# Has democracy stalled in Indonesia?

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INDONESIA, after India and the United States of America, is the third largest, albeit fledgling, democracy in the world, and the largest among the new ones. Its re-emergence at the time of the fall of the Suharto regime in 1998 remains an historical opportunity of major proportions. Should this emerging democracy stabilize and become meaningful for the people at large, it would not only be of direct importance to hundreds of millions of disempowered citizens but also a milestone for human rights and democracy in general.

What are the problems and options involved? First the historical lessons. While the ideas concerning human rights and democracy originated in the West, it was not the West but sections of the anti-colonial liberation movement (with a majority of Muslims involved) that brought human rights and democracy to Indonesia. Further, one needs to question the ideological thesis of the authoritarian rule that earlier efforts during the 1950s to introduce liberal democracy were abandoned since the country was 'not modern enough' for democracy. In reality, the major problems were

that the small, West-oriented middle class failed to generate popular support and opted instead for enlightened technocracy (spearheaded by the Socialist Party), and that the electorally more successful political parties (the nationalists, the two Muslim blocs and the Communists) were more concerned with positioning themselves within the framework of the externally imposed Cold War than with democracy.

History has also invalidated the theory that social and economic modernization and the growth of the middle class would generate democracy. Rapid modernization and a substantially expanded middle class under Suharto did absolutely nothing to facilitate democracy. Neither did the fully modernized, middle class oriented and liberal democratic countries around the world oppose the dictatorial regime. Very little of this changed even as the West reduced its support for authoritarian Latin American regimes in the 1980s and engaged in widespread international intervention for human rights and democracy with the end of the Cold War in 1989. Indonesia was one of the major excep-

**27**

tions right up to the Asian economic and political crisis. Rather, it was widely believed that a dynamic and stable capitalism was being fostered from top down, and that an elitist, reformist and democracy-oriented pact would be negotiable once President Suharto either decided to step down or passed away.

Another lesson is that the weakness of the previous arguments should at least have been clear with the crackdown on dissidents in 1996, symbolically spearheaded by former President Sukarno's daughter, Megawati. It is true that at that time popular resistance against authoritarian exploitation coincided with middle class protests against corruption and repression, but the protests were poorly organized and the regime's response undermined negotiated compromises. Subsequently, it took only a year and a half of unrest and repression before international financial institutions and foreign investors lost their trust in the capacity of the regime to guarantee the lucrative combination of primitive and advanced accumulation of capital.

'Flexible' investors abandoned the scene, causing devastation to hundreds of millions of ordinary people. Yet, it was neither capital nor the supposedly human rights and democracy-oriented international community that finally brought down Suharto, but the 'instant' student movement that substituted for the lack of broad popular organization by paralyzing Jakarta and several other cities with large-scale protests and demonstrations.

From then on, the internationally dominant model of transition to liberal democracy through compromises within the elite and skilful construction of basic rights and institutions rose to prominence with remarkable speed.[1] Once Suharto stepped down

on 21 May 1998, most sections of his loyal associates realized the need to negotiate a compromise with the moderate opposition. Dissident leaders Megawati, Amien Rais and Abdurrahman Wahid responded positively by abandoning the popular oriented movement. The turning point was the decision to opt for early elections in 1999. This paralyzed the activists who had been chiefly responsible for bringing democracy to Indonesia. Most of them opted instead for sustained direct action within civil society.[2]

The final lesson is that neither the results of the elitist strategy nor direct civic actions have been impressive. Just as with many other new democracies in the South and the former Eastern Bloc,[3] the elitist model of democracy has generated some important civil and political rights as well as technically free and fair elections. Ordinary people are still unable, however, to use political means to fight their economic and social deprivation, and the problem of corruption has probably increased within the framework of decentralization and the increasingly powerful political parties and legislative assemblies.

The territorial organization of the 70 per cent 'self-financed' military has been sustained, while much of the

previous state repression is being 'outsourced' to semi-private militias and other security groups. The pact-making elite have largely remained unable to form stable, trustworthy and effective governments. As a consequence, in the 2004 general elections the well organized, semi-sectarian Muslim party, Partai Keadilan Sejahtera (PKS), rose from marginal status to gain more than 7% of the national vote, becoming the largest party in the capital region. Moreover, the old elite dressed up in conservative populism was returned to dominance behind the new president, managerial retired general, Susilo Bambang Yudhoyono (SBY), with successful Suharto-era businessman Jusuf Kalla as his ambitious deputy.

