



# **Democratic achievement and policy paralysis: Implications for Indonesia's continued ascent**

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National Security College Issue Brief  
No 3 May 2014

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### National Library of Australia Cataloguing-in-Publication entry

**Authors:** Sherlock, Stephen.

**Title:** Democratic achievement and policy paralysis: Implications for Indonesia's continued ascent [electronic resource] / Stephen Sherlock.

**ISSN/ISBN:** ISBN 978-1-925084-08-5  
ISSN 2203 - 4935 (print)  
ISSN 2203-5842 (online)

**Series:** National Security College issue brief (Online)

**Notes:** Includes bibliographical references.

**Subjects:** National security--Australia--21st century.  
Military planning--Australia.  
Political leadership--Australia--21st century.  
Australia--Politics and government--21st century.

**Other Authors/Contributors:** Australian National University, National Security College

**Dewey Number:** 355.0330994

## INTRODUCTION

Indonesia has experienced an astonishing transformation over the last fifteen years. Once among the political laggards of Southeast Asia under the regime of Suharto, it has turned itself into the best-functioning democracy in the region. Compared with Malaysia and Thailand's political logjams and the one-party rule of Cambodia, Vietnam and Singapore, Indonesia is a home for vigorous and healthy political competition. There have been three peaceful transfers of power in mostly well-organised and fair elections, and free expression and the media are flourishing; non-government organisations and social movements such as organised labour are increasingly prominent. There are signs of growing political awareness and assertiveness on the part of the electorate, exhibiting a number of interesting examples of the use of new media to campaign around issues and grievances.<sup>1</sup>

These changes were facilitated and strengthened by major institutional reforms, including direct presidential election, which helped to clarify the respective powers of the legislature and the executive. The withdrawal of the military from national politics was successfully negotiated. The introduction of direct election for the heads of regional governments reflected the enormous transfer of administrative authority from the central government in Jakarta to the regions. Indonesia has undergone a simultaneous process of central regime change and geographic decentralisation of power. Other reforms strengthened mechanisms to enforce the transparency and accountability of government, including reinforcing the powers and resourcing of the national audit agency (BPK) and the establishment of an Anti-Corruption Commission (KPK), Ombudsman, Constitutional Court, and Judicial Commission.

The country's political metamorphosis, along with successive years of healthy economic growth, has created a new sense of self-confidence, even assertiveness, among the Indonesian political elite. Indonesia has resumed a leading role in ASEAN, has become a member of the G20, and is pushing for greater prominence in the Islamic world. These developments have drawn international attention to the country and created a feeling that Indonesia is a new rising power which could, in time, join the ranks of world leaders. For the world's fourth most populous country, Indonesia's profile until now has been remarkably low and, apart from the tourism of the island of Bali, its international image is virtually non-existent. International recognition of its achievements is not before time, and a widening of that awareness beyond political and policy circles is well overdue. But we are apparently witnessing early signs that 'this is at last Indonesia's moment on the world stage'.<sup>2</sup>

Amid the general optimism, however, the objective of this issue brief is to sound a warning about serious underlying political problems that could jeopardise the progress of recent years. We should not forget the reality that countries do not become heavyweights in the global political economy because of a sound democratic record, but from the brute force of total Gross Domestic Product (GDP), international trade and finance. Democratic India was marginalised in global affairs until its economy began to grow, while China under one-party rule is being talked about as a new superpower because its economy is beginning to rival that of the United States. Likewise, Indonesia is gaining respect because projections of its recent economic growth into the next decade would make it one of the world's larger economies.<sup>3</sup>

This issue brief argues, however, that Indonesia today is in danger of losing momentum because the institutional, political and policy underpinnings of future growth have been neglected. While the political hardware of a reformed constitution, democratic competition, rule of law, and institutions of accountability have been firmly established, the software of democratic institutionalism retains many bugs. The groups of people that cause these institutions to function have changed very little, and the mentality of the political class remains locked in the politics of patronage and the division of spoils among an entrenched oligarchy. This issue brief concentrates on one particular aspect of weakness in the democratic software: the problematic role of political parties. Specifically, it asks whether political parties are equipped to play their role in recruiting a viable choice of presidential candidates. It concludes that democratic decisionmaking processes in the parties are being overwhelmed by money politics, dynastic and clan in-fighting, and the incapacity to accommodate political and personal differences in order to build inclusive internal party coalitions.

