

STAGNATION OR TRANSFORMATION IN JOKOWI'S INDONESIA?

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INDONESIA is hailed as a rare showcase 'new democracy.' Despite a background of dictatorship, massacres, corruption, extractive growth and dizzying inequality, Indonesia is now the freest country in Southeast Asia, combining vibrant elections with political stability and economic growth. This month even saw the presidential inauguration of former modest local businessman and 'clean' Solo Mayor and Jakarta Governor Joko 'Jokowi' Widodo after a bitterly contested campaign against superrich oligarch Prabowo Subianto, the former Special Forces general and son-in-law of Suharto. But Jokowi's victory highlights also the limits of Indonesian democracy and the need for substantive reform.

Observers agree on Indonesia's successes and problems. There are relative economic, civil and political freedoms. Identity politics has been contained and most dominant political actors have been reconciled to the democratic 'rules of the game.' However, corruption and cronyism persist, and the pace of reforms has stagnated. There are three major ways of thinking about this. The liberal view is that Indonesia proves the possibility of designing democracy and that its problems, while real, are no worse than anywhere else in the Global South or during the democratization in the Global North. Reforms such as more public funding of parties and efforts by civil-society activists and union leaders to enter mainstream politics will eventually take the country toward full liberal democracy.

The contrary structuralist position is held by conservatives on the one hand and radicals on the other. The conservatives agree with Samuel Huntington's old and Francis Fukuyama's new position that democratization increases corruption and conflict and must therefore be preceded by a 'politics of order' and efficient state-building. The radicals by contrast conclude that little has changed, except that the oligarchs are no longer ruled by Suharto but by themselves and their figureheads who form political cartels and negotiate access to favorable contracts and concessions in the context of decentralization. Hence Indonesia is an oligarchic democracy, whose reform requires radical structural change; but unions, social movements and progressive middle-class and business organizations are too weak. The bottom line is,

thus, that Indonesia must wait, either for a further augmentation of state capacity (say the conservatives) or for the development of capitalism beyond extractive accumulation, and the consequent emergence of a business constituency with an interest in predictable and transparent regulation through the rule of law (say the radicals).

A third, less extreme social-democratic-oriented position is that reform has stalled for the same reasons it was initially successful. Indonesia's transition was in effect a shift from dictatorial to opportunist rule by means of a pact between 'moderate' actors in the opposition and the old regime. The pact rested on two pillars: *marginalization* of popular movements and the confinement of dissidents to activities in civil society, and *depoliticization* by privatization and the transfer of jurisdictions to technocrats, the courts and local elites. Initially this served the purpose of involving the powerful actors in developing and thus adhering to the new rules of the game, opening up for stability and growth. But over the years the effect has also been to restrict the ability of popular constituencies and the progressive interests among middle classes and businessmen to press against corruption and struggle for the rule of law and inclusive development. As a result, most 'moderates' with their fingers in the pie have abstained from seriously fighting corruption, improving legal consistency and broadening political representation. Liberal hopes for further democratization by simply tweaking institutions at the top are thus misplaced; the social balance of power must be altered. But whereas radical structuralists say that democratization can proceed only once capitalism has become sufficiently progressive, and the conservatives claim that democracy must be deferred until the requisite state capacity has been built by 'strong enlightened leaders,' social-democratic-oriented observers suggest that the most genuine path to altered power relations is through transformative, democratic politics in the form of struggles for reforms that increase the political capacity and representation of actors with a real interest in fighting corruption, promoting the rule of law and deepening democracy.

This background established, what is the significance of Jokowi's rise? Prabowo may represent most of the oligarchs and political and administrative elite that survived the Su-

harto regime and other leaders at odds with Jokowi and Megawati; but is Jokowi's base in Megawati's party and dissident oligarchs from Golkar, and their political, religious and military allies much different? The answer is that Jokowi is also carried by the most important structural trends reflected in the third national assessment of democratization (by UGM and the University of Oslo with democracy experts around the country): (i) the rise of populist participation, and (ii) the potentially unifying demands for public services, a welfare state and inclusive development.

Firstly, Jokowi is part and parcel of the local elite that have benefited from decentralization and direct elections of political executives. These changes may only occasionally have fostered better governance, but they have reduced the centralized powers of the old rulers and enabled scattered pro-democrats to rally behind a few progressive figures. In addition, Jokowi is riding on the general trend in the Global South to supplement the usual way of mobilizing votes through clientelistic networks of intermediary patrons and bosses with more direct populist relations between charismatic leaders and the voters. This is to also attract the more independent middle classes and uprooted people in new workplaces and settlements. While conservative populism is typically combined with identity politics and/or 'strong leadership', Jokowi represents a more participatory and welfare-oriented brand with roots in territorial citizenship.

Secondly, Jokowi also signifies a desire for negotiations in increasingly chaotic urban areas between, on the one hand, business and middle classes who want plots for commercial ventures and space for cleaner cities, and, on the other, subordinated classes being dispossessed of land, housing and livelihood who need public service, public education and social security. Similar problems occur in areas where people are threatened by deforestation, exploitative agribusiness and mining. The big question is whether the successful experiments with negotiations and participatory management from Solo and Jakarta can be multiplied, scaled up and institutionalized.

Reactions against neoliberal informalization of employment relations come in addition. Modern factories and businesses are combined with poorly developed ones, and there

is pervasive subcontracting along with temporary and self-employment in both sectors. Increasingly many people are short of fixed employers and must turn to the state and politicians for support. Trade unions among permanently employed laborers are also hard-pressed by subcontracting and therefore in need of political measures. Hence there is joint interest in broad alliances for better employment relations, collective wage agreements and (when necessary) minimum wage regulations in addition to universal public services, welfare reforms and inclusive economic development. One illustration is the alliance for social security legislation between progressive politicians, trade unions and other popular organizations and civil-society groups from around 2010. The big question is whether similar efforts can evolve and generate more solid organisations. This is a prerequisite for more responsive parties as well as social pacts between laborers and businessmen who want to go beyond extractive economic development. The massive industrialization in the old Global North that generated fairly unified labor movements and parties and welfare states will not be repeated. But struggle against the uneven character of development in countries like Indonesia might foster alliances of otherwise disparate constituencies in favour of public regulation, provisioning, social welfare and inclusive economic growth.

Much will depend upon Jokowi's management of looming political and economic troubles. If the decision to scrap direct local elections is not reversed, the space for democratic actors will be curtailed. If, moreover, Jokowi and his close team cannot combine the necessary reduction of fuel subsidies with a publicly supported pact between unions, other popular organizations and employers to redirect the public resources now spent on fuel subsidies to social security, fair employment regulations and inclusive rather than extractive development he may face widespread protests, possibly drummed up by Prabowo. This in turn calls for new priorities among supporters of Indonesian democratization.

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