Formal Institutionalization Necessarily Breeds Consolidated Democracy?:
Post-Authoritarian Indonesia

Mohtar Mas'oed
Gadjah Mada University, Indonesia

The Synopsis

- Indonesia, a country divided by many dimensions of social life (ethnicity, religion, region, language, etc.) managed, in 1945, to create a unified nation-state with a common language and later, in 1999, to establish a workable democracy via elite negotiation.

- As democratization via elite compromise prioritizes formal institutions, it required no structural change.

- Hence, patrimonialism and clientelism persist and impeded the development of citizenship rights.

The Puzzles

■ Lacking in many elements of "democratic social prerequisites," Indonesia managed to (re-)establish democracy in 1999.

■ Having been criticized by the people as "non-performing" (at least, not as expected by many) and suffered a low-degree of confidence, democratic regime in Indonesia managed to prevail. No real challenge to reverse it back toward authoritarianism.

THE HISTORY

Indonesia: Timeline (1)

Circa 400	Exposed to Indian culture and ideas. Hinduism on Java, while Buddhism was on Sumatra.
1400s	Islam spread throughout Indonesia.
1511	Portuguese dominated the Straits of Malacca and began opening Indonesian ports to trade.
1610	The Dutch established a trading post on Jakarta.
1682	The Dutch East India Company established control over Indonesian trade and soon politics as well.
1811	British occupied Indonesia during the Napoleonic Wars, they returned it to the Netherlands in 1816.
1870	The Dutch began to extend their political control of Indonesia from Java to all Indonesia.
1912	Indonesia's nationalist movement was born.
1942-1945	Japan occupied the Netherlands Indies during World War II.

Indonesia: Timeline (2)

1945   Nationalist leaders Sukarno and Mohammad Hatta declared Indonesia's independence. The Dutch refused to recognize the declaration.

1945-49   Revolutionary War against the Dutch and the Allied Forces

1949   The Netherlands formally recognized Indonesian independence.

1949-59   Parliamentary (Liberal) Democracy

1955   First General Elections

1959   Sukarno took power and introduced his program of Guided Democracy.

1963   Indonesia gained control of West Irian, which was later renamed Irian Jaya, and now Papua.

Indonesia: Timeline (3)

1965 An attempted coup was crushed by General Suharto, who took power in 1966. A "New Order" regime is born.

1968 Suharto was named president, supported by the military as an institution and civilian 'technocrats'.

1975 Started as intelligent operation, Indonesia invaded and later annexed East Timor, ex-Portuguese colony.

1998 Riots and protests against the government's handling of a severe economic crisis forced Pres. Suharto to resign. Vice-Pres B.J.Habibie was sworned as President. "Era Reformasi" begins.

1999 East Timor voted for independence.

1999 Democratic election (first after 44 years). Pres Abdur-rahman Wahid government

2001 President Megawati Sukarnoputri government.

2004 President Susilo Bambang Yudhoyono government.

THE DIVERSITY

Indonesia: Facts & Figures (1)

Population	238M (est.2008)
Archipelago	17,508 islands
Inhabited	6,000 islands
Ethnic groups	
Javanese	45%
Sundanese	14%
Madurese	8%
Coastal Malay	7%
Other (350 distinct ethnic groups)	26%

Indonesia: Facts & Figures (2)

Languages

Bahasa Indonesia (modified form of Malay; official), and local dialects, especially Javanese (about 300 languages and dialects are spoken)

Religious affiliations

Muslim	87%
Protestant	6%
Roman Catholic	3%
Hindu	2%
Buddhist	1%
Other	1%

Indonesia: Facts & Figures (3)

Economy

GDP per capita	USD 1,635 (2006)
GDP by economic sectors	
Agriculture	12.9%
Industry	47.0%
Services	40.1%
Workforce share	
Agriculture	42.0%
Industry	19.0%
Services	38.0%

Indonesia: Facts & Figures (4)

Regional imbalances

Monetary concentration

>60% money circulated in Jakarta, the capital city

Population

>60% on Java island

Indonesia, 'sociologically speaking,' is not suitable for democracy?

