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Dilemmas of Labour and Populism in Indonesia

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The problem

The potential for the labour movement in the South to propel democratic and inclusive development are often studied in view of the conditions that made this possible by social democratic politics and policies in the North. From that angle, the conclusion is next to self-evident. Nothing like the historical circumstances that obtained in the North – a broad and relatively unified working class movement in the context of liberal development and rise of democracy – are feasible the South (cf. Therborn 2012). Similarly many scholars also argued that the conditions for the third wave of democracy was poor (e.g. Bastian and Luckham 2003, and Robison and Hadiz 2004). The widely accepted foundations for the arguments are uneven industrialisation, ineffective and often corrupt administration, persistent dominance of oligarchs and party bosses, fragmented and middle class driven civil societies, and politicisation of religious identities. But maybe this grand perspective is as troublesome as the assumption of modernisation theory that development must copy what happened in the North. Hence, there is a need for closer contextual analyses. Because perhaps the conflicts in the South over uneven development and authoritarian rule generate different capacities and opportunities.

To find out, I spent the 2010s bringing together relevant parts of my longitudinal case studies since the early 1970s of broadly defined social democratic oriented struggles in Indonesia, India and the Philippines – with Scandinavia and to some extent Brazil and South Africa as reference cases – and the additional assessments of Indonesian democratisation that I was privileged to co-direct.¹ To go about the synthesis, the conventional frameworks for

¹ While in historical and theoretical perspective, the case studies were rooted in field studies. At one point, I tried to count the number of transcribed in-depth interviews, arriving at some 1,635 (but failed to quantify the logbook-notes from visits, meetings, focus group discussions and seminars); and the three rounds of participatory assessments of Indonesia's democratisation were based on 1,800 structured 6-8 hour-long interviews by assistants.

comparison (based on quantitative data about a few variables, or on qualitative studies of differences in similar cases to explain varied outcomes, or similarities in different cases to explain parallel developments) were unfeasible and neglected contextual dynamics. Hence, I specified and discussed instead the crucial themes of Social Democracy in contrasting cases, inspired by Benedict Anderson's conclusion (further elaborated in his memoirs 2016) that he was only able to write his *Imagined Communities* (1983, 1991) about nationalism when he was expelled from Indonesia and had begun to ask questions from exile in Thailand. In some ways, this position may concur with the editors' of this book 'transregional' perspective.

The themes of Social Democracy were defined inclusively, in accordance with its broader classical meaning of development based on social (and now also environmental) justice, and the democratic politics it takes to get there. Based on reviews of historical evidence from various contexts, this was specified in terms of three generations (during industrialisation, the anti-colonial struggle and the third wave of democracy) and four cornerstones (democratic popular-interest collectivities, democratic links between the state and equal citizens, social rights and welfare, and socio-economic growth pacts), plus five strategies (dismantling, taming, resisting, escaping and transforming capitalism). With these ideal types in mind (that certainly vary and intermix in reality), it was possible to study the various attempts to build the cornerstones in the different cases and try explanations based on historical insights and theories about conditions and political capacities.

For the details and further references, I must refer to the concluding book (Törnquist 2021), but let me summarise three of the main conclusions before we focus on the fourth.

Firstly, the results support the critics with regard to the primacy of the labour movement. In spite of the economic growth in all the cases, the results clearly suggest that first premise for social democratic oriented movements of popular-interest collectivities cannot be based on the working class to anything like the same degree as in the North. Workers themselves are too few, too scattered and often divided by specific interests and demands. Unity is difficult on the workplace level and between them. And higher up the system, leaders often develop their own preferences, even striking deals with dubious politicians. Policy demands are often about specific rather than universal rights and welfare schemes. Informal labour tends to be neglected. Efforts at overarching demands for social growth pacts inclusive of decent jobs and universal minimum wage – as suggested by international labour organisations – may be fine for casual and informal sector labour too. But there must also be compensation for the lack of

similar conditions as those in the North during the peak of Social Democracy – low levels of underemployment and the steady growth of new jobs.

Secondly, the sceptics of what would be possible during the third wave of democracy have proved right in stressing the importance of altering the unequal relations of power to make democratisation real. However, my case studies also show that focusing on structural change ahead of democracy has often subordinated rights and freedoms to other priorities. Hence, the efforts at structural and institutional change need to be integrated. The Indian state of Kerala is a shining example of combining, first, struggle for equal citizen rights and land reform, and then, democratic decentralisation and popular development planning. In Indonesia and the Philippines, in contrast, the liberal strategy of pacts among the elite in initiate democracy certainly opened up for change. But soon enough possibilities for ordinary people to gain representation through their own priorities and organisations in elections and participatory governance proved slim.² The crucial issue is, therefore, if popular groups could gain sufficient extra-parliamentary strength to reform the rules of the game.

