

The Indonesian General Elections 2004

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The year 2004 is crucial for Indonesia's democracy. It has held a series of elections, ending on September 20 with the final round of the presidential elections.

The first election on April 5 was to elect members of Parliament (DPR), the Council of Regional Representatives (DPD) and the provincial as well as county level legislatures. Around 600 million ballots were cast that day by about 120 million voters.

The election was seen by the public and the international community as democratic, fair and peaceful. This was also the case with the first and second rounds of the presidential elections on July 5 and September 20.

They have helped to move Indonesia's democracy several notches higher and the Indonesian people should be congratulated for the process and the implementation. It showed a kind of maturity that augurs well for the future.

Encouragingly, it has been a democratic process, where Indonesians are exerting their political right to make their choice without being influenced or feeling pressured by their social and political groupings.

The voters showed their displeasure with PDI-P whose votes declined from 34% in 1999 to 19% in 2004. Recent experience also showed that personal popularity is an important factor in the election of the president. In addition, despite being the biggest Muslim country, the Muslim parties that are proponents of the Sharia got only 23% of the votes. Two out of the five presidential candidates representing Muslim organizations were eliminated after the first round.

The final round on September 20 was a competition between SBY (Susilo Bambang Yudhoyono), who was the most popular candidate, and Megawati, the incumbent. She has slightly improved her image and was able to build a coalition among the three biggest parties in parliament. The competition was thought to be a close one, but in the end it showed that popularity was the more decisive factor.

Introduction

The year 2004 is the year of elections for Indonesia. Never before have we had such a series of elections, lasting for almost the whole year.

On April 5, four elections were held: those for Parliament, the Council of Regional Representatives (Senate), the Provincial Legislative Councils (32 of them) and the Counties' Legislatures (around 450). All together, 120 million registered voters cast 600 million ballots on one day. On July 5, Indonesia conducted the first round of the first direct presidential elections and on September 20, the second round will be held.

Elections are costly and time-consuming efforts and have diverted a lot of attention from the day-to-day affairs of economic and social development. But they are part of the democratization process in which the Indonesian people take pride and for which they are willing to make sacrifices. While the election of 1999, the first free elections in post-Soeharto Indonesia, were full of emotion and voluntary activity, the April 5, 2004 elections were more tranquil and "normal." Elections were not only very peaceful, democratic and honest, as were those of 1999, but they also were held without extreme emotional outburst or demonstration during the campaign period. Overall, the elections were considered a normal development and people did not get as excited as in 1999. The same kind of mature attitude and reaction by the people can be expected to continue through the cycle of in the presidential elections. One possible reason for this more measured response may be that people are tired after such a long crisis since 1997.

Although they have been met with calm, this year's elections are critical to Indonesia's future development. This is so because reforms have been slowing down, corruption has become more rampant, security remains a problem to be overcome, and the rule of law and the judiciary have not improved, while unemployment is high and on the rise, and foreign investment has not come back since the financial crisis of 1997. Indonesia needs leaders, in parliament and the government, who can guide Indonesia back to normality and high economic growth. The current four percent growth is far from adequate to address the growing unemployment.

If a credible president cannot be elected in the September elections, then the next five years will be another period of muddling through instead of a strong recovery towards economic growth and democratic consolidation. The critical issue is whether the resilience of the Indonesian people is still there to wait five years until 2009 for reforms to be implemented, and to get the country moving again.

The parliamentary elections have also demonstrated the maturity of the Indonesian people as a whole. In addition, they also showed that Islamic extremism has no place in Indonesian politics.

Legislative elections and Indonesia's future

What is the impact of the 2004 legislative elections on Indonesia's two most important assets, a maturing democracy and moderate Islam?

A maturing democracy means not only democracy as a formality, such as holding elections regularly or having political parties, but also indicates the existence of values and substance. The latter includes striving for freedoms that must go hand in hand with democracy—particularly freedom of speech and freedom of assembly—but also supremacy of law and equality before the law.

Moderate Islam is part of political Islam that strives to harmonize modernity with Islam, reconcile Islam and democracy, and adopt politics that are open and inclusive for all Indonesians, namely a state that is not based on Islam or Islamic laws.

The April 2004 legislative elections were widely seen as honest and peaceful. The results were well accepted by the general public despite the shortcomings of the General Elections Commission (KPU), a newly established independent body of non-partisan members consisting of representatives of civil society. Previously, the KPU was run by the government or political parties.