- High level of ethnic, linguistic and cultural diversity.

- Widespread poverty (half of population live on <US$2/day).

- Small and weak middle class

- Small and weak industrial working class.

Quotes from Theorists

- "(F)ree institutions are next to impossible in a country made up of different nationalities" because "each fears more injury to itself from the other nationalities than from the common arbiter, the state" (Mill quoted in D. Beetham, 1994:169)

Quotes from Theorists

- "High level of economic development" (defined in terms of GDP/capita, fuel consumption, etc.) is positively correlated with democracy (Seymour M Lipset quoted in D. Beetham, 1994:166)

- "No bourgeisie, no democracy" (Barrington Moore quoted in)

THE TRANSITION

Transition to Democracy

- It started when Pres. Suharto in May 21, 1998 suddenly resigned amidst a great political turmoil in the wake of great economic crisis.

- The successor, Pres. B.J. Habibie initiated liberalization measures: freeing the press, releasing political prisoners, relaxation of restriction on dissent, and the most important step toward democratization, i.e. conducting parliamentary elections in 1999.

- The transition culminated in the election of Abdurrahman Wahid , a non-sectarian Muslim-scholar and a leader of democratic movement, to become the first President elected democratically.

Elitist Transition

- The political opening started by Pres. Habibie encouraged a variety of political actors to appear and take part in the dynamic interactions between the forces supporting the New Order regime and those opposing it.

- Emerged a new political constellation:

  - "pro-status-quo": mostly within government establishment; versus

  - "reformist" groups: mostly extra-government

Pro-Status-Quo: Two Factions

- The first, the "hard-liners": rejected political reform as it would destroy their position of wealth and power.

- The second, the "soft-liners": ready to join the reform movement with the condition that it would not destroy the general political framework that they considered still workable.

Pro-Change: Two+ Strands

- The "radicals": demanded "revolutionary change, now." Consisted of mostly loosely-organized groups whose dynamics mostly came from student leaders.

- The "moderate": wanted political reform without unnecessarily destroying the whole system. Enjoyed much broader supports from the diverse groups in the opposition, especially from the leaders of the biggest Muslim as well as nationalist organizations.

- The "opportunists", those who kept a "wait-and-see" position. When it all started, most political elites belonged to this category. Including those who hastily created political parties to join the June 1999 elections.

Gradualism, Moderation & Compromise

- During the transition period (May 1998-Oct 1999): a dynamic process resulted in the condition enabling the dialectic discourse between the "soft-liners" within the government and the "moderates" among the opposition.

- Considering the fact that the New Order did not simply collapse, the pro-status-quo elements within the military establishment could still reverse Habibie's liberalization and democratization projects, and the opposition was divided and not strong enough to topple the government, while the government could not crack down on the opposition without worsening the mass upheaval, the only reasonable option was compromise.

Gradualism, Moderation & Compromise (2)

- The critical role of the "middle-of-the-road" politicians to achieve a rapprochement.

- Emerged from the elite bargaining was a kind of tacit "pact". They tacitly agreed on a two-point agenda:

  - First, soliciting the support of the political leaders who had not determined their position yet, especially those in the "opportunist" camp; and

  - Second, neutralizing the radical's appeal among the opposition and the reactionary's power within the government.

Cohabitation

- The strategy of gradualism, moderation and compromise exhibited by the reformist leaders during the parliamentary elections in June and the presidential election in the People's Assembly in October 1999 was the key to the successful change that bring Indonesia back to its democratic tract.

- The strategy of elite negotiation, bargaining and compromise resulted in a specific power-sharing arrangement. All prominent "reformist" groups shared the political and government positions (President, Vice-President, Speakers of both parliaments and cabinet portfolios).

The Downside

- Such a politics of compromise and inclusion was applauded by many as the best way of co-opting many pro-status-quo leaders who could, or who has the potentials to, destabilize the new government.

- The elite negotiations, however, inflicted much damage to the solidarity of the reform-minded groups. To protect their own interests and to secure a favorable place in the potential transition toward democracy, the "soft-liners" (in the government) marginalized the "radicals" (especially the students) by making concessions to the moderates in the opposition (especially from lesser Muslim parties).