The third conclusion is that the typical answer is no, they were not. The efforts to compensate the weakness of trade unions by bottom-up movements on various concerns have been fragmented and difficult to scale up. The laudable Indonesian student activists, for example, who fought Suharto and then tried to deepen democracy, often neglected organisation of the people they spoke for. Local organisers trying to do just that, among workers and informal labour, were unable to get together. Cause oriented groups were issue driven and often dependent on donors' priorities. Building wide membership and broad alliances was not a priority. Quick results were easier to achieve with actions, media coverage and lobbying. This was also one reason for the civil society organisations' (CSO) weakness outside the big cities. Generally, the main problem for unions and CSOs is how to engage in politics. This is because of their fragmented priorities. But it is also due to the hesitance of their liberal donors to be associated with politics. CSOs and unions alike remain focused on special issues and concerns. Typically, they have failed to build strong enough new parties to overcome the political elite's impeding rules, participate, and make a difference in elections. This is in sharp contrast to how unions and other popular organisations built successful social democratic parties in the North.

² For the theoretical and analytical framework of the Indonesian democratisation assessments, see Törnquist 2013. For a brief summary of the results, see Törnquist 2017.

Fourthly and more positively, however, there were also openings and alternatives. These relate to populism. Populism is often associated with mass mobilisation to counter liberal democracy and internationalism. But while this may be one outcome, it does not equal populism. There is increasing scholarly agreement with Cas Mudde (2017) that the essence of populism is a thin ideology of ‘common people’ and its ‘general will’, in contrast to established elites and their special interests. Just as Anderson (1991) analysed nationalism, we should thus study the rise of different populisms and their outcomes.

Populist politics, moreover, rests with two pillars. Firstly, the idea that ‘the people’ is defined by common identity more than interests and policies. Such as when leftists try to unite neo-liberalism or European rightists turn against immigrants. Chantal Mouffe’s (2018) left-populist position, for example, is ‘agonistic politics’ of positing ‘popular sovereignty’ against ‘ordo-cum-neo-liberalism’, plus fostering an ‘hegemonic general will’ by way of a common identity (‘chains of equivalents’) among emancipatory social movements (rather than ‘rigidly defined classes’) against a common enemy. Provisionally, rightist populism should be the opposite.

The second pillar, then, is the fancy for direct links between people and state (e.g. Agustín 2020). In local settings, people themselves may participate, but higher up the system they are typically ‘embodied’ by populist leaders. This is in contrast to representative mediation of different ideas and interests through citizens own organisations.

The very basis for my fourth conclusion about an opening is that mainstream but open-minded leaders’ attempts to gain more votes by populist methods at times facilitate unified action and policy development among so far severely scattered popular interest organisations, including unions, and civil society groups. However, my studies also point to severe risks.

In the following, I would like to focus on these options and challenges by discussing the probably best case in point – Indonesia since the mid-2000s. When the third round of the participatory democracy assessments in the country indicated that there was widespread new popular interest in reclaiming the state by relating to seemingly progressive leaders, in contrast to the previous focus on efforts in civil society, a small team of concerned scholars and reflective activists agreed to monitor the efforts and analyse problems and options.³

³Aside from myself, the group included Dr Luky Djani who combined insights from local politics around the country, the anti-corruption movement and ‘Jokowi’s advisors; Dr Surya Tjandra, student of labour law and propelling actor in the campaign with unions for the social security reform, later leading member of the Solidarity Party (PSI), and currently deputy Agrarian and Spatial Planning Minister and lastly, Osmar Tanjung,

During several years of exciting and joyful work, we combined insights and sources from crucial frontlines – inside government, unions and civil society groups as well as from other contexts – India and the Philippines for example – and with reference to the history of Social Democracy. In addition to the democracy assessments and our own previous studies, we were also standing on the shoulders of other engaged scholars (e.g., to mention some recent publications, Lane 2019, Michele Ford, Ian Wilson, Yatun Satstramidjaja et al. in Ford and Dibley 2019, and Caraway and Ford 2020) as well as some academicians advising the PDI-P and President ‘Jokowi’. Finally we added joint interviews and arranged group discussions with leading actors. As the Indonesians in the team were deeply ensconced in efforts to give tangible form to our ideas, we tended to meet in coffee shops and there was little time for comprehensive reports, so I turned secretary, and now benefit extensively from my notes. In the following, I draw primarily on our conclusions (Djani et al. 2017) in addition to follow up studies of the developments before and after the 2019 elections (Törnquist 2019, 2021 ch. 14).