The people have shown their displeasure with the ruling Indonesian Democratic Party of Struggle (PDI-P) party, which has not done much for the people (corruption, unemployment, insecurity and bad judiciary). It received 40 percent fewer votes than in 1999. The April elections also showed that voters, especially in the big cities, are also less bound by their formal and informal solidarity group leaders (based on religion, ethnicity and region).

They gave the Democratic Party of Susilo Bambang Yudhoyono (SBY) a big gain of 7.5 percent of the vote due to his popularity. These were in part sympathy voters in response to the way he was demoted by President Megawati Soekarnoputri. In 1999 those votes went to Megawati and the PDI-P. The Democratic Party was established only in 2002.

If indeed most of the new House of Representatives (DPR) members (75%) are younger and better educated than before—and there will also be more women among them—one could expect a qualitatively better legislature in the future. This augurs well for democracy in Indonesia, but this election is only one step toward a mature democracy. It may take another two elections to achieve it. Despite the messiness of the process for democracy, the effort is still worth it for most Indonesians as a lot of improvements, such as freedom of the press, some military reforms, active civil society, strong legislative, etc. have in the meantime also been achieved.

The results may also create a greater fragmentation of political parties in this DPR as there are now seven major political parties. This could, however, be further simplified in 2009. This fragmentation could make the process of formulating policies more difficult, because it will take more than two parties to get a majority. At the same time, coalition forming will not be easy without the blocs of two parties, Golkar and the PDI-P. Since none of the parties has dominant numbers, a good president should be able to form coalitions.

Indeed the democratization process will also depend on how the next president approaches politics in general and particularly how he or she cooperates with the DPR. If he or she does realize the need to create majority coalitions within the DPR to get the legislation, program, budget and appointments through, he or she also will be able to make the DPR more effective. But the proof of the pudding is in the eating, and whether the DPR is really strengthening towards mature democracy will depend on its performance within the next five years.

But of course a mature democracy depends not only on the elections, the DPR or the political parties. A strong and healthy civil society, a free press and an active student body are important prerequisites for a mature democracy in Indonesia. They should have a strong presence as well in the foreseeable future since the political parties so far have not shown their vision and willingness to really stand up for society and the people. Instead, they are still very dependent on individual and group interests.

Moderate Islam won in the election of April 2004. But beyond figures and numbers, one should note the change of paradigm in the debate of the electorates, which has been divided into so-termed nationalist and Islamic parties. The divide between *santri* and *abangan* as defined by Clifford Geertz is perhaps no more relevant. The Golkar Party is defined as “secular” or nationalist (*abangan*), but among its leaders there are many HMI (Himpunan Mahasiswa Islam, or Muslim Student Union) leaders. Although Golkar is a proponent of “nationalist” policies and programs and is open to every citizen, it is also very sensitive and up to date on Islamic issues and struggle in Indonesia.

PAN and the PKB are based on Islamic mass organizations, Muhammadiyah and Nahdlatul Ulama (NU) respectively, but are open parties and do not promote *Sharia*, or Islamic Law, as a goal to be implemented in Indonesia. The issue of Islam or nationalism did not become an issue in the campaign for the 2004 election. Yet there are still smaller parties based on Islam that are willing to make *Sharia* into national laws.

The Prosperous Justice Party (PKS), considered to be the most conservative Muslim party, has been very successful, having used corruption and good governance as its main themes in the campaign. That was the compromise it had to make if it wanted to reach out to a large mass of supporters in society. Had it used the *Sharia* as its main theme, it could not have gotten those votes (in 1999 it gained only 1.7 percent of the votes or 7 seats out of 500 while in 2004 it gained 7.4% of the votes and 45 seats).

If the total votes received by all the Muslim parties are tallied excluding PAN and the PKB, then in April 2004 they received 23 percent of the vote, or 127 of the 550 seats in the DPR. If PAN and the PKB are included, then they gained 42 percent or 231 seats this year. In 1999 they got 34 percent of the vote or 171 seats (out of 500).

This percentage is about the same as what all the Muslim parties got in the 1955 election (43 percent). But 25 years have made a lot of fundamental differences. In 1955 all the Muslim parties formed one bloc in the Constituent Assembly to support the Jakarta Charter (or *Sharia* Law) as the principle of state.

Nowadays, only 23 percent at most are proponents of *Sharia*, while PAN and the PKB are opposed to it. The debates during the campaigns do not suggest that this issue is important. In the longer term, even if many more Muslim parties might become proponents of *Sharia*, it is still open whether or not they would come out again in full force for *Sharia* to be accepted as positive law. This will depend on the moderates such as NU and Muhammadiyah that have opposed introducing the *Sharia* because it will be divisive to the nation.

