

Chapter 2

Political Reform in the Post-Soeharto Era

In the Soeharto years, what ensured the legitimacy of the political regime was to deliver “economic development.” The currency crisis that started in August 1997 and the ensuing economic crisis, however, instantly undermined the grounds that had justified Soeharto’s authoritarian rule. The people’s trust in the Soeharto government plummeted and voices clamoring for “Reform” (*Reformasi*) mounted as Soeharto tried to cling to power and continued to put his family’s interests ahead of those of the nation. The general public and political elites came to share the notion that “the government that does not try to implement reform no longer has legitimacy,” ultimately forcing Soeharto to step down. Thus, “reform” has replaced “development” as the key to ensure the legitimacy of a political regime in Indonesia.

That is the very reason B. J. Habibie, who took over from Soeharto as president on May 21, 1998 named his own cabinet the “Development Reformation Cabinet” (*Kabinet Reformasi Pembangunan*). With his political footing still fragile, Habibie successively announced a series of political reforms in order to keep his government afloat, very eagerly trying to wipe away the impression that he was on the side of the old regime. In the half-year period after taking office, Habibie laid out a broad range of political reform steps. Specifically, the 12-point decisions¹ at the special session of the People’s Consultative Assembly (MPR) in November 1998 and the three political bills² that went through the House of Representatives (DPR) in January 1999 were the results of that endeavor. Habibie’s political reform initiative culminated in the general election that took place on June 7, 1999.

Viewed by the people as only a half-hearted reformer, however, Habibie lost in the vote on his October 14 accountability speech in the MPR and had to give up on his reelection bid.³ What happened in the MPR showed just how important “reform” had become as the basis for the legitimacy of a government.

The term “reform” itself has various meaning. For some, it is narrowly defined as democratization. For others, the term means not only the establishment of democracy but also the elimination of so-

cial injustice like KKN (collusion, corruption and nepotism), respect for human rights, and attainment of economic justice such as the fair distribution of wealth. In this paper, “reform” is interpreted as narrowly-defined democratization, or the process of a series of institutionalizations to transform the authoritarian regime that restricted the people’s political freedom and participation in the political process by concentrating power in the hands of a selected group of elites into a democratic regime open to the people with decentralized powers. Institutional reforms to establish a democratic political system are extremely important for the future of politics in Indonesia. This chapter reviews post-Soeharto reforms of political institutions as the first stage of development toward democratization, which culminated in a general election. Section 2 examines the process of the June 1999 general election to study how Indonesians set out on the path toward democratization. Finally, the direction of the next round of institutional reforms, now under consideration, and the challenges confronting President Abdurrahman Wahid’s new government to bring Indonesia to the second stage of democratization are discussed.⁴

2.1 Democratization and Reform of Political Institutions

2.1.1 Political Liberalization

The first and foremost condition for establishing a democratic regime demands guaranteed political freedoms such as freedom of creed, freedom of speech and freedom of association. The Soeharto regime tried to secure national stability by depoliticizing society by imposing tight restrictions on political freedoms. Habibie, for his part, pushed through rapid political liberalization soon after taking office, making decisions to allow the people to regain political rights such as freedom of speech and association. On May 25, 1998 only four days after the launch of the Habibie government, he released political prisoners, including Muchtar Pakpahan, chairman of the Indonesian Prosperous Labor Union (SBSI), who had been arrested for

trying to organize a union not sanctioned by the government, and Sri Bintang Pamungkas, leader of the Indonesian Democratic Union Party (PUDI), who had been arrested for antigovernment remarks and actions. The release of these political prisoners marked the beginning of a series of political liberalization measures.

First came the decision to allow freedom of speech. On June 5, 1998, the government abolished the minister of information's power to license newspapers, magazines and other publications. Publishers were previously required to obtain government-issued publishing licenses (SIUPP). The minister of information could cancel publishing licenses and ban publication of newspapers and other media that carried reports criticizing the government. In June 1994, *Tempo* magazine was banned as then Minister of Information Harmoko rescinded the paper's publishing license after it reported on a rift within the government over the purchase of naval vessels built by former East Germany, being pushed by Habibie, then state minister of research and technology. The government abolished ministry of information decisions and regulations that had restricted freedom of press and created a registration system for publications. On September 13, 1999, the House of Representatives enacted a new law on press freedom, legally stipulating the abolition of publishing licenses and creating penalty provisions for organizations or people that infringed upon the freedom of the press.