The 2014 elections have thrown a spotlight onto a critical weakness of political parties in Indonesia and onto the limitations of the process by which the country transformed itself from autocracy to democracy. Indonesia has a great deal to show the world about how political change can be brought about peacefully and the means by which institutions of democracy can be established and consolidated in a manner that is inclusive of a divergent range of social, cultural, religious and regional interests. However, there is a danger that the country may also become a salutary lesson in how the people who take power in a new order can fail to tackle the prosaic but crucial policy questions – questions that will ensure the economic and social stability necessary to underpin a continuing democratic future.

1 Stephen Sherlock, 'The parliament in Indonesia's decade of democratisation: people's forum or chamber of cronies?', in E. Aspinall and M. Mietzner (eds) *Problems of Democratisation: Elections, Institutions and Society*, (Institute of South East Asian Studies, Singapore, 2010), p. 171.

2 Anthony Reid, 'Indonesia's new prominence in the world', in A.Reid (ed), *Indonesia Rising: The Repositioning of Asia's Third Giant*, (Institute of Southeast Asia Studies, Singapore, 2012), p. 1.

3 Joshua Keating, 'The Indonesian Tiger', *Foreign Policy*, December 2010.

## INDONESIA'S THIRD TRANSITION: A TIME OF UNCERTAINTY

Indonesia today is facing its third historic transition since the end of the Suharto regime in 1998. The first was the transition to democratic elections in 1999 and the second occurred with the change to a directly elected presidency in 2004. The third transition in 2014 represents the end of the first entire cycle of a two-term directly elected presidency and the transition to a new popularly elected administration. The first two post-new order Presidents were elected through parliamentary vote, so the 2014 election brings the first handover of power between two directly elected Presidents. This is a time of uncertainty, not only because of questions regarding who will take power, but because it is the first test of the new post-Suharto order and its capacity to handle such a transition successfully.

In a presidential system with fixed terms, such as in Indonesia, the constitutional process relies on the political class to produce the choices for a changeover of leaders according to a strict—and arbitrary—timetable, rather than allowing it to occur in response to the tide of political events, as tends to be the case in a parliamentary system such as in the United Kingdom or Australia. Linz has observed that fixed presidential terms 'mean that the political system must produce a capable and popular leader every four years or so'.<sup>4</sup> If the choice of voting citizens is to be genuinely democratic, the option to choose between leaders ought to be presented to the voters. This creates expectations that the conduit for the recruitment process—the party system—will be able to fulfil this role in consonance with the election cycle.

In Indonesia, the centrality of parties in the process is reinforced by legislation that makes it impossible to enter the presidential race outside the framework of the party system. In the US case, a highly institutionalised two-party system with broad coalition parties has evolved over many decades within the framework of a presidential constitution. The pre-selection process of the US primaries allows a modicum of public input into an otherwise internal party mechanism. Even assuming the best intentions on the part of the political elite, Indonesia has not had sufficient time to test and refine the political mechanisms of its particular version of presidentialism, nor to nurture the informal practices, unspoken agreements and conventions that develop with usage and experience. The question is: how well will the Indonesian party system cope with its role in managing the transition to the next five or ten year cycle?