In the meantime, only the PKS got more votes and seats among the proponents of *Sharia*, while the rest stalled or lost votes. The PKS gain was not generated by a campaign for *Sharia*, but by its anticorruption and welfare strategy. These were brilliant tactics.

There are two more issues with regard to *Sharia* in Indonesia. The first is the question of creeping national legislation that will be implemented or inspired by *Sharia*, such as regarding education, food, social issues, etc., in the future. Until now, the question has come up only sporadically, such as in relation to the National Education Law last year, especially on religious education as a subject matter in private schools. If others and moderate Islam are vigilant, this should not happen.

But everybody, especially moderate Muslims, must be aware of this possibility and also should help in overcoming such an aberration in future legislation. The second issue is the political decisions made by several regents such as in Garut and Tasikmalaya, West Java, who have proclaimed the implementation of *Sharia* in their regencies. This is essentially a political act, because they do not have the legal instruments to put *Sharia* Law into practice. Those decisions could be, however, misunderstood politically. However, they are not a widespread phenomenon, and would be impossible to implement in practice.

The upcoming presidential elections: a prognosis

During a conference on the Indonesian elections held by the Centre for Strategic and International Studies (CSIS) and the Asia Pacific School of Economics and Government (APSEG) at the Australian National University (ANU) in Canberra on May 13 to May 14, political analysts Harry Tjan and Sjahrir did not support my earlier prediction of a duel between Wiranto and Susilo Bambang Yudhoyono in the runoff of the presidential election on September 20.

They still foresee a fair chance for President Megawati Soekarnoputri to reach the final round of the presidential race. However, since in the legislative election Megawati's Indonesian Democratic Party of Struggle (PDI-P) lost 44 percent of the votes it gained in 1999 (down from 34 percent in 1999 to 18 percent in 2004), and she lost in almost every province, plus the fact that she might not likely change her leadership and her inner circle—who were known as either corrupt or incompetent—her chance of reaching the runoff is really very small. However, at the end of May, just before the campaign started, PDI-P seemed to gain some steam again.

And Megawati has become more pro-active. Hasyim Muzadi, the chairman of the Nahdlatul Ulama (NU) and her VP candidate, might bring NU votes with him, but surely not all of them, because NU—even without Abdurrahman “Gus Dur” Wahid as a candidate—fielded other candidates besides Hasyim, such as Solahuddin Wahid, Hamzah Haz, and even Jusuf Kalla, who has also been associated with NU. However, as its chairman, and comparatively well-rooted among the *kyais* (spiritual leaders), Hasyim could take a good number of the NU votes.

According to insiders of PDI-P, some members of the central board have felt so hopeless about the party's leadership that its supporters are lining up support for Susilo, but that might have changed. Wiranto has supposedly the best machine in Golkar and a lot of money. However, his chance will depend upon whether Golkar can unite to support his bid. The candidacy of Jusuf Kalla, a leading Golkar figure, as the running mate of Susilo, could split Golkar's supporters and votes. Moreover, Akbar's supporters may have been so disappointed with the way that Wiranto won the convention—allegedly through money politics—that they may be willing to line up for somebody else, such as Kalla and Susilo or Megawati.

As has been said in my earlier articles in the *Jakarta Post*, Wiranto's international reputation has been damaged due to allegations of human rights violations in East Timor, and the riots in May 1998 and the killings of students in the Semanggi I and II incidents (1999 and 2000). Civil society, the media and the students are still going after him. Their protest will definitely become bigger and bigger with the elections nearing. In the end, the public will be increasingly aware of the drawbacks of Wiranto's possible presidency. Therefore, one could expect a strong move against him during the campaign period next month. He is also too close to the rightwing of the Muslim community.

Susilo is the most popular, according to most opinion polls at this stage of the elections, and has, in Jusuf Kalla, a running mate who was highly respected but was quite a disappointment to many economists due to his archaic economic views (narrow nationalistic). He could gain some backup from a number of Golkar supporters. If the election were to be held today, Susilo could win. But the final round could be another four months off, and a lot can happen before

then. Besides which, he has no political machine to speak of, since the three parties supporting him—the Democratic Party, the Crescent Star Party (PBB) and Indonesian Justice and Unity Party (PKPI)—together have just over 11 percent of the votes (or 111 seats in the House of Representatives). In addition, as a former Army man he may have a lot of skeletons in the closet.