In tandem with the abolition of the publishing license system, the government decided to liberalize the establishment of press associations. The government-sanctioned Indonesian Journalists Association (PWI) had been the only press association recognized and had been used as a tool for control of the press by the government. The liberalization of press associations undermined its monopoly, making it no longer possible for the government to manipulate information by taking advantage of press associations.

Further headway toward democratization was made also in the area of freedom of creed. Decision number 5 adopted by the special session of the MPR in November 1998 annulled the 1978 MPR decision number 2 on the guidelines for "Propagation and Implementation of Pancasila (P4)." The Pancasila are the five principles of the Republic of Indonesia, stipulated in the preamble of the 1945 constitution which served during the Soeharto era

as the sole national principles all people were supposed to follow. The 1978 guidelines set out the official interpretations of Pancasila and students at junior high schools and above as well as government employees were obligated to study Pancasila. Soeharto adopted Pancasila as the principles of state legitimacy and suppressed individuals and organizations whose statements or actions went against them. In this context, the abolition by the MPR special session of the guidelines requiring that the Pancasila be studied was the symbolic development of political liberalization in the area of thought and creed.⁵

Nonetheless, the 1985 law on mass organizations has been left intact. This law stipulates that Pancasila is the sole principle for the existence of social and political organizations. It is supposed to require any organization, including political parties, to adopt Pancasila as their principal ideology. In reality, however, many political parties were established with Islam as the sole principle, thereby creating a situation where realities progressed with total disregard to the law. From the standpoint of freedom of creed it was gratifying that realities progressed in such a manner. However, from the viewpoint of "democratic procedures" and the "supremacy of law," such developments were not necessarily desirable.⁶

Freedom of association is another area where rapid liberalization took place. During the Soeharto regime, Golkar (*Golongan Karya*), the United Development Party (PPP) and the Indonesian Democratic Party (PDI), or the so-called "two party and one organization" were the only political organizations recognized, all other parties being outlawed. Moreover, the president had the power to dissolve what he deemed as unacceptable political parties. The Minister of Home Affairs, Syarwan Hamid, on May 26, 1998, however, announced a policy to liberalize the formation of political parties, effectively approving freedom of political association before revising the law on political parties and Golkar. The measure unleashed a wave of new political parties across the country with more than 200 reporting their establishment to the Ministry of Home Affairs as of the end of January 1999.

The organization of labor unions was also liberalized in principle following the severe restrictions imposed under the Soeharto regime. Previously the government allowed only the All Indone-

sian Workers Union (SPSI) to operate and SPSI's function was simply to rubber-stamp government labor policies. On May 26, 1998, Minister of Labor Fahmi Idris met with 300 representatives of labor organizations and notified them of the liberalization of the formation of labor unions. On June 2, the government announced it had officially recognized SBSI led by Pakpahan. Three days later, on June 5, the government ratified the International Labor Organization's Convention No.87 on freedom of association and protection of the right to organize, finalizing the policy of liberalizing labor unions.

These measures for political liberalization were taken at the initiative of the Habibie government. The fact that it did so within one month of inauguration highlights how it endeavored to ensure its stability by impressing the people with its stance on implementing "reform."

There is one item of political liberalization that made progress through debate in the House of Representative (DPR) – freedom of assembly. In the days of the Soeharto regime, there was an ordinance issued jointly by the minister of home affairs and the minister of defense that required permission from the security authorities for street demonstrations while political meetings of more than 10 people needed police sanction. The Habibie government, meanwhile, issued an administrative order on freedom of expression on July 24, requiring application for police permission for demonstrations of more than 50 people to be made no later than three days in advance. But the enforcement of the order was shelved pending legislation after parliamentarians came out against it as being contrary to political liberalization. On September 29, a proposal for turning the administrative order into a formal law was withdrawn in favor of a new law concerning freedom of assembly. On October 22, DPR unanimously carried the "law on freedom of expression of views in public places" that adopted the prior reporting system for assembly, ensuring freedom of demonstrations and assemblies.

2. 1. 2 Institutionalization of Political Competition and Participation

An important requirement in establishing a democratic regime, along with political liberalization, is institutions that would guarantee the people's participation in the political process and free compe-

tion for political power. For a democratic regime to take firm root in Indonesia, political institutional reforms, especially electoral and parliamentary, were needed.

In announcing a schedule for political reform on May 28, 1998, Habibie spoke of a plan to set up a team within the government to draw up political bills. He established within the Ministry of Home Affairs a team of seven political scientists from universities and research institutes to prepare the bills. On September 17, the government submitted bills to the DPR for revisions of the three political bills: the law on political parties and Golkar; the law on general elections; and the law on the composition of the MPR, DPR and regional assemblies (DPRD). Deliberations at the DPR's special committee initially saw a heated debate over issues such as the single-member district system versus the proportional representation system, reductions of appointed seats for the military, and whether to allow government employees to participate in political activities. But the three bills passed the DPR on January 28, 1999 and put in place an institutional framework for political competition and participation.