Indonesia’s populist opening

In Indonesia, the new wave of populism arose with the increasingly market driven economic growth and ‘flexible’ employment relations after the Asian economic crisis. This generated quests for public welfare, as well as awareness among elites that such schemes were necessary to contain social unrest and win elections. There was also political and economic decentralisation. This enabled local elites to compete by promising welfare. Similarly, there were direct elections (rather than indirect via parliaments) of local political executives such as mayors. For potential candidates to win first past the post elections, patron-clientelism (based on individual linkages), and horse-trading in parliaments, were insufficient. There must also be populist methods.

Thus emerged, by around 2005, what I would call reformist populism. This was certainly characterised by the usual ideas of the ‘common people’ and their ‘general will’, to be given a voice by leaders outside the established elites and political parties. However, to unify the people, there was not just emphasis on identity politics against elites but also on pluralism and inclusive and universal social and economic reforms.

Reformist populism paved the way for unions and CSOs to deepen the post-Suharto democratisation, dominated by administrative, economic and religious elites. For many of the

who having co-ordinated civil society work in Sumatra, thereafter did the same in *Seknas ‘Jokowi’*, which aims to provide expertise for progressives in government.

progressive groups that tried to get inside the elitist system and reform it, the only remaining option in the 2000s seemed to be subjugation and horse-trading with mainstream parties and politicians ('diaspora politics'). But then there was the rise of populist reformism. Its dual basis was that political elites wanted to be certified as 'friends of ordinary people' by cooperating with CSOs and unions – which in turn enabled notoriously fragmented CSOs and unions to congregate behind the 'best possible' politician and his reforms.

Reformist populism certainly came with numerous problems. By 2016 it was even overtaken by rightist and religious leaders who employed populist identity politics against the reformists. But first, let us analyse the opportunities.

Social contracts with informal labour

After the fall of Suharto in Jakarta, the new mayor in the historically royal but also leftist oriented city of Solo on central Java was short of solid support in the local council. Hence, he developed good relations with outside actors. These included popular organisations and supportive CSOs – which thus strengthened their bargaining power. This proved immensely important when Joko 'Jokowi' Widodo won the first direct election of Mayor, in 2005, with a slim margin. To implement his priorities of fighting corruption and promote urban development, he must therefore also rely on extra-parliamentary support. This time, however, the popular and citizen groups were stronger. As the story goes, the urban poor groups flatly refused to evacuate public spaces and demanded fair compensation and alternatives when 'Jokowi' suggested business-friendly and middle-class driven modernisation of the city centre. The turning point was just before Independence Day celebrations in 2006, due to take place in one of the public places. So to go ahead with the festivities, 'Jokowi' had to concede. Equally important, he then talked directly *with* the urban poor groups and activists, not to them, and not via elitist parties, bosses and bureaucrats. Thus, agreements acceptable to all involved were sealed, including new housing and marketplaces for the poor. And 'Jokowi', as well as the activists, delivered. The city flourished and became renowned. 'Jokowi' was awarded a fine international prize for being one of the best mayors in the world. And in 2010 he was re-elected with 90% of the votes.

Unsurprisingly, 'Jokowi' was then launched as former Megawati Sukarnoputri's and her party PDI-P's candidate in the gubernatorial elections in Jakarta. 'Jokowi's' and his supporters' hopeful idea was to scale up Solo model. But in Jakarta, the popular movements and related CSOs were less strong, so compromises with mainstream elites were crucial, including with infamous General (ret.) Prabowo, oligarch and former son in law of Suharto. This was how

‘Jokowi’ and his managerial deputy candidate Basuki Tjahaja ‘Ahok’ Purnama won the 2012 elections.

Initially, nevertheless, ‘Jokowi’ and ‘Ahok’ were quite successful in combining social pacts with the poor and Singaporean-like managerial governance to get things done. The next step for ‘Jokowi’ was thus the presidential palace, while ‘Ahok’ would bide his time in Jakarta. This turned increasingly difficult, however, something we shall return to.