Only if a reasonable number of PDI-P and Golkar supporters split from their parties to support Susilo, would he have a good chance of reaching the (possible) final round. Also, if the presidential election were to be won more on individual popularity than party machine, Susilo's chance would be there. At the grass-roots level, especially in rural areas, the role of informal or formal leaders in guiding voters' decisions is still very strong. And opinion polls are not yet credible in Indonesia since only the urban centers are polled. Furthermore, mass demonstrations or rallies for the candidate is not proof of getting votes, because it is considered festival time.

Because civil society and students still do not trust the Indonesian Military (TNI), or generals as presidential candidates, Susilo has to work hard to gain their trust. Otherwise, he will be considered to be of the same camp as Wiranto, which would be bad news for him, especially as he is so dependent on his personal popularity to win the presidency.

Amien Rais is not of the same league as the pairs of candidates mentioned earlier, especially since Hamzah Haz has also decided to join the race and may take away some of Amien's supporters. Amien's National Mandate Party (PAN) did not come up strongly in the legislative election, but Muhammadiyah—the country's second largest Muslim organization—is supporting him. Nevertheless, he recognizes that it will be an uphill battle because in terms of organization and budget, as well as popularity, Amien has never really gotten off the ground. He has improved so much since he emerged as the leader of the reform movement in Indonesia in 1998. In the meantime, he led the team responsible for amendments to the constitution wisely, and was mainly responsible for managing Gus Dur's ouster from the presidency, constitutionally and with finesse. Amien is also the most consistent of the Muslim leaders against global terrorism. His economic platform has improved, but is not yet adequate to gain full trust from the private sector. His personal staff and entourage have markedly improved, but it is still not easy for him to gain the people's support due to his past controversial rhetoric and capriciousness. At the end of the June campaign his popularity especially in the urban centers has improved.

Hamzah Haz, leader of the United Development Party (PPP), decided to run for the presidency after Megawati chose NU chairman Hasyim Muzadi as her running mate. Actually the party was divided about his decision to run, but in the end they relented, even though they know his chances were slim.

Gus Dur also tried hard to join the presidential race, but was disqualified by the General Elections Commission (KPU) for health reasons.

The presidential election will be the first-ever direct presidential election. Which factor will dominate the people's decision-making is unknown. Popularity could be the main influence, in which case Susilo would hold the advantage. It could be that the track record of the party machine has the most bearing, in which case Wiranto would benefit. Also, a very strong antimilitarism mood could reign over public opinion, whereby Megawati and Amien would benefit. We will get a clearer picture only after the first round, when we should know who the finalists are going to be. But the consensus is that there will be a second round of elections, since there is no candidate that is going to get over 50 percent of the votes (over 70 million votes) and a 20 percent minimum in at least 16 provinces across Indonesia.

As has been said above, the nature of the leadership of the next president will be critical to the country's future. It is essential for the next five years to see further policies implemented to overcome the crisis and get Indonesia moving again. In that sense the presidential election will be even more important than the legislative one.

The impact of the elections on Indonesia's foreign policy

First it has to be stated that in general only the elite follows foreign policy and international relations. In the Indonesian case, the elite that really is interested in foreign policy and international relations is quite a thin layer. When the wave of globalisation hit Indonesia, the public and even the government were ill prepared for the impact on our society in terms of economics, politics and values. President Soeharto was willing to open the economy but he did little to explain and educate his people, especially his businessmen. And the 1997 crisis was the result.

The impact of the elections on Indonesia's foreign policy will be rather limited due to the inertia among the elite (and the people) to change. Indonesians are still ambivalent in their appreciation of foreign influence and "intervention" in Indonesian domestic affairs, both economic and political. And their attitudes are therefore still reluctant with regard to the necessity for foreign capital, and making the ownership of Indonesian assets by foreigners possible.

The government, the media and professionals, including universities and think tanks, have the important task of educating the people and influencing public opinion about the need and presence of foreign companies.

Despite the crisis, the feeling of nationalism is still evident among the populace. With no or little understanding among the people about new challenges in the

region and globally, such as globalisation and its impact, as well as international terrorism and the danger it could become if paired with weapons of mass destruction (WMD), nationalism can be an advantage but also an impediment in overcoming some aspects of those new challenges.

The president has a critical role to play in overcoming the paradox between the sense of nationalism and the need to open up and face the challenges of globalisation and international terrorism. Thus, who is going to become president of Indonesia will be very important indeed.