## STALLED REFORM AND POLICY PARALYSIS

The need for a successful transition of power is especially urgent because, in political and policy terms, the last few years have not been encouraging. Despite growing international standing, feelings about the domestic political scene in Indonesia are markedly downbeat. The excited talk of *reformasi* (reform) has largely evaporated and has been replaced by disappointment over lack of further progress, entrenched corruption, and the continuing stranglehold of the self-serving political elite. Recent academic analyses of Indonesian politics have talked of 'stagnation'<sup>5</sup>, 'regression',<sup>6</sup> 'missing...political accountability'<sup>7</sup> and obstruction by 'anti-reformist elites'.<sup>8</sup>

To some extent the ebbing tide of euphoria reflects the fact that Indonesia is now a 'normal' country,<sup>9</sup> no longer a place of exciting hopes and fears, but a country where politics has assumed the prosaic reality of coalition-building,<sup>10</sup> division of the spoils of office, and wrangling over policy differences. In other words, politics as played out in what are regarded as 'advanced' democracies.

The era of political and constitutional *reformasi* has passed: for this reason there is a need to shift attention to the stalled progress in implementing policy to address the increasing gamut of urgent national problems. The SBY administration was marked by policy paralysis and its apparent incapacity to respond to the long agenda of unfinished business. Issues include: the distorting effects of oil price subsidies on the state budget and foreign exchange; the dilapidated state of roads, rail, seaports, and airports; poor-quality government services such as health and education; unemployment; lack of development in remote regions; environmental degradation; and urban pollution and congestion. An especially alarming development was the indecisive and ineffectual response by the SBY administration to the rise of religious intolerance and persecution of minorities, which threatens the pluralist compact on which the stability of the post-independence Indonesian state has been based.

4 Juan Linz, 'The Perils of Presidentialism', *Journal of Democracy*, 1, 1, 1990, pp. 51–69.

5 Dirk Tomsa, 'Indonesian politics in 2010: the perils of stagnation', *Bulletin of Indonesian Economic Studies*, 46:3, 2010, pp. 309–28.

6 Greg Fealy, 'Indonesian politics in 2011: democratic regression and Yudhyono's regal incumbency', *Bulletin of Indonesian Economic Studies*, 47(3), pp. 333–53.

7 Sandra Hamid, 'Indonesian politics in 2012: coalitions, accountability and the future of democracy', *Bulletin of Indonesian Economic Studies*, 48(3): pp. 325–45.

8 Marcus Mietzner, 'Indonesia's democratic stagnation: anti-reformist elites and civil society resilience', *Democratization*, 2012, 19(2), pp. 209–29.

9 Andrew McIntyre & Doug Ramage, 'Seeing Indonesia as a normal country: Implications for Australia', Australian Strategic Policy Institute, Canberra, 2008.

10 Hamid, *op. cit.*, 'Indonesian politics in 2012'.

Many studies have considered the sources of policy paralysis and deficiency in service delivery in terms of problems caused by decentralisation, the need for civil service reform and the overhaul of government administration. Particular blame is usually apportioned to national and regional parliaments, as well as to ministerial and cabinet decisionmaking and, of course, to corruption and waste of state resources. It is generally agreed that the most telling weakness of Indonesian democracy today is a lack of transparency and accountability in decisionmaking. Politicians understand that they must be popular if they are to be elected, but act as if achievement of office confers carte blanche to distribute resources without being answerable to anyone. Government officials resent having to make and implement policy under new levels of scrutiny from the media, the public and the parliament.

## THE FAILINGS OF THE PARTY SYSTEM AND THE 2014 ELECTION

The presidential election to be held in 2014 entails the current regime handing over power to a new set of national leaders; it thereby represents both an opportunity and a burden of great responsibility. The rest of this issue brief is devoted to the particular question of the capacity of the political elite to produce new leadership with the capacity to grasp the initiative on the agenda of urgent policy issues.

Observation of the first fifteen years of electoral politics reveals a very mixed picture of the capacity of the parties to foster and produce successive lineups of candidacy for national leadership. The major problem appears to be that the parties have a 'winner takes all' attitude to party leadership and to presidential candidacy. The corollary of this is that losing contenders conclude they have no alternative but to leave and form their own party.