In contrast, the poorly organized students, NGOs and uncoordinated groups of labourers, farmers and urban poor were soon demobilized, humiliated and confined to politically marginalized civil society activity. According to a comprehensive review and comparative case study programme on and with the post-Suharto democracy movement,[4] although many protest groups and activists were still active they continued to reflect Suharto's 'floating mass' poli-

1. For a basic text, see William R. Liddle, (ed.), *Crafting Indonesian Democracy*. PPW-LIPI, Ford Foundation and Mizan Pustaka, Jakarta, 2001.

2. For a general analysis, see O. Törnquist, 'Dynamics of Indonesian Democratisation', *Third World Quarterly* 21(3), 2000, 383-423.

3. For general analyses, see e.g. J. Grugel, *Democratization: A Critical Introduction*. Palgrave, Basingstoke, 2002; Rita Abrahamsen, *Disciplining Democracy: Development Discourse and Good Governance in Africa*. Zed Books, London and New York, 2000; Marina Ottaway, *Democracy Challenged: The Rise of Semi-Authoritarianism*. Carnegie Endowment for International Peace,

Washington D.C., 2003; Thomas Carothers, 'The End of the Transition Paradigm', *Journal of Democracy* 13(1), 2002, and *Confronting the Weakest Link: Aiding Political Parties in New Democracies*. Carnegie Endowment for International Peace, Washington DC. Also Olle Törnquist, *Popular Development and Democracy: Case Studies in the Philippines, Indonesia and Kerala*. SUM and UNRISD, Oslo and Geneva, and 'The Political Deficit of Substantial Democratisation' in John Harriss, Kristian Stokke and Olle Törnquist (eds), *Politicising Democracy: The New Local Politics of Democratisation*. Palgrave, Houndmills, Basingstoke, 2004.

4. A. Prasetyo Stanley, A.E. Priyono and O. Törnquist, *Indonesia's Post-Suharto Democracy Movement*. Demos and NIAS, Jakarta, 2003.

tics – fragmented and isolated from ordinary people – and thus unable to make much headway in the new democratic politics beyond their lobbying and pressure group type civil society activities. In the 2004 elections, it was only the semi-sectarian PKS that included some representation from the movement that had given birth to democracy. The risk is thus (to paraphrase Gramsci) that while the old is dying and the new cannot be born, morbid symptoms will appear.

What is less clear, however, is how this victorious transition paradigm has failed to produce expected results, how the pro-democrats have failed to generate a viable alternative, and what should be done instead.

To find out, *Demos* (The Centre for Democracy and Human Rights Studies) has developed a comprehensive framework for assessing the problems and options of power and democracy. During 2003-2004, 800 carefully selected, experienced and reflective pro-democracy experts around the country were asked some 300 questions about (*a*) the performance, spread and substance of the means of democracy as well as (*b*) the will and capacity of the most important actors to promote and use them. Thematic follow up studies have been added and a general resurvey is under way.[5]

There are four major conclusions from the survey. First, that several years of important civil and political freedoms, elections, and craft-

5. O. Törnquist, A.E. Priyono and W.P. Samadhi, 'Making Democracy Meaningful. Problems and Options in Indonesia.' Demos, Jakarta, 2007. For a briefer version Olle Törnquist (2006). 'Assessing Democracy from Below: A Framework and Indonesian Pilot Study', *Democratization* 13(2), April 2006, pp. 227-255. For Demos' additional reports visit www.demosindonesia.org

ing of institutions has not yet generated operational tools to facilitate the rule of law, equal access to justice, basic social and economic rights, and representative and accountable government. Second, that the most fundamental problem is not bad governance and socio-economic inequalities but poor popular control of public affairs through trustworthy representation – that is, if one prefers to fight corruption and exploitation in a democratic way. Third, that the major reason for the poor representation, in turn, is the monopolization of the economy and organized politics by wider and more localized but still dominant elite groups. Fourth, that the main problem of fighting this is that the democracy movement remains fragmented, socially 'floating' and politically marginalized.

The crucial political dynamics stands out as a triangular one between dominant actors with powers and interests related to (*a*) the 'decapitated' post-Suharto state at the top, thus being weakened, fragmented and localized, (*b*) the increasingly strong religious and other communal forces, and (*c*) the equally reinforced interests related to private business and market, in each of the fundamental corners.