If Wiranto becomes the president, Indonesia faces the danger of being isolated by the international community. This may not be initiated directly by governments, but pressures coming from the civil society, students and the media will put pressure on Parliaments or the US Congress. And in turn they will put pressures on the governments concerned. This will result in reluctance by the private sector to invest in Indonesia, while ODA will also be more limited. But more protest and criticism will come from inside, since the three influential minorities—civil society, many Indonesian Chinese, and many Christians—will oppose him because of the abuses done under his command in the Soeharto and Habibie regimes.

Bambang Yudhoyono, another general as president, will be a little better received by the international community, except that his economic policies as explained by Jusuf Kalla, his vice presidential candidate, are so anti-foreign that it could damage his credibility among foreign business. In the eyes of civil society, Yudhoyono also has a lot of skeletons in the closet concerning abuses and corruption, which could come out during the campaign. He also has no substantial party machinery to reach out to the grass roots, which is considered a critical factor to win.

Megawati is considered incompetent and nobody expects that she could improve the situation by agreeing to change her leadership. However, her administration could be improved if she would form a good cabinet. This means that the attorney general and some of her closest economic team members should not be retained by her.

Three groups of minorities now support her. This is so more by default than by design, because out of the three main candidates they consider her as the least “evil.” They view that the generals will only bring token stability. They had abused their power before and they got away with it. And this could be repeated in the future. In addition, the ghost of militarism is still hurting too much, and the Armed Forces (TNI) have not really reformed themselves.

These three groups are as follows: first is the civilian society, namely the students and the media, who consider themselves to be the most exposed to any militarism under a general. Second is the Indonesian Chinese population who feel that

they have been abused by the military, which pretends to be protecting them. They could no longer tolerate the same in the future. The third are the Christians, who have doubts about the unsavoury relationship that both generals have with extremist Muslim groups. Wiranto has a very bad track record. When he was Commander in Chief of the Armed Forces, he created the "militia" (Pamswakarsa) to "clobber" the students and the NGOs. Bambang Yudhoyono has lost credibility due to his alliance with PBB, the party that is a staunch proponent of the *Sharia* becoming positive law.

The international community cannot expect that a strong leader will emerge from this presidential election. Further, major reforms in the economy are unlikely to occur. Wiranto has selected Rizal Ramli as his potential economic czar. However, the latter is not trusted by the international community based on his performance as minister coordinator during Wahid's presidency. Bambang Yudhoyono has chosen Jusuf Kalla as his vice president who would be in charge of economic policies. However, Kalla has no understanding of macroeconomic policies and is adamantly against foreign involvement in the Indonesian economy. He is also seen as having a negative attitude on the role of Indonesian Chinese in the economy.

Megawati has a fighting chance only if she can form a better economic team. In addition, Megawati has to show more initiative and needs to be more pro-active. Only with credible economic policies and a credible economic team could any presidential candidate undertake the necessary reforms and create trust among the people and the business community, domestically and internationally. In addition, a lot of public education is required to bring about understanding by the people that economic recovery requires some sacrifices by everybody. This could only be accepted by the people if the candidate can be trusted to be really serious about fighting corruption and truly wants to weed it out from the system through a credible plan and by having the right people in charge. Here the role of the attorney general is crucial.

Although everybody has doubts about the three main presidential candidates, as the incumbent, Megawati has a lot more to answer for because a lot of corruption has taken place under her presidency, not only among officials around her but also involving her relatives. Another question that came up in the discourse on the candidates was whether the two generals were not better as leaders since the common people asked for stability and security. There is something about the yearning for peace and stability. But what is meant by leadership and a sense of security is a democratic leadership and not an authoritarian means as was the case under Soeharto. The two ex-generals cannot provide that kind of leadership.

Bambang Yudhoyono is considered to be a weak leader who is not at all decisive. Wiranto has allowed abuses to happen under his command in East Timor

against the Indonesian Chinese in May 1998, and the killings of students and activists in several incidents.

Since they are all considered to be weak, not any one of the three candidates will be really capable of boosting Indonesia's role in ASEAN or other regional institutions. Megawati took some leadership when hosting the ASEAN Summit in Bali in October 2003, but sustained leadership in implementing the agreements is yet to be seen. It may well be that a more aggressive and astute foreign minister can help revive Indonesia's leadership in ASEAN as Hassan Wirajuda has done.