In the first transition of 2004, for example, the eventual winner, SBY, did not emerge into the first rank of political choices until quite late in the process. This was in part because his obvious choice of party, PDIP, was unable to accommodate him without threatening the prospects of the entrenched leaders of the party, Megawati and her husband Taufik Kiemas. This led him, apparently reluctantly, to relent to pressure from ex-PDIP supporters and join forces with the new Democrat Party, which had been created as a vehicle for SBY's candidacy.<sup>11</sup>

A succession of new parties has been formed by presidential candidates who could not find a place within the existing parties. Hanura was created by former general Wiranto after he split with Golkar following his weak performance as Golkar's presidential candidate in the 2004 election. Another presidential aspirant from Golkar, Prabowo Subianto, also left the party to form his own party, Gerindra, as a vehicle for his candidacy in the 2009 election. A further 'presidential' party established by a former Golkar leader has recently been added to the list with the creation of the National Democrat Party (Nasdem) by media tycoon Surya Paloh in order to support his likely bid for the presidency in 2014.

The existing major parties maintain a poor record in two important respects: first, producing credible candidates for national office; and second, maintaining inclusive and cohesive internal coalitions, both of which are necessary for attracting winning levels of voter support. Golkar has driven a succession of leaders from its ranks and has now elected a leader, enormously wealthy businessman Aburizal Bakrie, who appears to have very little prospect of election in 2014. This is a clear sign of the fatal weakness in Golkar's political culture: it has produced a leader who can win internal elections through the power of money but whose credibility as a vote-winner among the people is extremely low.

Even a party as apparently youthful as Democrat—having been formed in 2003 with none of the historical baggage carried by Golkar and PDIP—has foundered over the task of establishing a post-SBY leadership. The problem of money politics has overwhelmed all of the figures who were touted as successors to SBY. The rising stars of the party, Anas Urbaningram, Muhammad Nazaruddin, Angelina Sondakh and Andi Mallarangeng have each been politically destroyed by convictions for corrupt use of funds for political purposes or by damaging allegations. SBY himself seems to have fallen for the fatal temptation of dynastic politics, pushing his son, Edhie Baskoro, into leading party positions in apparent disregard for voter perceptions of such practices.

The Islamic parties have been afflicted by their own range of similar problems. PKB is a tragic lesson of the fate of parties dominated by one extended family and unable to resolve the tensions produced by competing ambitions that inevitably arise in politics. The party has repeatedly split, with each splinter appearing to believe that the party's most loyal voter base—traditionalist Muslims in East and Central Java—would automatically adhere to it. With the death of Abdurrahman Wahid, the party has lost its one dominant national figure and shows no sign of being able to replace him. Because of the party's failings, a clear constituency of voters and a political tradition dating back from before independence has been left without what was once a united voice.

PAN was strongly identified with its prominent founder, Amien Rais, who for a short time after the fall of Suharto was seen as a leading presidential contender. But in the 1999 and 2004 parliamentary elections the party failed to win a significant slice of the vote—six per cent and seven per cent respectively—and Amien's presidential bid attracted only 15 per cent, well behind the leading contenders, SBY and Megawati. The party has survived Amien's subsequent retirement from politics, but it has failed to produce any outstanding national leaders. In fact, the party has become notorious for its propensity to select celebrity candidates in national and regional elections, few of whom perform effectively in office.<sup>12</sup>

11 Jun Honna, 'Inside the Democrat Party: power, politics and conflict in Indonesia's Presidential Party', *South East Asia Research*, 20, 4, 2012, p. 475.

12 'PAN feels heat after two of its celebrity politicians in drug arrests', *The Jakarta Post*, 28 January 2013.

PKS is an interesting and unusual case because it has captured a loyal following—principally pious Muslims in urban areas—largely on the basis of ideas and policy, without the attractions of a charismatic leader. While PDIP, PKB and PAN combined an appeal to a well-defined social/religious base with prominent leaders—Megawati, Adburrahman Wahid and Amien Rais respectively—PKS has built itself behind stolid figures such as Hidayat Nur Wahid. The party has attracted a great deal of scholarly attention.<sup>13</sup> The literature has focused on issues such as PKS's organisational capacity and the dilemmas the party faces in trying to broaden its base beyond an Islamic constituency while retaining its core support. Studies of the party have almost wholly ignored the personal qualities and electoral appeal of its leaders.

