parties to secure an election is both common and reasonable.

One can imagine the case in the current Indonesia, where the Democratic Party, from which the current president stems, only holds 7.45 percent seats in the parliament. The barrier to implementing policies in Indonesia is not the opposition of the majority of parliamentary vote; rather, the barrier is the requirement for coalition parties to fully support the policies. The coalition is neither binding nor permanent. Moreover, the coalition does not necessarily reflect and guarantee the support of all parliamentary members from each of the political parties within the coalition. Although the Golkar Party and PKS are in the coalition, for example, this does not mean that all Golkar and PKS cadres in the House of Representatives agree with party policies. A considerable number of House of Representative members from the Golkar Party, PPP and PKB actually resist the aforementioned policies of the government, when in fact they should be supporting them, which highlights the inability to control parliamentary members to be consistent with party policy. A desire to fight for the common interest is often cited as the reason when parties oppose Government policy.

Nonetheless, an amendment to the Constitution will create more problems, because a number of issues will result, such as the right of interpretation and the right to request Presidential clarification, which is customary in the parliamentary system and possible in Indonesia's political system. The core issue with the right of interpretation is the subsequent political process, which often causes tension or even friction among members of the House of Representatives, and also between the House of Representatives and the Government.

The lesson for the future is that the ruling party should ideally hold the majority of seats in the House of Representatives. In addition, the elected president must be strong and consistent when implementing policy. If the policies are widely believed to be beneficial for the people, they must be championed to the fullest extent.

Corruption Hijacks Democracy

The launch of the Global Corruption Barometer 2013 by Transparency International confirms that there is a trend of corruption occurring in all parts of the world, and that the level is acute.⁸ Politicians are said to be entrenched in corrupt practices. Indonesia is among a number of countries with shameful levels of corruption. Where a score of 0 indicates no corruption, and a score of 5 indicates a level of corruption that is acute and endemic, the Indonesian political party scores 4.5. Corruption in the Indonesian Parliament also scores 4.5, the police 4.5, the judicial system 4.4 and the Government scores 4.⁹ Even Transparency International advocates political parties as the driving force of democracy, yet evidently are the most corrupt of public institutions.¹⁰

One of the main causes of the political party corruption is that party funding that is acquired from the government and the supporters is very little. Government assistance and public donations are not adequate to pay for Party activities, especially activities related to general elections, congressional elections, conventions, training and other activities. The survey, which polled 1,635 respondents in 31 provinces from 9-16 April 2013, found that only 2.5 percent of respondents had ever made a donation to political parties. The remaining 97.5 percent had never donated. In the end, although it is not condoned, political parties must seek alternative funding through cadres who hold office or rank within the Government.

The results from a CSIS survey revealed that very low levels of public participation in funding political parties have forced the parties to seek other sources of funding to sufficiently pay for their campaigning programs.¹¹ One of these is, sadly, via corruption. To become a member of the House of Representatives or the Regional House of Representatives, moreover a regional head, a candidate requires substantial funding, which can amount to Rp 1 billion – Rp 5 billion, which

⁸ Transparency International, *Global Corruption Barometer 2013*, 19 July 2013, accessed in July 2013 http://files.transparency.org/content/download/604/2549/file/2013_GlobalCorruptionBarometer_EN.pdf

⁹ Ibid.

¹⁰ Ibid.

¹¹ Centre for Strategic and International Studies, "Survey Nasional Partai Politik."

is not comparable with the approximately Rp 2 billion total which will be received for 5 years of service.¹²

Corruption by political parties disrupts their credibility and public image. Political parties are immediately less popular when their cadres become embroiled in corruption cases. For example, allegations of corruption in the bribery case of beef imports, which involves a number of high-ranking officials from PKS, seem to be the most influential factor in the public perception of that party. As a result, the public association of the PKS has generally changed and the party is now perceived to be the least prepared to face the 2014 General Election.¹³ The results from a series of political opinion polls indicated that the public assessment of PKS has turned around from that of a good image, to that of a bad image¹⁴. This poor perception is exacerbated by the response from top party officials, who blamed the law enforcers and claimed that the incident was inflicted on the PKS as part of a conspiracy experienced by the party. In the last survey conducted by the CSIS, the electability of the PKS was only 2.7 percent.¹⁵

Similarly, in the case of the Democratic Party, surveys show that it is continuously experiencing a variety of election issues due to a considerable number of its cadres who are tripping over corruption cases. Even after Anas Urbaningrum, who is a suspect the Hambalang corruption case, stepped down from the position of Chairman, the public perception of the Democratic Party is still poor. CSIS survey indicates the electability of the Democrats has dropped to fourth place with a score of 7.1 percent.¹⁶

These factors indicate that the strength of politics will erode and collapse if it comes to public knowledge there has been involvement in corruption. In other words, corruption becomes a "standard measure" which is used as a matrix on which to assess political parties. When the people's assessment of a political party becomes negative, then the party's role as a driver of democracy will become weak, as will its function as a representative of the people's aspirations.

**Translated from the Indonesian language by Rachel Major.*

¹² Toto Suryaningtyas, "Korupsi Mengubah Wajah Partai Politik," *Kompas*, 11 June 2013.

¹³ *Ibid.* See also Centre for Strategic and International Studies, "Survey Nasional Partai Politik."

¹⁴ Suryaningtyas, "Korupsi Mengubah Wajah Partai Politik."

¹⁵ Centre for Strategic and International Studies, "Survey Nasional Partai Politik."

¹⁶ *Ibid.*