At the least it could be said that Indonesia's role in future regional institution building is still possible, but not guaranteed. Perhaps of greater importance is the model of development that Indonesia could show to other Muslim countries in the region and globally if the country can manage to overcome the difficulties it currently faces and establish a democracy with strong economic growth and social justice. As the world's most populous Muslim country, with over 200 million Muslims, Indonesia can show that Islam is compatible with democracy, economic growth, social justice and modernization in general. With such an achievement Indonesia can demonstrate to the extremists, who are proponents of a Muslim state (*Khalifah*) or the introduction of the *Sharia* Law, that their ideas are obsolete and no longer valid.

In terms of the fight against international terrorism, it could be that the two ex-generals are better prepared, especially Bambang, who has been coordinating the fight against them as Minister Coordinator for Political and Security Affairs under Megawati. In this regard, Megawati can appoint an effective security czar as well. After all, the fight is not only about how to prevent and overcome their attacks, but also about how the root causes can be tackled. In the end it is a struggle for the hearts and minds of the Muslim community. This needs the all-out support from the moderates amongst them. In that respect Megawati already has Hasyim Muzadi as her vice presidential candidate. Muzadi can give her very valuable support by getting part of NU as the biggest Muslim social organization behind her efforts. Megawati should also rally the support of Muhammadiyah, the other major Muslim social organization. This is critical for her efforts to get the support from the Muslim community to overcome the threat of international terrorism in the future. To be able to do that, she must get the goodwill and support from Amien Rais. She should also invite people like Azyumardi Azra, a member of the educational department in the Central Board of Muhammadiyah and the Rector of the University of Islamic Studies in Jakarta, the center of moderate Islamic thinking, into her cabinet. Muhammadiyah support is also critical for her to win in the final round.

In general it could be expected that foreign affairs will not be a priority for any future president, because there are so many domestic challenges. Therefore, a strong and credible foreign minister should be trusted to do the job for the

president. Foreign policy will serve to strengthen the domestic agenda of strengthening governance, fighting corruption, addressing unemployment, improving security, the judiciary and the rule of law, as well as regional autonomy. Domestic policies alone may not be sufficient in the today's interdependent world. However, it will be a real challenge to get the full attention of the president on problems of globalization and international terrorism, which sooner or later affect internal security and domestic developments.

The importance and primacy of ASEAN in Indonesia's foreign policy is the mantra for all the candidates. In addition, they will adhere to the non-aligned stand in global politics, although it has lost most of its meaning after the Cold War was over in 1989.

There is greater acceptance to cooperate with the U.S. since that is recognised by all the governments in East Asia as critically important, despite the gap among the populace, who strongly opposed the arrogance of power of the Bush Administration. Such attitude and reactions are not confined to the Muslim population but are shared across the board. If a re-elected Bush cannot change the style and rhetoric of his administration, the US will be in deep trouble. Hopefully he has learned the lesson from the ways he conducted the first three years of his administration, especially after the difficult peace-building efforts in Iraq.

In the end, all governments in East Asia recognize that the US has been the underpinning of peace and stability for the last 60 years in the region. If her leadership is damaged, due to the Iraq War or Afghan War or in the struggle against international terrorism, all the countries in the region will also be negatively affected.

If Wiranto becomes president it will be more difficult for Indonesia to establish a reasonable relationship with many western countries because the protests and sanctions that might be imposed on Indonesia could create a real impediment for a normal relationship. With Bambang Yudhoyono, the international relationship might be a better one, because he better understands the importance of the relationship. If he gives to Kalla, his vice presidential candidate, the upper hand in economic policy, it can cause a problem because of his anti-foreign bias. Theoretically, Bambang might be the weakest of the three due to his lack of an effective political machinery to mobilize the support from the grass roots, although he is considered very popular.

Megawati lacks the intellectual capability to grasp the issue and the importance of foreign relations. She needs a strong and capable foreign minister to manage foreign affairs.

Concluding remarks

The presidential elections are important for Indonesia to improve her situation and overcome the sense of muddling through that everybody, national or foreign, feels

about the state of affairs so far. However, the democratic system, which is young and immature, has produced three major candidates who are considered below par to contest the election.

The two generals are not completely trusted due to their backgrounds and performances when they were responsible for TNI. Megawati is considered to be incompetent. So, there is no real choice between them. But politics is never perfect and in democracies the candidates for the top executive are seldom ideal. It has been mainly a choice based on the principle of *minus malum*, or the “lesser evils” among the candidates. It will be a hard choice.