The party rose from obscurity in 1999 and continues to argue a relatively well-articulated view of politics, but its very character as a cadre-based party limits its capacity to produce a compelling leadership choice in the presidential race. Its strengths in organisational and ideological terms mean that PKS is less likely to suffer the personality based schisms that weaken other parties, but these features also discourage the emergence of a figure capable of capturing the wider electorate's imagination. The party is likely to remain a stable force in parliamentary politics but will continue to find it difficult to be a major contender in the more personalised atmosphere of a presidential poll.<sup>14</sup>

In the case of PDIP, the problem has been less money politics than dynastic politics. The figures who gained favour from the dominant Sukarno clique were members of their own family, such as the uninspiring Puan Maharani. A new generation of talented potential leaders committed to the party's ideals of pluralist nationalism has languished in frustration behind an immovable front rank that retains the franchise on the dynastic name. As mentioned, PDIP could not find a place for the man who went on to win two elections and, until recently, still seemed to be backing Megawati as candidate, a person who failed election three times, under both the indirect and direct electoral systems.

PDIP has been very fortunate that at least one new figure from its ranks has managed to achieve national prominence largely by his own abilities, rather than through sponsorship by the party. Joko Widodo—popularly known as Jokowi—who rose to prominence with his election to the position of Governor of Jakarta in September 2012, attracted attention in his previous position as Mayor of Solo, Surakarta, in Central Java. In that position he gained a reputation for non-corrupt, effective government and for his popularity among the people of the city. In his campaign for the Governorship of Jakarta he was seen as a fresh uncorrupted figure opposed to the old circles of entrenched power represented by his main contender, the incumbent Governor, Fauzi Bowo. With his election as Governor of Jakarta and his populist, unorthodox style in that office—including publicly embarrassing obstructionist senior bureaucrats—he achieved national attention and became touted in the media as a presidential candidate. From early 2013 he began to appear in many polls as one of the leading contenders for public support.

It is notable that despite Jokowi's nationwide reputation, PDIP took a long time to accept that he was the party's only hope of winning in 2014. Just as SBY's ascent in 2003–04 was seen by some within PDIP as a threat, the party was initially divided about whether to support Jokowi's candidacy for Jakarta Governor in 2012. Although Megawati reportedly championed his candidacy, her husband Taufik Kiemas was deeply opposed. From the time of the 2012 gubernatorial election Taufik was also vocal in his attempts to disparage any suggestion that Jokowi was an appropriate candidate for the 2014 presidential election. He instead advocated Puan Maharani. Taufik's death in June 2013 removed him from the equation. Meanwhile, Jokowi's support in opinion polls continued to rise and, with Megawati's position languishing in relation to the other main contender, Prabowo, the party saw that it had little option but to back Jokowi. Moreover, there were concerns within the party that Democrat or Golkar might offer Jokowi the position of candidacy for their party. The first clear sign that Megawati was committed to Jokowi came at the September 2013 national working meeting (*Rakernas*) of the party, when she effusively praised Jokowi, declaring he possessed the 'vibrations' of her father, President Sukarno.<sup>15</sup> Jokowi himself rejected suggestions that he would stand, and expressed annoyance at being diverted from attention to his job as Governor.<sup>16</sup> By the end of 2013, Jokowi had not indicated his intentions, but nevertheless the common view was that his acceptance was inevitable.

13 Najwa Shihab, & Yunuar Nugroho, 'The ties that bind: Islamisation and Indonesia's Prosperous Justice Party (PKS)', *Australian Journal of Asian Law*, 10, 2, pp. 233–67, 2008. Sunny Tanuwidjaja, 'PKS in post-Reformasi Indonesia: Catching the catch-all and moderation wave', *South East Asian Research*, 20, 4, 2012, pp. 533–49. Michael Buehler, 'Revisiting the inclusion-moderation thesis in the context of decentralised institutions: The behaviour of Indonesia's Prosperous Justice Party in national and local politics', *Party Politics*, November 2012, pp. 1–20.