None of the actors is rooted only in 'its own' corner – but horse-trade in all directions. In fact, an unholy alliance is the strongest. The first party to the alliance is the religious and other communitarian groups, who reduce the public sphere in favour of, for instance, religiously prescribed moral rules and values upheld by the husband, family, and religious leaders. The second party is the pro-business and market

groups that privatize public resources in favour of the market, corporate institutions, self-management by 'responsible citizens' (for instance the villa owners in a residential area) and the individuals themselves. The loudspeakers on top of the mosques and in the shopping malls do not speak the same language, but the tendency as well as the high volume is the same. Meanwhile, both parties retain of course their increasingly informal control of patches of the 'decapitated' state.

Worse, despite attempts at building democracy, most relations between state and people are increasingly being mediated by these forces. While the previously matching authoritarian top-down linkages under Suharto have disintegrated, the earlier predominance of clientelism and populism is back in full swing. In addition, the personality-oriented populism under President Yudhoyono and a large number of similarly elected governors, mayors and regents is much more conservative and money-driven than the classical rural-romantic brand of founding father, Sukarno.

**FIGURE I**
**Current Relations Between Indonesia's Centres of Power and Their Links to People**
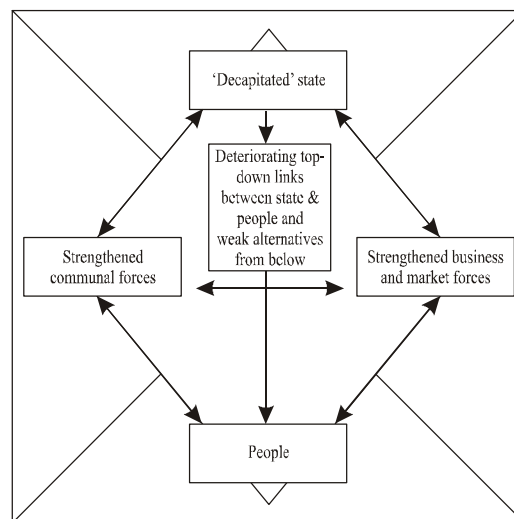
Most important, there is nothing to substitute for the old and eliminated but comparatively modern communist led popular movements. In short, the independent civic-political links between state and people that are intrinsic to democracy remain critically weak.

In short, democracy is squeezed. The powerful groups tend to reinforce the triangular alliances and little can be done by people themselves. The independent links between state and people (for instance through popular controlled parties and interest organizations) are very weak. Most relations between the state and the people are mediated through communitarian groups and the business and market, thus cementing clientelism and corruption.

What can be done? Since the Demos survey was carried out, the problem of elitist rather than popular representation has become even more obvious. By now it is not just our local experts on democracy who say that the parties are undemocratic and do not represent the major cleavages and interests among the population. According to a recent opinion poll, two-thirds of ordinary people agree. Similarly, when finally given a chance to express their opinion in a democratic way, the Aceh people denounced the so-called national parties and voted for locally rooted representatives. Most recently, protests are mounting in Jakarta against the moneyed political selection of candidates in the gubernatorial race.

The pro-democrats face grim realities. The Demos survey clearly shows that most of them remain almost as socially floating in the public discourse, without firm roots among the people at large, as the masses were meant to be politically floating in the villages under Suharto.

While it was easy to conclude from the survey that priority *should* be given to the problem of representation and that the democracy movement should use its advances in civil society to reclaim its political influence, it was difficult to say how this *could* be done. This calls for further studies of the two major aspects involved: (*a*) the need to expand public resources, and (*b*) the need to strengthen the linkages between on the one hand civic and popular organizations and organized politics on the other.

As Mushtaq Khan reminds us, there must be substantial public resources to share for a reasonably meaningful democracy to make sense.[6] If not, religious and other forms of communitarianism and clientelism will flourish as much as the dominant forces on the market. While the well-endowed may buy their freedom on the market, the neo-liberal hollowing out of public resources and governance sustains the incorporation of ordinary people into politics through clientelism and populism as less public resources make them even more dependent on fixers, patrons and communitarian 'solidarity'. At the same time, pro-democratic promotion of public solutions to people's problems and programmatic platforms for pro-poor policies are considered fine but unrealistic. To win an election one rather has to promise special favours and patronage. Meanwhile civic organizations are miserable vote-catchers, resorting instead to pressure politics and lobbying.

As a consequence, self-help programmes gain importance. Some of them are civic but most are communitarian and primarily Muslim-oriented. While several of them are vital to the people affected, the households and individuals who have some resources are separated from those who have less; and even the poor are fragmented in different projects and communities. In addition, it is difficult to reconcile the self-help efforts with the principle of political equality and basic public rights.

