

Indonesia Clears the Decks for a Presidential Election

Monday 18 May 2009, by [Correspondent\(s\)](#) (Date first published: 18 May 2009).

Reformasi rears its unlikely head

With weeks of horse-trading since Indonesia's April national legislative elections now over, three major coalitions are set for the presidential election on July 8. Despite the fact that there is not a single new face in the lineup of top candidates and that two of the major participants are accused murderers, the island nation seems to be increasingly on the road to the reformasi process that began with the fall of the strongman Suharto in 1998.

President Susilo Bambang Yudhoyono Friday confirmed what had widely been expected, that he had selected as his running mate Boediono, the governor of Bank Indonesia, the country's central bank, over the objections of three of Yudhoyono's Islamist coalition members, the Prosperous Justice Party, the National Mandate Party and the United Development Party, who argued that Yudhoyono's No. 2 should come from one of their Muslim ranks.

Yudhoyono's selection of Boediono vaults a technocrat into position to replace the outgoing Vice President Jusuf Kalla, who, having been spurned by Yudhoyono for a second term, is running on his own for the presidency with retired Gen. Wiranto of the People's Conscience Party, who was accused of allowing mass killings, torture and a panoply of other crimes in attempting to prevent East Timor from breaking away from Indonesia in 1999.

The 66-year-old Boediono is somewhat a reluctant candidate, having left politics to move to the central bank, and is widely regarded as honest and incorruptible in a country where those adjectives are rarely used. However, Yudhoyono is making a calculated choice in selecting him because in doing so he has forsworn the formidable political base that Kalla, a businessman, commanded through the Indonesian Chamber of Commerce and Industry, or Kadin.

Kalla's demise is considerable. He is the head of the once-dominant Golkar Party, through which Suharto threw the thinnest of veils of what he called "guided democracy" across Indonesia during his 32-year reign. In Yudhoyono's initial run in 2004, the Democratic party was so small that he needed Golkar and Kalla to head the coalition that would give him the combined strength to fulfill electoral mandates so that he could run.

In the recent April legislative elections, however, Golkar's voter numbers fell to 14.5 percent, with both leader and party widely regarded across the nation as far more beholden to the business community than to the electorate at large. Although Yudhoyono is hardly regarded as decisive, his coalition's ties to Golkar and Kalla during his first term meant that real reform of the government, which is too often used as a cash register for businessmen, would be problematic from the first. In particular, Golkar's demise and the rise of the technocrats raises the question of what happens with Aburizal Bakrie, whose companies provide 40 percent of Indonesia's stock market capitalization and who played a major role, through Kadin, in funding the Yudhoyono-Kalla ticket in 2004. Twice

the government bailed Bakrie companies out of financial disaster although that didn't happen in the current global financial crisis when they melted down the stock market in October last year. Bakrie is now the Coordinating Minister for People's Welfare. He has already said he would step out of a formal government position. What role he takes, formal or informal, will be a signal of what direction the new government — should Yudhoyono and Boediono win — will take

The third coalition is headed by former President Megawati Sukarnoputri, who lost to Yudhoyono in 2004 after a largely listless term in office. Megawati, who heads the Indonesian Democratic Party of Struggle, chose as her vice president former Gen. Prabowo Subianto about an hour before midnight Friday after the terminally ambitious and hugely well funded Prabowo finally gave up his own aspirations to run for president. Prabowo's Gerindra Party, despite vast amounts of money for advertising, managed only 4.46 percent of the seats in the April election.

Like Wiranto, Prabowo, the former head of the controversial special forces unit Kopassus, has been accused of fomenting a wide range of murders, rapes, riots and other crimes in the effort to abort East Timor rule. Over recent days, the families of murdered students and ethnic Chinese Indonesians who were raped, murdered and brutalized in 1998 riots that left Jakarta's Chinatown in flames and hundreds dead have held press conferences to denounce the two. But there seems little impetus to ever bring the two before the bar of justice. Prabowo is divorced from Suharto's daughter Titiek, who has continued to wield a certain amount of sway and continues to control a considerable amount of the country's wealth despite the family's disgrace after her father fell from power.