Broad alliances between progressives, unions and informal labour

Meanwhile there was also an opening for unionised workers to unite among themselves and with scattered informal labourers. A public health reform of great importance for all labourers and many others too was introduced during Megawati Sukarnoputri’s presidency (2001-2004) but ignored under her successor Susilo Bambang Yudhoyono. In 2009 it was therefore on the verge of being annulled. The only chance to improve and make it operational was combining extra-parliamentary and parliamentary engagement. In March 2010, unions, civil society organisations and individuals formed an action Committee for Social Security Reforms (KAJS). They were facilitated in particular by the Federation of Metalworkers Unions (FSPMI), with vigorous chairman Said Iqbal, and the Trade Union Rights Centre (TURC), plus the Friedrich Ebert Stiftung (FES) of the German social democrats.

This was an historic shift. Several union leaders could come together in support of a health reform with many other groups, including from informal labourers such as domestic workers (possibly a quarter of the workforce) and the urban poor, both being poorly organised but outnumbering, of course, the proportionally few permanent workers. Sympathetic academics, reform-oriented bureaucrats and progressive politicians took part too.

Initially, unions had responded negatively to the idea of a universal health scheme, to be financed by employers and contributions from the self-employed and state-subsidised poor people. Unions represented a minority of the workforce and wanted instead to defend and expand their previous special benefits for formal-sector permanent employees and leaders. During discussions with allies, however, most union bosses realised that they needed wider support and therefore had to include others too. Thereafter compromises were made on the details of the reform proposal. This, combined with numbers of actions, inside as well as outside parliament, made possible the enactment of the law on the Social Security Executing Agency, BPJS.

BPJS was activated in early 2014. In comparison with many other countries in the South, it is a major achievement. At the time of writing, some 80% of the population are covered. This is good, although much remains to be done. Premium payment is a major problem – not just from the poor without fixed employment and with limited access to social security, but also from the better off and some private employers.

Stumbling blocks

Yet, there were even more serious challenges – and they all related to the negative side of the hitherto positive populism. Firstly, the informal social pact in Solo between the mayor, business partners, and the urban poor and their activist supporters deteriorated and turned transactional when ‘Jokowi’ shifted to Jakarta and become its governor. The populist-style informal deliberations had not been institutionalised with joint negotiations and democratic representation of the popular organisations and their CSO facilitators.

Secondly, the challenge in Jakarta of less strong popular organisations and CSOs were never firmly addressed by the kind of favourable cooperation between local government and the progressives that had strengthened them in Solo and enabled them to put pressure on ‘Jokowi’. ‘Jokowi’s’ and ‘Ahok’s’ solution was instead to combine negotiations with business and political elites, with swift infra-structural development and handouts to the poor.

Thirdly, the broad alliance for the public health reform was mainly in Greater Jakarta and neighbouring cities, rarely involving unions and other groups around the country. Even worse, the alliance was not sustained. Having celebrated the victory and entrusted some activists to oversee implementation, union leaders returned to their main task of fighting for better wages and employment conditions. Struggles for higher minimum wages and subcontracting of work certainly benefitted many casual workers too. And unions gained broader support in a series of national strikes during 2012 and 2013; as well as when putting pressure on local politicians to increase minimum standards. But informal labourers were soon marginalised and there was little understanding among unionists and parliamentarians for, for example, the domestic workers’ own organisations. Said Iqbal, the forceful leader of the metalworkers and one of the propelling forces in the KAJIS alliance, told me in intense conversations (in December 2013) that it made less sense to sustain and expand a broad alliance for better labour conditions and social welfare than to fight for higher wages and secure employment. Why? His answer, along with that of several other leaders, boiled down to the message that there was no way to negotiate agreements on both wages and welfare, not to mention principles for economic

development. Even if there were such discussions, unionists could not trust soft promises that would not mean anything concrete for their members.

What were the implications?

Populist transactionalism

In spite of the obstacles and retreats, Iqbal and other labour activists retained their position that it was necessary to engage in politics, but how would they go about it? In the 2013 gubernatorial elections in neighbouring West Java, unions were divided and even failed to provide unified support for Rieke Pitaloka – the young charismatic parliamentarian who focused on labour relations and co-directed the successful struggle for the universal public health reform. Similarly, her deputy governor candidate Teten Masduki – a politically independent pioneer of labour rights, thereafter the country's prime anti-corruption campaigner – did not gain powerful support by the CSOs, some of which remained indifferent. Pitaloka and Masduki lost out with a rather tiny margin.

The union leader's first of three alternative ideas was to counter the negative aspects of having to align with different parties that were eligible to run in elections by a common agenda and campaign for joint metal-workers' candidates who turned to various parties in the 2014 elections. The happy message in the industrial city of Bekasi, next to Jakarta, was that the candidates would mobilise votes from the rank and file of labour, and then, they said, 'go from factory to the public sphere', addressing citizens' general problems. There were certainly numerous challenges of specifying a convincing programme beyond labourers' special preoccupations, as well as of trying to coordinate and backseat drive candidates in different eligible mainstream parties. But for the first time ever, a union did obtain at least two parliamentary seats.