14 The poor performance of Hidayat Nur Wahid in the 2012 Jakarta gubernatorial election is an illustration of how difficult it is for one of the party's established leaders to perform well in the more personality-based direct executive elections at the national and regional level. With 12 per cent of the vote in the first round, Hidayat captured the support of only about half of the voters who identified themselves as PKS supporters (Lembaga Survei Indonesia, *Exit Poll Pilgub Jakarta*, 2012), p. 35.

15 'Megawati: Jokowi punya getaran seperti Bung Karno' (Megawati: Jokowi has Sukarno's vibrations), *Kompas Online*, 6 September 2013, available at: <http://nasional.kompas.com/read/2013/09/06/1536589/Megawati.Jokowi.Punya.Getaran.seperti.Bung.Karno>

16 'Jokowi: Jangan tanya-tanya masalah itu lagi' [Jokowi: Don't keep asking about that issue], *Kompas Online*, 15 March 2013, available at: <http://nasional.kompas.com/read/2013/03/15/18033254/Jokowi.Jangan.Tanya-tanya.Masalah.Itu.Lagi>.

## CONCLUSION

At the time of writing, the party system has failed to put forward a spectrum of candidates that offers a breadth of choice to the electorate, with only one prospective candidate appearing to have much popular credibility. Until mid-2013, most polls were topped by Megawati (reflecting the resilience of a core PDIP social base<sup>17</sup>), Prabowo (testimony to voter recognition, if not charisma) and, increasingly as 2013 has worn on, by Jokowi. Support levels have varied widely in different polls, which indicates their limited reliability, but none of the three often exceeded 20 per cent. Both Megawati and Prabowo are, for different reasons, deeply problematic as viable options for the presidency. Megawati's poor performance as President from 2001 to 2004, together with the drastic slump in support for PDIP under her leadership—from 32 per cent in 1999 to 19 per cent in 2009—suggest that she would attract little more than diehard PDIP supporters to vote for her. Prabowo may have the personal profile and financial resources to mount a serious bid, but his human rights record during the Suharto era may well be an electoral liability and would certainly cause problems for the conduct of foreign policy under any administration he headed. Bakrie is seen as a greedy capitalist; Wiranto a relic of the past; and both Jusuf Kalla's and Hatta Rajasa's names evoke a combination of the two: none has registered more than 10 per cent support in public opinion polls. A few relatively newer figures such former Chief of the Constitutional Court and defence minister in the Abdurrahman Wahid administration, Mahfud MD, state enterprises minister Dahlan Iskan, and dynastic figures such as Puan Maharani, Edhie Baskoro and SBY's wife, 'Ani' Kristiani Herrawati, languish in single figures.

Jokowi does not carry any negative baggage, has not made any obvious mistakes as Governor of Jakarta, and may well emerge triumphant in 2014. But his slight political experience as mayor of a middling provincial city and his short period of service as Governor of Jakarta does not seem sufficient for a position of such immense responsibility as President of Indonesia. There is a strong sense that Jokowi's appeal derives from a sense of desperation – in both his party and in popular opinion – that there is no other viable figure, and that the only alternative would be the deeply problematic figure of Prabowo. Jokowi could be elected merely because he is the only candidate without major political negatives. If, as seems increasingly likely, he receives and accepts PDIP's nomination, he will still have limited connections and authority within the party itself. He holds no formal office in the party and as president might find it difficult to assert his control over the dominant figures in the party organisation.