Perhaps it is possible instead to seek inspiration from comparative studies suggesting that struggles for *democratic regulations* may serve as a realistic and unifying supplementary framework; a framework sustaining principles of universal social and economic rights and bringing self-management in line with democratic political equality and impartiality without engaging in unrealistic demands for full public ownership and control.

Yet, this is easier said than done. Participatory budgeting or decentralized people's planning, for instance, is not possible to introduce only by design but calls for political change and facilitation.[7] Post-colonial countries like Indonesia continue to suffer from uneven development. On the one hand, the state is no longer strong even if it may still be big. On the other, the advanced sectors of capital and middle classes are rarely progressive. Rather, they benefit from the underdeveloped poor sectors and from primitive accumulation through coercion and dominance, in symbiotic relation with state and communitarian based groups.

The established strategies to alter this stalemate are democratically

6. Mushtaq H. Khan, 'Markets, States and Democracy: Patron-Client Networks and the Case for Democracy in Developing Countries', *Democratization* 12(5), December 2005, pp. 707-724.

7. Cf. John Harriss, Kristian Stokke and Olle Törnquist (eds), *Politicising Democracy: The New Local Politics of Democratisation.* Palgrave, Houndmills, Basingstoke, 2004.

unviable. To begin with, previous attempts under Sukarno at state-led 'national democratic development' served to undermine rather than strengthen democracy and have now been invalidated by capitalist globalization. Moreover, as we know, the worldwide idea during the 'third wave of democracy' of crafting institutions to turn powerful actors into democrats has proved as insufficient in Indonesia as in other new democracies since the powerful actors avoid or hijack the new rules of the game.

In addition, the efforts to prioritize the shaping of a liberal European-like *rechtsstaat* by way of 'good governance reforms' *ahead* of further democratization, as frequently argued by the IMF and World Bank,[8] suffer from the weakness of liberal oriented bourgeois and middle classes. Hence, the more likely call for more or less authoritarian solutions, akin to the recent royal-military and urban middle class coup in Thailand. Nor is there a reasonably democratic developmental state at hand that can generate more *public* resources through pro-business policies.[9]

Worse, the pro-democracy activists have almost nothing to offer in terms of a realistic alternative. The recent admiration for Latin American nationalist Hugo Chavez neither considers his top-down populism as well as unique military backing and oil resources; nor is it relevant beyond the struggle against international finance capital and foreign dominance of natural resources. The crucial issues of how to fight and build an alterna-

tive to the symbiosis between state, communitarianism and private business in order to increase economic growth for more public resources and thus demonopolize democracy, are almost as neglected as during the hegemony of the radical nationalists in the late fifties and early sixties.[10]

The major popular alternative is Muslim aspirations for a value-based welfare state. The general thesis (from for instance Turkey, Egypt, Iran and Malaysia) seems to be that the problems of development and democracy are due to insufficient moral values in local communities and families, which paves the way for individualistic greediness, corruption and exploitative and western dominated neo-liberal capitalism. Consequently, the public democratic sphere with extensive liberal freedoms should be reduced in favour of religiously governed ethic codes, community and family relations. This kind of privatization may help contain the neo-liberal and exploitative alternatives. For instance, there are social welfare policies with roots in community contribution and redistribution (the internationally best know case of which is probably *Hamas*), cooperatives and the interest free Islamic banking system. Beyond these restrictions, however, free and fair elections may still apply.

The fact that this thinking is quickly gaining ground in Indonesia is obviously related to the western crusades in the Middle East and the fail-

ure of the other perspectives to make democracy meaningful for ordinary people after the Asian economic crisis and the fall of the Suharto regime. Yet, it is a weak alternative. The problem is more than a shrinking of the public sphere and the use of illiberal measures. In addition, most of the radical Muslim's comparatively impressive anti-corruption and social welfare measures are meditated between state and people through communities and patron-client relations rather than directly through impartial institutions facilitated by civic parties and interest organizations. This breeds rivalries, tends to undermine the anti-corruption efforts and reduces the pro-democratic potential. There is also no strategy against the unholy alliances between the communitarian elite on the one hand and both the state and private business at central and local levels on the other.