Their second way of 'going politics' without a broad alliance was to strike the best possible deals with the least worst and most powerful politicians who would be able to deliver tangible results. The politicians responded, in turn, by inviting union leaders for individual discussions and agreements. Thus populism turned transactional. In the 2014 presidential elections, Iqbal himself, without a convincingly anchored mandate, opted for an agreement on behalf of the metalworkers and their confederation with infamous former general, now business oligarch, Prabowo Subianto, in return for favours and a promise that Iqbal would become Minister of Labour. Other unions turned to Prabowo's new rival, 'Jokowi', or tried to survive as principled lone riders. Similarly, numerous civil society organisations returned from the joint

KAJS campaign to lobby for special access and favours for their organisations and the vulnerable people they served.

Thirdly, the metal workers' second in command, Obon Tabroni, tried to run as an independent union candidate in the early 2017 mayoral election in Bekasi. There was tangible momentum during the collection of signatures in support of his independent candidacy. But even though the campaigners also tried focus on wider public health issues than workers' immediate concerns, there was no forceful reform proposals. Tabroni lost out. His team did not even manage to mobilise support among workers affiliated with other unions and conventional parties.

In short, the broad alliance behind a welfare reform was replaced by the combination of populist politics and wheeling and dealing.

Insufficient movement to back up progressive candidates

The setback in West Java and the union and civil society leaders' return to divisive horse-trading with various politicians weakened the wider progressive movement that had congregated behind 'Jokowi'. 'Jokowi's' momentum was sufficient enough to convince Sukarnoputri that she was a less electable presidential candidate than he was. But aside from 'Jokowi's' personal popularity as a non-elitist and non-corrupt pragmatic leader, he did not lead a consolidated movement or have a strong policy agenda. So again it was necessary to garner support among powerful elite-players in other political parties who were more worried about 'Jokowi's' opponent – Prabowo, the oligarch, former general and son-in-law of Suharto. Prabowo was more nationalist, authoritarian and associated with religiously and politically exclusionary politics.

Tuning down the reformist element in 'Jokowi's' populism to gain wider support among the elite was, however, electorally less successful than expected. There were general statements about inclusive development, anti-corruption and human rights but no concept and strategy that could catch people's imagination. In the end, 'Jokowi' was only saved by his opponents' mistakes and an intensive social media campaign by genuine volunteers. Thanks to them, the campaign also concluded with a mass festivity in Jakarta's major stadium featuring several of the country's popular artists – in vivid contrast to Prabowo's previous mass meeting when he paraded in uniform on a horse and inspected ceremonial troops, bringing to mind a certain Italian leader of the 1930s.

Lost in transition

'Jokowi' won the presidential race with a rather thin margin and it took some time for Prabowo to concede. Most importantly, however, key players from the parties and powerful organisations that had backed the campaign, immediately established a 'transition office' to divide the spoils and share the top-level positions in state and government. The inexperienced and uncoordinated progressives lost out entirely in the distribution of influential positions. 'Jokowi' tried to put up some resistance by recalling a promise that the main criteria for selecting ministers and other crucial positions would be professionalism rather than political affiliation, and that there would be zero tolerance for corruption. The Commission to Eradicate Corruption (KPK) would screen the candidates.

Immediately, however, the new President had to concede to pressures from the powerful actors in his coalition with various political parties. The civil society groups and the media, having asked for the screening, were weakened by the lack of a follow up alliance after the campaign for the health reform and poor organising behind 'Jokowi'. Hence, they were unable to generate enough popular pressure to make a difference. The progressives were not even granted leadership of 'Jokowi's' 'own staff (KSP), being pushed aside by his trusted business friend in Suharto's old *Golkar* party, General (ret.) Luhut Pandjaitan.

This generated some criticism in influential circles. So a year later, Teten Masduki – the previously labour rights and anti-corruption campaigner, vice-governor candidate in West Java and decisive co-leader in 'Jokowi's' presidential campaign – replaced Pandjaitan. Unfortunately, however, Masduki never managed to develop new universal welfare and development programmes, nor to build effective cooperation with interest and citizen action groups. Critics said he was not strong enough, but his basic powers rested with the popular movements and CSOs – which were weak. Soon enough, moreover, everyone in the palace had become afraid of radical Muslims and their supporters. What were they about?