The voters' current choice is thus a range of worn-out and unappealing figures, plus one fresh but inexperienced neophyte who was initially reluctant to stand. After fifteen years of democracy, it should be a point of concern that the party system as a whole could not produce a new generation of leaders and that the only scenario involving a new figure centres on an inexperienced provincial leader who was promoted as a candidate because of the absence of an alternative. The only encouraging element in this scenario is that the rise of Jokowi could constitute the beginning of a trend in which national leaders are recruited from the ranks of provincial executives and/or legislatures.<sup>18</sup>

This issue brief is not alone in raising concerns about the unclear choice of contenders for the 2014 election, but much of the previous writing has concentrated on the personal qualities of the leaders. What this issue brief has shown is that the problem is not merely an unfortunate coincidence of personalities, but rather the product of structural weakness within a party system that appears incapable of performing the vital role of recruiting a choice of leaders in whom a majority of the electorate can place its confidence. A fixed-term presidential system demands that parties produce leaders according to a precise electoral schedule, but the selection processes within Indonesian parties necessary to achieve this has been have been subverted by money politics, dynastic ambitions, and a systemic neglect of the task of developing policy alternatives.

The problem with the party system is possibly the most critical example of the limitations of post-Suharto political reforms. As mentioned above, the hardware of constitutional and institutional structures are in place and there is no significant anti-regime or anti-democratic sentiment – inchoate or organised – but the software of the system is still beset by operational problems. The people who make institutions work have become very adept at manipulating the system for short-term and sectional gain, and the old autocratic players have 'reorganised' themselves to survive and prosper in the new democratic environment.<sup>19</sup> Despite institutional reform, the informal rules of the political game as played out under the New Order regime remain essentially unchanged. The Suharto method was collusive but also sufficiently inclusive of potential oppositional forces to ensure they did not openly challenge the status quo.<sup>20</sup>

18 Another figure with some such promise is the Governor of Central Java, Ganjar Pranowo. He was elected to the office as a PDIP candidate in August 2013, after serving as PDIP member for a Central Java constituency in the national parliament (DPR) from 2004. Ganjar had been a party activist in Yogyakarta since his student days in the early 1990s, supporting Megawati in her fight for leadership of the party against the faction supported by the Suharto regime.

19 Richard Robison and Vedi Hadiz, *Reorganising Power in Indonesia: The Politics of Oligarchy in an Age of Markets*, (Routledge Curzon, 2004, London and New York), Vedi Hadiz, *Localising power in post-authoritarian Indonesia: A Southeast Asia perspective*, (Stanford University Press and Institute of Southeast Asian Studies, 2011).

20 Edward Aspinall, *Opposing Suharto: Compromise, Resistance and Regime Change in Indonesia*, (Stanford University Press, 2005).

17 Marcus Mietzner, 'Ideology, money and dynastic leadership: the Indonesian Democratic Party of Struggle, 1998–2012', *South East Asia Research*, 20, 4, 2012, pp. 511–31.

Today there is a continuing tendency towards collusive consensus among the political elite rather than open competition and debate, especially over questions of policy. As Aspinall has argued, 'the legacies of a political transition that kept the old Suharto regime's ruling elite and patrimonial governing style largely intact continue to bedevil democratic governance'.<sup>21</sup> Coalition-building has been random, 'promiscuous', opportunistic, and determined by division of the spoils of office rather than reflecting coalitions of interests committed to policy outcomes.<sup>22</sup> During his entire decade in power, SBY remained determined to govern with all-inclusive coalition cabinets, regardless of the cost to effective decisionmaking. Ministerial posts, and the resources attached to them, continue to be treated by ministers as their personal fiefdoms. In these circumstances, policy development and coordination is extremely difficult and the possibility of reform of government administration seems remote. And, as has been argued here, the parties through which the political elite operates have not been able to foster generational renewal within their own ranks and thus have been very slow in producing a spectrum of new leaders from which the electorate can choose. Unless these tendencies are overcome, the policy paralysis of the last few years will continue and the economic progress that has drawn attention to Indonesia's 'ascent' will stagnate or even regress. Conditions are nowhere near so dire as to threaten the basis of Indonesian democracy, but if democratic institutions are seen as failing to deliver prosperity and opportunity to a young growing population there could be dangers of instability ahead. There are positive lessons and salutary warnings to be taken from the example of Indonesia.

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