Whether either of the Kalla-Wiranto or Megawati-Prabowo coalitions has any chance at all is problematical. Many regard Yudhoyono's election as a foregone conclusion. The struggle of the two other coalitions to come up with what they regarded as viable electoral teams is an indication of their weakness. The inability of Megawati and Prabowo to form a coalition at all, which led election commission chairman Abdu hafiz Anshary to hold registrations open til midnight Saturday because of the flurry of last-minute talks, is an indication of their plight.

One extraordinary opinion poll by the Strategic Center for Development and Policy Review in late April said that if the election had been held at that time, Yudhoyono would have garnered a whopping 87.5 percent of the votes, trailed at a long distance by Megawati with only 5.83 percent and Kalla at only 1.67 percent.

Indonesia's polling organizations are notoriously inaccurate. Those figures have since moderated – if they were accurate at all – to ranges between a still-astounding 66 percent to 70 percent, spurring many observers to say they fear the voters appear eager to deliver up a mandate for a return to the Javanese style of reign rather than rule that Suharto enjoyed during his decades in power.

Whether that is true or not, for the short-term at least Indonesia looks in remarkably good shape. Yudhoyono appears to want to at least attempt to forge a cabinet dominated by such figures as Trade Minister E Mari Pangestu and Finance Minister Sri Mulyani Indrawati, two women who have been called in the past SBY's Angels, a reference to the once-popular television show Charlie's Angels. Despite his lack of a political base, Boediono adds to that stable of technocrats.

Concerns about rising Islamization are waning despite the fact that Yudhoyono's coalition includes three Islamic parties. Religion and ethnicity appear to be losing their hold as factors in voter preferences over the pairing of candidates to run in the July race, a survey released on Thursday by the Indonesian Survey Institute concluded. The survey, which questioned 2,014 people in 33 provinces from April 20 to 27, said voters were abandoning the long-held conviction that joint tickets should strike a balance between representatives from an Islamic party and a secular party, or

Javanese and non-Javanese backgrounds.

If no slate gets 51 percent of the vote in the July polls, the two winning slates will have to return to the voters in September. But given Yudhoyono's strength in the polls, most observers feel a runoff is unlikely. That should leave the new presidential team with the chance to take up the reins to run a country that is faring rather well and far different from the shambles that greeted reformasi in 1999. Against all the odds, Indonesia recorded 4.4 percent economic growth for the first quarter of the year, leading the entire 10-member Association of Southeast Asian Nations. With its vast consumer base of 230 million people and relatively small dependence on exports, it has largely been insulated from the depredations of the global financial meltdown, although credit remains constricted, with banks refusing to lend and companies having to resort to bond issuance rather than loans.

Cleaning up the judicial system has to rank at the top of Yudhono's list. Whatever success the government has had in cleaning up corruption largely rests on the performance of the Corruption Eradication Commission and little else. The commission takes its cases to its own special court and has a 100 percent conviction rate. Corruption cases taken to regular courts rank far below that.

Much more typical is the case of Lily Widjaja, the president director of Merrill Lynch Indonesia and chairwoman of the Indonesian Brokerages Association, who last week was charged with embezzlement, malicious intent and defamation by the National Police over a long-running dispute between Renaissance Capital, an Indonesian investment bank, in which Renaissance is claiming compensation for losses amounting to US\$100 million from Merrill in what appears to be a purely commercial dispute. That raises the question whether once again Indonesian businessmen are able to use the country's police and courts as a cudgel to pound their opponents into submission.

Yudhoyono also has to contend with a legislature, many of whose 560 members, including lots from his own party, regard electoral office as a license to steal. Businessmen are watching the newly elected lawmakers with a mixture of suspense and unease to see how they will perform. The indefatigable Corruption Eradication Commission so far has jailed and prosecuted successfully nine members of parliament and has its eyes on a half dozen more despite the fact that its own chairman is currently in jail on suspicion of ordering a gang-land style murder.

It is going to take a long time to change Indonesia's culture of corruption, which Transparency International ranks it 126th of 180 countries, tied with five other paragons such as Eritrea, Ethiopia, Guyana and Honduras. The April election itself, although most observers say it was relatively corruption free, was a circus of incompetence, lost ballots, late counts and other irregularities. Nonetheless, the signs are more hopeful than they have been for a long time.

P.S.

Posted by Asia Sentinel.

http://www.asiasentinel.com/index.php?option=com_content&task=view&id=1876&Itemid=175&limit=1&limitstart=1