Rise of right wing populism

The rise of reformist populism was a game changer with regard to Muslim groups. 'Jokowi' sought to find a middle course between Megawati's hard-line defence of nationalism and her successor Yudhoyono's accommodation of hard-line Muslims. 'Jokowi' reduced their economic favours and treated liberals, Christians and ethnic Chinese like his deputy governor 'Ahok' as equal citizens. Hence it was not difficult for their political adversaries to garner support among Muslim social movement leaders. But it took more for them to succeed.

A year ahead of the early 2017 gubernatorial elections in Jakarta, it was widely expected that acting governor 'Ahok' would be elected, given his high approval ratings. In November and December 2016, however, masses of people – possibly even more people than in the demonstrations against Suharto – came out in the streets in protest against 'Ahok'. The ethnic Chinese and Christian acting governor had made an ill-advised statement about his opponent's attempt to use a verse in the Koran to get people to vote for him and reject 'Ahok'. Thus, the floodgates were opened. The Indonesian Ulama Council, MUI, issued a fatwa and militant Muslim groups, supported by 'Ahok's' opponents, accused him of being against Islam in general and poor Muslims in particular.

In addition, 'Ahok's' Singaporean-style management had been accentuated when 'Jokowi' was elected president. 'Ahok' dishonoured, for example, promises to the urban poor. So many of them were now prepared to abandon him in return for protection against eviction.

Finally, 'Ahok' lost the election, was sentenced for blasphemy and put in jail.

Indirectly the campaign was directed at 'Jokowi' too. He was accused, for example, of not being a true Muslim and with communist past (even though he was born as late as 1961). His chances of being re-elected in 2019 were obviously in jeopardy. What could he do?

In late 2017, a proposal by concerned scholars to counter the rightist identity politics by launching a major participatory welfare programme was discussed with close advisors of the PDI-P and 'Jokowi'. The idea was to follow up the universal social security scheme, which had gained wide popular support and strengthened the pro-'Jokowi' groups. But the advisors worried what the other parties in the President's coalition would say. By January 2018, the answer was clear enough. Popular and civil society-oriented Teten Masduki was dismissed as head of the President's staff, and replaced by the former commander of the Armed Forces, General Moeldoko. Hence, reformist populism crumbled.

Belt-and-braces

'Jokowi' was up against a similar kind of right-wing populism to the one that opposed centre-left governments in other parts of the world. For example, in India in 2014 propelled by Hindu fundamentalists and in the Philippines 2016 and Brazil 2018 led by strong-men Duterte and Bolsonaro respectively – or for that matter in the United States in 2016 personified by Trump and in much of Europe by conservative chauvinists such as Viktor Orbán in Hungary. As we shall see, 'Jokowi' was more successful in that he held onto power, but at the cost of democracy and welfare based on equal citizenship. How did this happen?

Having abandoned a transformative social democratic alternative by following up the public health reform with a participatory welfare programme, ‘Jokowi’ and his team opted for a defensive belt-and-braces approach. They combined the common reactions around the world in terms of enhanced state authority, accommodation of populist leaders and favours for their voters (cf. Mietzner 2018). The Indonesian package came in four interrelated parts (Törnquist 2019). The first step was to accommodate military leaders in favour of central rule and national unity with equal, though not necessarily democratic, citizenship and religious pluralism. This was symbolised by the five state principles, *Pancasila*⁴ – in contrast to Muslim values and communities. Hence, loyal military leaders were brought into the government and civil administration and the police were strengthened. Laws and regulations were revised to constrain hate speech and disinformation including in social media, which could be used to muzzle opposition against the government and *Pancasila* – partially at the expense of human rights and democratic principles.

Secondly, leading Muslims who were prepared to accept pluralism and *Pancasila* more generally were also accommodated, along with their organisations and pietistic values. The same applied to their followers’ concerns. Muslim communities and areas benefitted from targeted welfare measures. In 2018, ‘Jokowi’ even selected the traditionalist Ulama Ma’ruf Amin as his vice-presidential running mate. Tactically this was of course brilliant, dividing the Muslim camp and reducing Prabowo’s ability to resume the contentious populist identity politics of 2016-2017 that had brought down ‘Ahok’ and cornered ‘Jokowi’. But the price was high and the long-term effects uncertain. Amin was the supreme leader of traditionalist Nahdlatul Ulama, the country’s largest Muslim organisation, and chairperson of MUI, which issues fatwas such as the one against ‘Ahok’. He was also instrumental in waging campaigns for a so-called anti-pornography law and against the supposedly deviant Muslim *Ahmadiya* movement and the LGBT community.