In brief, efforts at fostering representation of potentially powerful agents in favour of an alternative development project for more public resources seem to rest with the pro-democrats. If there are no advances in this respect, meaningful democracy is likely to be a lost case. The historical and present attempts in countries like Brazil, South Africa and those in Scandinavia and provinces like West Bengal where international economic competition cannot be avoided, seem to focus on strong actors among capital and labour that can agree on production-oriented economic development in return for public resources to promote general social and economic rights and welfare policies – negotiated, generalized and governed by popular organizations, employers' organizations and the government. In Indonesia, however, there is little

8. See www.worldbank.org/wbi/governance For a blunt introduction on the Indonesian discourse, see Guido Tabellini, 'Economic Reforms Precede Democracy', *Jakarta Post*, 15 September 2005.

9. Major weaknesses in the former mentioned article by Khan, op.cit.

10. For an analysis of the problems of the Indonesian radicals in this respect, see Olle Törnquist, *Dilemmas of Third World Communism: The Destruction of the PKI in Indonesia*. Zed, London, 1984, and for comparisons with India, see Olle Törnquist, *What's Wrong with Marxism?* Vo.1: *On Capitalists and State in India and Indonesia*. Vol.2: *On Peasants and Workers in India and Indonesia*. Manohar, New Delhi, 1989 and 1991.

11. See www.demosindonesia.org

**31**

interest in this route. Hence, the playing field is left open for the unholy alliance between Muslim communitarianism and neo-liberalism.

For a start this requires that the civic pro-democrats are able to strengthen their position. Demos has thus followed up the national survey by studies of attempts among popular organizations and civil society groups to move ahead.[11] For instance, participatory surveys on the regency level as well as comparative studies of experiments to combine civil and political work indicate that many grassroots organizations now try to broaden their special agendas, cooperate and 'go political'. Unfortunately, this is still hampered by elitism, money politics, special interests (including among workers) as well as by different priorities amid groups that either try to resist subordination, revitalize old customs, or reform democratic institutions.

Additional case studies of attempts by pro-democrats to make a difference in direct elections of governors, mayors and regents point to major challenges of financing political activities, in selecting candidates and holding them accountable on the basis of 'political contracts'. Some of these problems could be tackled in Aceh when it became possible to launch candidates based on locally rooted movements rather than the political elite. Yet, while the movements were strong enough to stand up against Jakarta, the organized representation of social and economic interests was weak. Hence, vital social and economic questions about rebuilding the province were set aside, thus remaining confined to technocratic and corporatist arrangements.

There are a number of strategies to handle these difficulties of scaling up and building popular representation. Some prefer to build links between people and executives, thus avoiding 'rotten' politicians. Others say this is only appropriate for single issues, does not alter the relations of power and avoids the problems of representation. Hence, they would rather turn to politicians and parties to gather support and 'promote unity' among grounded organizations and movements. In the worst case, the former path thus sustains the separation between direct action and representation, while the second path generates new layers of top-down political fragmentation among popular and civil organizations of the kind that is so common and devastating in India.

What should be done? The Demos studies point to the need for pro-democratic non-party political blocs, based on participatory political mapping and thus developed local and federated mini-platforms. This seems to be the intermediary level where popular and civil organizations can engage, cooperate, develop joint political education, keep politicians and parties accountable and prevent top-down party fragmentation of their activities. Pro-democracy parties and politicians, in turn, who support the mini-platforms, can gain broad backing from individual (but not organizational) members behind comprehensive programmes.

Meanwhile, however, the diminishing trust in established parties obviously represents such a serious threat against vested interests that new laws and regulations are introduced to contain rather than support efforts at more popular representation. Local parties in Aceh will be prevented from participating in national politics (so why should they then stay within Indonesia?). Popular and civil organizations elsewhere will find it almost impossible to form more genuine parties and engage in elections. The first item on the agenda for a pro-democracy bloc in Indonesia is thus obvious: As the problem is too much elitism, and insufficient popular participation, there is a need to open the system, not close it!

Consequently, Indonesian democrats need to worry less about the negative impact of Islam and neo-liberalism and more about the basic hindrances to meaningful democracy. To overcome these hurdles, the primary need is to politically strengthen equal citizenship and representative links directly between people and politics. As this gains ground, pro-democratic regulations may help contain communitarianism, turn self-management more politically equal, and foster public welfare oriented growth. The basic changes that seem to be needed in order to transform the democratically destructive dynamics into more productive ones are indicated in Figure II.

**FIGURE II**
**Possible Transformation of Indonesia's Centres of Power and Their Links to People**



**32**