Wiranto is the worst choice because of his past track record. Bambang Yudhoyono is popular but also is distrusted. In addition, his vice presidential candidate, Jusuf Kalla, is not a supporter of open economic policies and is considered to be anti-Chinese. Bambang Yudoyono also lacks grass roots support. Megawati is weak, and has lost a lot of support in the parliamentary elections. She has not been on top of things in the last four years. However, she is a civilian that at least is willing to support democracy. She has a chance only if she is willing to be more pro-active and can put together a team that is credible and competent.

This is the first time for a president to be directly elected in Indonesia. Therefore there is a certain fluidity in the elections, and the results could not be accurately predicted at this stage. Only after the results of the first round are known can a firmer picture be gained with regard to the factors that influence people’s choices. It has to be noted that the democratic processes in the election for parliament, the Senate, and local legislative councils were working well. Hopefully this will be the same for the presidential election.

The people have exercised their rights and expressed their aspirations in the parliamentary elections. First, they have punished the PDI-P because its government under Megawati was not performing well. Its votes declined from 34 percent to 18.5 percent (a decline of 44 percent). The people also did not give Golkar an overwhelming victory because the votes it got were about the same as in 1999, around 21 percent. This is because Golkar is not completely trusted. The people have given their sympathy votes to Bambang Yudhoyono and the Democrat Party, which gained 7.5 percent of the votes in Parliament, a good result for a first time party. The people also turned to PKS (a conservative Muslim party), because this party astutely made anti-corruption its main theme rather than campaigning on an Islamic platform.

The other three main parties, PKB, PPP, and PAN got about the same number of seats (all around 50 seats) in the April election. This will make coalition building a very important effort to get policies through parliament. This puts a lot of burden on the president.

The elections in both April and July have been peaceful and democratic, and well accepted by the people as an honest process. There were some inadequacies on the part of the Election Committee. However, Indonesia has for the first time a really independent Election Committee, consisting of citizen representatives of society.

The process of selecting Golkar's presidential candidate was fraught with a lot of money politics. This has also caused a split in Golkar. The same has happened with PKB, Abdurrahman Wahid's party. Wahid has been a real spoiler, creating a lot of confusion because of his support for Wiranto by having his brother as Wiranto's vice presidential candidate. This has created a backlash against him and against PKB.

Since the role of the party machine, with the support from solidarity groups based on religion, ethnicity, and regions, is crucial, it is probable that Megawati and Wiranto could become the two candidates in the final round. But if Wiranto will be really hampered by a split in Golkar, then Bambang and Megawati could be in the final instead. The final outcome will be known only after September 20.

Addendum

The results of the July 2004 first round of the presidential elections

The first direct presidential election on July 5 was as peaceful and democratic as the April 5 legislative election. It shows the growing political maturity of the Indonesian people. Indonesians should be proud of this. Indonesia's budding democracy has moved up a notch in its consolidation toward a mature democracy.

Two presidential candidates from among the five are certain to move into the second and final round of the elections to be held on September 20. Susilo Bambang Yudhoyono and Megawati Soekarnoputri gained around 33 percent and 26 percent of the vote respectively.

Susilo and Jusuf Kalla are supposedly the more popular team and in polls conducted before the elections they gained even 49 percent of popular support, which declined in the last two weeks before the elections. By contrast, Megawati, whose party, the Indonesian Democratic Party of Struggle (PDI-P) took a beating in the legislative elections and slid from 34 percent in 1999 to 19 percent in 2004 and scored only about 12 percent in the opinion polls, made a turnaround and instead got 26 percent of the vote in the first round.

Megawati has not been a hands-on leader during her three-year term, and some real problems were not tackled seriously, such as unemployment and corruption. But she has been able to lay down some of the fundamentals for future development. She has stabilized the macro-economic fundamentals of the

economy (inflation, foreign exchange, fiscal deficit, current account), which is a prerequisite for economic stability and to enable the private sector, the market as well as the autonomous regions, to promote economic activities in the micro-sectors.

Economic growth has stabilized at around four percent. This is not adequate but is sufficient to lay down a healthy basis for future development. She also has overcome many conflicts in society and the regions. The fervor for “revolution” has calmed down and the threats of global terrorism have been dealt with quietly, consistently and persistently with the assistance of the international community. Religious extremism, which became widespread after the demise of Soeharto, has been restrained. Except for the Aceh conflict and the dissatisfaction in West Papua, the conflicts in Kalimantan, Sulawesi and Maluku and anarchy in the streets of Java, have been mostly overcome.