Even though political and social liberties were curtailed, the third priority was to enhance liberal economic development, prioritising state-led infrastructural investments and world market-oriented manufacturing and services. The assumption was that people would benefit from more jobs and better pay. There was no mention, however, of negotiations with employers and unions on these matters. And there was no emphasis on a major universal welfare programme, based on equal citizen rights and with participatory governance, but

⁴ Currently framed as “Belief in the One and Only God; a just and civilized humanity; a unified Indonesia; democracy, democracy led by the wisdom of the representatives of the people; social justice for all Indonesians.”

rather – as indicated – targeted support, often via Muslim groups, to contain opposition and win crucial votes. Meanwhile progressive groups seemed paralysed.

Finally, the three manoeuvres were brought together. This had less to do with the old Javanese rulers' habit of increasing their powers by absorbing their rivals – as suggested by culturally-oriented pundits – than with the quite universal 'politics of triangulation', pioneered by Bill Clinton in the United States and by Tony Blair and others in Europe. That is, to blend the most attractive parts of the major contenders' views while also trying to transcend them in a third direction. 'Jokowi's' triangulation seemed to reduce both the essentials of democracy and the opportunities to promote inclusive development. This apprehension was confirmed by the outcome of the 2019 elections and the subsequent transactions.

From democracy to power-sharing and offensive against labour

'Jokowi' and his coalition of parties won the elections by a comfortable margin. The results suggested stability, but that was fictitious. The politics of triangulation revived the political geography of socio-religious pillars and patronage politics, which had dominated Indonesia before Suharto's New Order. Meanwhile Prabowo and his vice president candidate Sandiaga Uno, the Deputy Governor of Jakarta after 'Ahok', gained overwhelming support from the typically well-to-do and well-educated members of Muslim organisations with theologically modern orientations, including *Muhammadiyah*. The positive aspect of this was 'Jokowi's' emphasis on tolerance and pluralism, but in contrast to previous reformist populism, it came with the identity politics of moderates against an enemy symbolised by Prabowo and militant Muslims rather than with equal and democratic oriented citizenship of the kind that accommodated Christian ethnic Chinese 'Ahok'.

Predictably, Prabowo and major Muslim leaders did not acknowledge defeat. Streets riots for two days were a clear enough indication that Prabowo would cause trouble if he was not accommodated with honour. So he was. As Prabowo distanced himself from the most militant Muslims, 'Jokowi' appointed him Minister of Defence. Already in his inaugural address, moreover, 'Jokowi' stated that his main priority was not the process – obviously referring to democracy with equal and human rights – but stability and results in terms of economic development. Meanwhile, his coalition parties in parliament hastened to weaken the anti-corruption agency and the regulations on mining and land acquisition, as well as to revise the criminal code to reduce critical freedoms. Reformist populism was no more.

Liberal media such as the major magazine *Tempo* reacted strongly. And remarkably, for some weeks, students reclaimed the streets around the country in protests – showing that not just militant Muslims but also progressives could mobilise people. But 'Jokowi' defused the resistance with minor adjustments, postponement of the laws and accommodation of a few critics as junior ministers.

In early 2020 'Jokowi' returned to what he meant by 'development first'. He proposed a comprehensive 'omnibus law on job creation'. The main means included streamlined business regulations, reduced rules against investments with negative effects for the environment and popular neighbourhoods, promotion of foreign investments and employment of overseas workers, relaxed rules against outsourcing, reduced severance pay, liberalised rules on minimum wages and more flexible employment conditions generally. In return, formally employed labour would only get a "sweetener bonus" and minimal social security if laid off – while casual workers and informal labour got nothing, aside from some support for small and micro businesses and, at best, more unsecure jobs.

There is no doubt that Indonesia needs more clear-cut rules and regulations as well as investments in manufacturing and production oriented services after years of relying on the extraction of natural resources and the consumption of the upper classes. And there must be more jobs, certainly. But to foster growth by reducing the cost of hiring labour in general – rather than by increasing productivity, facilitating productive public works and services for basic pay, supporting labour intensive production for local markets and increasing demand – is not sustainable or just. Equally worrying, the bill suggested that more powers on related matters would be vested with the President. And worst, the proposal was drafted without any democratic consultation with workers' and informal labourers' organisations and related experts. Only business and its specialists were asked for opinions. Those complaining were asked to lobby the parliament – most members and parties of which had already committed themselves to supporting the President and his cabinet. Remarkably, 'Jokowi' even said he expected speedy deliberations and decisions.