The Downside (2)

- Left out are the leaders who organized the mass demonstrations, especially the students and other groups in civil society.

- Given the fact that the democratization gained its momentum from the demonstrations and mass rallies that were mostly organized by students and the civil society's leaders, the marginalization of the these leaders only created frustration among the groups who still keep the potential to disrupt the political system.

The Downside (3)

■ The compromise enabled the pro-status-quo group to keep their favorable position in the ruling elites. There is no real break with the New Order.

■ The consequence: Governments of post-authoritarian Indonesia have been unable to implement some of the most important reforms it promised. The most embarrassing of all is the failure to hold the former President Suharto and the military accountable for their wrongdoings in the past. Critics worried about the possibility that the criminal offenders would get impunity.

The Downside (4)

- The strategy of compromise and inclusion has the effect of delaying the inevitable political restructuring, with all the associated turmoil that keep dragging on.

- The elitist strategy also put so much formidable constraints on the new government as to make it impotence.

- This is the major reason of its inability to deal determinedly with Suharto and his cronies concerning the issues of corruption as well as human rights violations

FORMAL PROCEDURES

Formal Democracy Measures

1. Inclusive citizenship.
2. Rule of law.
3. Separation of powers.
4. Elected power-holders.
5. Free and fair elections.
6. Freedom of expression and alternative sources of information.
7. Associational autonomy.
8. Civilian control over the security forces.

Source: Kaldor and Veivoda (1997:63).

Consolidated Democracy Measures

1. The institutionalization of democratic practices: regularly-held elections a + a well-balanced governing body.

2. The survivability of the democratic regime in the face of continuing economic and political challenge.

3. The inculcation of democratic values which lead citizens and parties to believe that democracy is the "only game in town."

Source: Gunther, et.al. ; O'Donnell, 2005; Linz & Stepan, 2001.

"Electoral Fallacy"

- "The danger of placing too much weight on free and fair elections while undervaluing other aspects of democracy."

- The other aspects being:
  - Political tolerance
  - Human rights
  - Civil society
  - Universal enfranchisement
  - Civil liberties

Source: Smith (2002:640).

PROCEDURAL DEMOCRACY OPENED THE "PANDORA BOX" OF FRAGMENTATION

Elections & Political Fragmentation

- Elections in Indonesia have been unable to facilitate the establishment of strong and solid foundation for effective government.

- The biggest winner in the Elections of 1955, got only 22% of the votes; up to 34% in 1999, but down to 21% in 2004 and stay at 20.8% in 2009.

- For party politics in Indonesia, *fragmentation* and *inability to create a winning coalition* seem to be the "norm".

Stubbornly Fragmented?:
The Results of Elections of 1955 & 1999

1955	%	1999	%
PNI (Nationalist)	**22**	PDI-P (Nationalist)	**34**
Masyumi (Modernist Muslim)	21	Golkar (Nationalist)	22
NU (Traditional Muslim)	19	PKB (Traditional Muslim)	12
PKI (Communist)	17	PPP (Mixed Muslim)	10
		PAN (Modernist Muslim)	7
		PBB (Modernist Muslim)	2
		PK (Modernist Muslim)	1
Other parties	21	Other parties	12
Total	100	Total	100

Stubbornly Fragmented? (2):
Elections of 1999, 2004 and 2009 (percentage)

Political Party	1999	2004	2009
PDI-P (Nationalist)	**34**	18	14.03
Golkar (Nationalist)	22	**21**	14.45
PKB (Traditional Muslim)	12	10	4.94
PPP (Mixed Muslim)	10	8	5.32
PAN (Modernist Muslim)	7	6	6.01
PBB (Modernist Muslim)	2	2	---
Demokrat (Nationalist)	----	7	**20.85**
PK/PKS (Modernist Muslim)	1	7	7.88
GERINDRA (Nationalist)	-	-	4.46
HANURA (Nationalist)	-	-	3.77
Other parties	12	21	18.29

Some Performance

■Indonesian democracy has been 10 years of continued, including the alterarion of parties in power. In one sense, it is already consolidated democracy.