Although she is not known to be a strong reformist, Megawati is able to nudge and move democracy by refraining from imposing and regulating or engineering political developments in society. Instead, she has allowed a “thousand flowers to bloom.” But, of course, these achievements, while substantial are also far from adequate. Corruption is rampant, even among her closest assistants. Labor relations have deteriorated due to the policies of the incompetent minister from her party. The consistency in the implementation of the rule of law has been questioned and the judicial system is mired in corruption. Foreign investment is not coming because of the uncertainties in the above areas. Furthermore, she has not been willing to lead openly and directly, and bring the issues to the people to solicit their support in tackling them.

With only 26 percent support, in order to win in the second round, she has to change her leadership and her team. It will not be adequate to simply make deals with other parties, such as Golkar, United Development Party (PPP), National Awakening Party (PKB), and others to form a coalition. First, these parties are fractured, as shown in the first round of the election. Even if some succeed in consolidating, the leaderships of these parties no longer have the necessary power and influence to mobilize the masses.

Megawati has to come out and become decisive. For that, she has to reach out to the Indonesian people herself, as she did when she faced Soeharto and Habibie in 1998 and 1999. She has to show empathy for the people’s sufferings again and be humble enough to recognize her earlier shortcomings.

In addition, she has to demonstrate leadership by removing some of her corrupt assistants. She must bring in a new team that is clean, compact, capable and trusted by the people and should announce this before the second round starts.

It should be noted that very important reformist groups and minorities are gravitating back to Megawati’s leadership. Civil society also looks to her

because she is the only civilian leader who is a democrat. They have great difficulty accepting and trusting a (former) general who has been groomed for 30 years by Soeharto and his regime, surrounding himself with mostly military people who only have one term of reference in their life, namely solving political problems by force, especially military force. It has to be recognized that Susilo is not an ex-general that was shaped under civilian supremacy over the military like Eisenhower or even De Gaulle.

Chinese–Indonesians are also not in favor of the military that they see as having abused them. They are also concerned with the perceived anti-foreigner, including Chinese–Indonesians, sentiments of Jusuf Kalla, Susilo’s running mate. He is seen as a proponent of a *bumiputra* policy as practiced in Malaysia. Chinese–Indonesians will no longer accept overt and covert economic discrimination.

In fact, if Indonesia is ever to regain its economic dynamism, it should accept the role and participation of the Chinese–Indonesians as being in the mainstream and not at the periphery of development. Their dynamism and expertise and networking in East Asia could be a constructive contribution to the nation’s economic development. This has also happened in the political life of Indonesian society that has brought the Muslims to the fore in promoting a democratic Indonesia. The last two elections (1999 and 2004) have shown this to be the case, and Indonesia can be proud of this.

The Christians feel rather uncomfortable with Susilo and Kalla because of their relations and activities with Muslims on the right side of the political spectrum such as Yusril Ihza Mahendra’s Crescent Star Party (PBB) and the Justice and Welfare Party, which are proponents of the implementation of *Sharia* by the state.

These groups do not represent a large portion of the vote, but they have some influence in public opinion. They have always been harbingers of change in society.

The big question, then, is whether Megawati is willing to change her leadership, her policies and her team. We will have to wait and see what will happen in the next few weeks. She should recognize that she cannot simply rely on her “beliefs.” She is facing a serious survival problem. But she has a chance, because for the average Indonesian it is a choice between somebody you know, despite all the limitations, and someone you don’t know with the risk of an uncertain future direction for the country. The alternative, Susilo is also not a strong leader and is known to be encircled by a group of military leaders. Democracy is thus at stake. In addition, Susilo’s vice presidential candidate has been tainted by anti-foreigner and anti-Chinese sentiments.

About the author

Jusuf Wanandi has long been Indonesia’s best known analyst of Southeast Asian regionalism and the politics and foreign policies of Indonesia and the United

States. He holds leadership positions in the Council for Security Cooperation in the Asia Pacific, the Pacific Economic Cooperation Council, the Prasetiya Mulya Graduate School of Management in Jakarta, and the Foundation of Panca Bhakti University in Pontianak (West Kalimantan). He heads the company that publishes Indonesia's leading English-language daily, *The Jakarta Post*. He co-founded Indonesia's most successful foreign-affairs think tank, the Centre for Strategic and International Studies. He has co-authored or co-edited more than a dozen books, including *Europe and the Asia Pacific* (1998), *Security Cooperation in the Asia-Pacific Region* (1993), and *Asia and the Major Powers* (1988). Jusuf Wanandi is Co-founder, Member, Board of Trustees, and Senior Fellow, Centre for Strategic and International Studies (CSIS), Jakarta.