In one go, 'Jokowi' had thus undermined the fundamentals that had once brought him to power – wide consultations and negotiations with 'ordinary people' over deals on socially acceptable development. Instead of social and welfare-reforms that could also promote sustainable development, the President opted for market-driven growth only, along with some handouts, arguing that this might, in time, generate jobs and welfare.

Predictably, the employers' association was jubilant, while the unions in particular put their foot down. Within weeks, an increasing number of them refused to talk to the administration, set-aside differences on over what politicians they might otherwise make deals with, and revived the Indonesian Trade Union Council (MPBI). Meanwhile organisations for democracy, human rights and the environment raised their voices too. Large manifestations were planned but had to be postponed due to Covid-19, while the government and parliament, proceeded with their plans. Meanwhile governments indecisive handling of the pandemic nourished conflicts between the 'Jokowi' administration and the conservative opposition now spearheaded by the Jakarta governor Anies Baswedan since Prabowo had joined the cabinet) but also, in theory, the possibility for progressives to put forward alternative economic and social reform proposals. At the time of writing, the outcome is uncertain.

Conclusion

To round up, the processes, advances and setbacks related to the way progressives handled two destructive aspects of populism.

The social pacts in Solo and Jakarta unified many people behind a common idea of bypassing bosses and patrons, thus agreeing on better urban development. This pointed to the potential of deepening democracy. Unfortunately, there was no institutionalised representation of the parties involved in the negotiations and no formalisation of the agreements.

In contrast, the broad alliance for the public health reform largely took the form of democratic representation of various unions, civil society groups and politicians in a joint action group. This was a showcase of what was possible. But the cooperation could not be sustained and expanded into new areas. One pivotal reason was the lack of a format to negotiate with local and central government, and business representatives, about how to develop welfare measures, employment relations and dynamic inclusive development. The issues remained separate. Even the progressives did not fight for more democratic representation and comprehensive negotiations. Instead, the unions returned to specific deals with employers and politicians. The latter used the same practices to negotiate special interests with union leaders – dividing and ruling. Informally employed labour was marginalised, again. As the cooperation with unions and progressive politicians dwindled, civil society organisations were unable to take the lead, rather returning to their basic practices of lobbying for special access and favours for their organisations and beneficiaries.

By implication, it was also difficult to use the democratic participation of civil society groups and unions in public governance to strengthen popular organisation and coordination. If it had been, progressives could have provided much more support for leaders like ‘Jokowi’, in return for favourable policies, so that these leaders would not have had to concede as much as they did to the political and economic elite as well as to religious mass organisations.

The second major reason for advances and setbacks related to the populist preference for mobilising people based on identity politics against enemies such as Prabowo and militant Muslims rather than building unity behind policies based on equal rights and reforms for all citizens. Pro-democrats certainly put forward various demands, but they were usually particular and not aggregated under any other umbrella than slogans, such as against elites and neoliberalism. The positive exceptions of unity for alternatives included the vision of social pacts towards fairer development, and universal public health reform. This pointed to what could be achieved. But the vision and reform were not followed up. There were few genuine pacts on alternative development. And there was no strategy of transformative reforms to increase people’s capacity with one reform, so that they can fight for a more advanced reform – for example, by expanding universal welfare reforms and connecting them with employment conditions and economic development. As for the unions and CSOs themselves, the predominant strategy was to procure favours for their own organisations and followers, not to forge collective action behind comprehensive public reforms for all.

Similarly, the struggle for welfare reforms was rarely combined with campaigns for better public administration. The anti-corruption agency and anti-graft groups focused on the important middle class preoccupation with impartial governance and large-scale corruption among the political elite. But the corruption of public services and welfare, which affects ordinary people too and may generate broader counter movements, was ignored.

What are the major conclusions? The first is that, in contrast to liberal assumptions, reformist populism may indeed be an opening for social democratic-oriented development. The second conclusion, however, is that the supposedly direct links between ruler and people, and identity politics against an enemy tend to be destructive. The reformist populists sowed the seeds of their own destruction by pitting direct democracy and common identity against their enemies. Thirdly, the positive experiences from the efforts at pacts and the public health reform show that it is possible to alter these priorities. This can be done by better democratic representation of popular-rooted organisations for crucial issues and interests in public governance, combined with transformative reforms based on equal rights that movements and groups can

agree on and support. This is not the place to expand on international comparisons, but the broader studies that I have engaged in (including India and the Philippines with references to South Africa and Brazil as well as Scandinavia) point in similar directions (Törnquist et al. 2016 and Törnquist 2021).

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