■As consolidation of democracy requires the routinization of and a normative commitment to democracy (Diamond, 1999), however, Indonesians need to work harder to put more "substance" to the democratic "framework".

THE CASE OF DIRECT ELECTIONS OF REGIONAL HEADS

Direct Elections of Regional Heads:
June 2005 – May 2006

- 232 direct elections of regional heads (9 governors, 33 mayors, 190 district heads)

- Heavily contested: 153 elections were contested by 4 to 7 candidates; only 28 regions saw a two-lane races.

Direct Elections of Regional Heads (2)

- The candidacy is decided in multi-level process.
  - First, at the local level, either through a kind of test (to assure his/her capability and integrity), or party convention (to assure his/her acceptability among the party members).
  - Then, the upper-level, up to the central, leaderships have the final say.

- The law 32/2004 gives political parties a strategic role in the direct elections. Candidates are required to get the support of a political party or a group of parties (which controls 15% of the DPRD seats or won 15% of the electoral votes).

Direct Elections of Regional Heads (3)

- As individuals wanting to be candidates have to court political parties and as the parties are always haunted by financial problems, the party politicians use it to raise funds by selling the candidacy to the highest bidder ("money politics").

- A candidate wishing to run in a district or city must contribute not only to the party, or parties, at that level but also to the party or parties at provincial and even at the national level.

- Hence, the process is very elitist. Only the propertied has a chance to participate.

Direct Elections of Regional Heads (4)

- This way, the Direct Elections resurrected the disdainful practice of traditional elections of village head, especially in Java: i.e., *bandar* syndrome.

- Bandar is basically gambler who not only bet for the victory of his favorite candidate (as if it is a gambling), but also do whatever it takes, by using his financial power, to make his candidate win decisively.

Source: Nur (2007)

Direct Elections of Regional Heads (5)

■ The Direct Elections proved to be very costly. The cost to become a district head in East Java starts from Rp.5 billions and up to five times as much. This covers many activities: cash payments to political parties and their leaders, campaign, rallies and public relations, T-shirts and uniform outfits for the young supporters and many other related expenses.

Source: Nur (2007)

For those who are unable to pay, there are *bandars* who are ready to give a hand. The latter's functions are to make sure that his candidate win. This includes:

- Financing the costs.

- Arranging the candidacy

- Manipulating the electoral process

- Public relations campaign

Source: Nur (2007)

THE CASE OF "TERRITORIAL REFORM"

Territorial Reform

■ The creation, division, amalgamation and dissolution of regions.

■ Objective: To increase the welfare of citizens, through:

– Better service

– Enhanced democratic life

– Faster economic growth

– Increased security and order

– Harmonious relations between regions

(Government Regulation No.129/2000, art.2)

In Practice:
Creating More Regional Governments

- The formation of new regions by splitting the existing regions.

- It proceeded in a very rapid manner (100 more proposals awaiting)

- Problem created: Population size of the regions varies widely

  - Province: Gorontalo (less than 800,000 pop.); East Java (more than 35 millions pop.)

  - District/City: Supiori (11,800 pop.); Bandung District (4.1 millions pop.)

Creating New Regions in Indonesia, 1950-2005

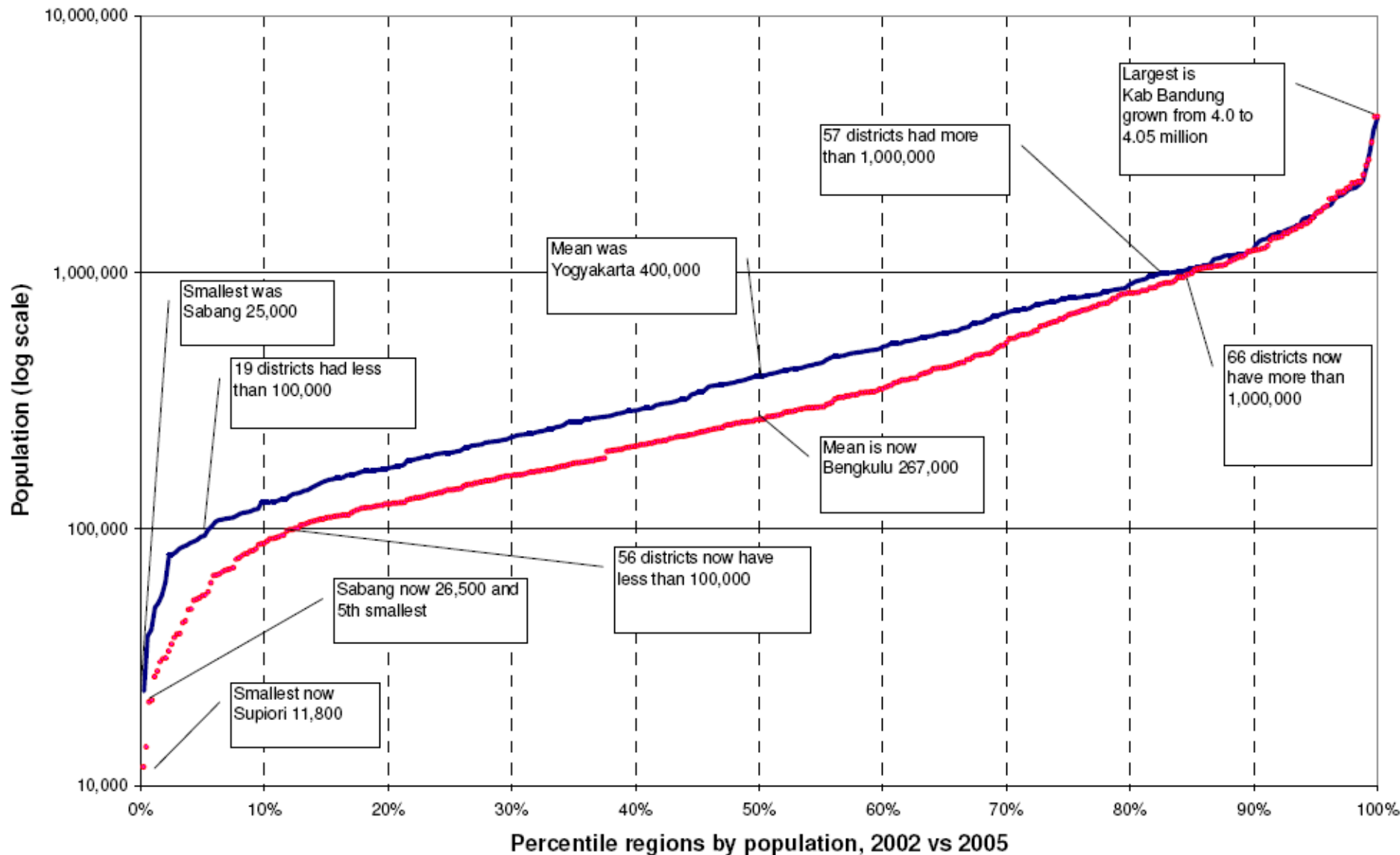| Period	Provinces	Districts and Cities
1950-1955	6	99
1956-1960	16	145
1961-1965	3	16
1966-1970	1	11
1971-1998	1	33
1999-2005	6	136
Total	33	440

Population size of District/City Varies Widely

Table 2: Growth of New Regions by Major Island/Regional Grouping to 2004

Population 2001		No. of District/City Governments		
	(millions)	1998	2001	2004
Java	112.0	103	105	109
Sumatra	47.7	74	96	132
Kalimantan	10.9	30	38	52
Sulawesi	14.4	40	45	62
Bali/Nusa Tenggara	10.9	29	30	34
Maluku/Papua	4.2	16	22	45
Total	**200.1**	**292**	**336**	**434**

Why Creating New Local Governments?

- To bring government closer to the people and spur modernization of region?

- Preference for homogeneity and favoring *putra daerah* (sons of the soil)?

- Response to fiscal incentives inherent in financial transfer?

- Bureaucratic rent-seeking?

- A desire of some elites to strengthen their political turf?

The Negative Consequences

- Inefficient administration as per capita costs of government increase sharply.

- Decreased capacity to adequately carry out the functions assigned uniformly to all districts/cities.

- Increased parochialism and potential for inter-group (ethnic, religious) conflict

- Manipulated by local traditional bosses to revive "feudalism".

The Lessons Learned from the Regions

- Formal institutionalization has not addressed the structural prerequisites for healthy decentralization, esp. fiscal and monetary decentralization.

- The party leaders tend to develop a pragmatic, short-sighted and self-interested political behavior. Patrimonialism, clientelism persist.

- As citizenship rights are not part of the "territorial reform" scheme, substantive democracy at the local level is hard to expect.

THE RISK OF
SHIFTING FOUNDATION

Citizen Non-Confidence?

Table 16. Societal Trust toward Government Bodies and the Existing Systems.

Component	Indonesia		Regional Average	
	T	DT	T	DT
Central government	23.2	5.0	18.5	5.0
Local government	29.3	4.4	22.1	3.5
Army	26.3	2.5	25.8	4.1
Police	15.4	9.2	13.8	7.8
Parliament	13.6	6.6	15.7	4.9
Legal system	25.1	2.5	19.4	5.3
Public education	44.4	0.9	37.8	1.6
Public health	45.4	1.0	34.1	1.9
Political party	5.8	12.2	7.5	9.5
Labour Union	13.3	1.8	11.2	3.5

Note: T: Trust. DT: Distrust

Table 9. Trust to Some Domestic Nongovernmental Organizations (NGOs)

Component	Indonesia		Similar Countries		Regional Averrage	
	T	DT	T	DT	T	DT
Domestic corporation	8.6	3.6	Thai (7.9)	Myan (4.4)	12.7	3.5
Labor unions	13.3	1.8	Lao (13.3)	Lao and Mal (1.5)	11.2	3.5
NGOs	21.2	2.0	Lao (20.2)	Myan (2.3)	20.1	2.3
Media	31.3	2.0	Fil (30.9)	Lao and Mal (2.5)	20.1	2.5
Religious organizations	48.5	0.8	Mya (38.8)	Myan (0.5)	32.6	2.8

Source: Asia Barometer 2007 Survey

Still Puzzling?

- As people's confidence in the authority and the capacity of public institutions to deal with their problem tend to be low, what keeps Indonesian democracy enduring?

- While most people suffered from abject poverty, unemployment, violence & social inequality and angry of deficient social & economic policies as well as overall public services, most of them do not challenge the democratic regime.

Democracy based on Undemocratic Institutions?

■Because the place of the institutions is taken other by other non-formalized but strongly operative practices, such as clientelism, patrimonialism and corruption?

■What is the prospect of Indonesian democracy if democratic institutions exist alongside patrimonial and clientelistic practices of the New Order regime?

The Prospect

- While the formal democratization does not directly challenge patrimonialism and clientelism, so that citizenship rights does not develop;

- While it failed to deal conclusively with the military territorial-management (a nationwide political machine), so that there will always be a chance for them to organize politically;

- There is a good reason to believe that citizen's attitude toward democracy become ingrained in civil society, political society, economic society and the opposition groups.

References

Beetham, David (1994). "Conditions for Democratic Consolidation", Review of African Political Economy. Vol.21, No.60 (June)

Gunther, Richard, et.al. (2001).

Kaldor, Mary and Ivan Veivoda (1997). "Democratization in Central and East European Countries", *International Affairs.* Vol.73, No.1 (January).

Nur, Muhammad (2007), "The Significant Role and Practice of Money Politics in the Direct Eletions of Regional Head" (Unpublished dissertation, Airlangga University, Surabaya)

Smith, Daniel A., "Consolidating Democracy? The Structural Underpinnings of Ghana's 2000 Elections," *Journal of Modern African Studies*. Vol.40, No.4 (2002) pp.625-650.

Tornquist, Olle (2006). "Assessing Democracy from Below: A Framework and Indonesian Pilot Study". *Democratization*. Vol.13. No.2 (April 2006)

USAID-DRSP (2006). *Stocktaking on Indonesia's Recent Decentralization Reform*, Jakarta: August