First, the revised law on political parties allowed all political parties to participate in elections in addition to the "two party and one organization" (PPP, PDI and Golkar). The law, however, stipulates requirements which parties must meet to participate in general elections: a qualified party must have branches in at least half of Indonesia's 27 provinces and also have branches in a majority of districts/cities in those provinces.⁷

Government employees' participation in political activities was banned in principle. They have so far supported the ruling Golkar Party through the Indonesian Government Employees Corp. (*Korpri*), a core organization of Golkar, and have been active participants in vote-collecting activities for Golkar during election periods. Against this background, a row erupted between Golkar, which had relied on the support of some 4 million government employees, and opposition parties, who insisted on the political neutrality of government employees. As Golkar and the two opposition parties failed to find common ground, a government regulation was written separately from the law to stipulate the neutrality of government employees. The regulation states that a public employee who is currently a member of a political party would lose

his or her membership. But a government employee can participate in activities of a political party aside from public duties with the permission of a directly responsible superior within three months of the new regulation's enforcement. A government employee who became a member of a political party is assured basic salary for a year. Under these conditions, Golkar compromised and accepted the regulation.

In revising the general election law, the government's original plan would have replaced the proportional representation system with the single-member district system. However, as all parties in the House of Representatives saw advantages in maintaining the proportional representation system ahead of the next general election, the plan for the new single-member district system was dropped as early as November 1998.⁸ Despite their agreement on adoption of the proportional representation system, parties broke ranks over how to demarcate electoral districts, bringing parliamentary debate to a deadlock. Assured of firm grassroots support in local communities thanks to close ties with government employees and the military, Golkar proposed the demarcations at the levels of districts/cities (in Indonesia, districts and cities are at the same administrative level). On the other hand, opposition parties insisted on demarcations at provincial levels, as previously they had not been allowed to set up branches at levels lower than district capitals. What was enacted in the end was an eclectic compromise between the two arguments.

The revised general election law adopted the proportional representation system with each province as an electoral district. The number of votes a party garnered in each province determined the number of seats it received. But for an individual candidate to get elected, he/she must collect the highest number of votes in a district/city where he/she runs. And, at least one candidate is returned from each district/city. To enable this electoral method, a party must list as candidates people recommended by district/city branches. The winners of the remaining parliamentary seats are determined by the central executive organ of each political party.

There were also major changes in the provisions for the organization responsible for the administration of a general election. The revision was needed as the election committee has an important role to play to ensure a fair election. In the

Soeharto era, the General Election Agency (LPU), an organization for election management, was headed by the minister of home affairs. At regional election committees, the heads of first-level and second-level regional governments, who doubled as top regional officials of Golkar, served as chairmen of the committees, thus making these committees government tools for election manipulation. The newly-established General Election Commission (KPU), that took over from the General Election Agency, consists of five civilian government representatives and representatives of all political parties qualified to participate in general elections, a structure that is expected to ensure the neutrality of election committees.

The most contentious issue in the revision of the law on the composition of the MPR, DPR and DPRD, was how to handle the number of parliamentary seats allocated to the military. Before revision, the number of DPR seats automatically allocated to the military was 75 out of 500. After the collapse of the Soeharto regime, democratic forces outside the government called for a review of the military's "dual function,"⁹ and as a first step of that review, elimination of DPR seats allotted to the military was proposed. Faced with the need to respond to public demands, all parties in the DPR reached consensus that the military's appointed seats should be reduced but were unable to agree on a number due to the divergent opinions of the parties involved. In particular, the opposition United Development Party demanded total abolition of appointed military seats, going head-to-head with the military faction in the DPR that wanted to maintain the military's involvement in politics. Eventually, an agreement was forged to halve the number to 38.

The composition of the MPR, convened every 5 years to elect the president and vice-president and decide State Policy Guidelines (GBHN), also has been altered. First, the total number of MPR seats was cut from 1,000 to 700. The new total is broken down as follows: 500 for DPR members, 135 for regional representatives, five each elected from each province, and 65 for representatives of organizations.¹⁰ Under the Soeharto regime, the president himself could hand-pick nearly one-fourth of MPR members, including representatives of the military and other organizations. The president also influenced the election of regional representatives by taking advantage of presidential authority to

appoint members from provincial assemblies. Soeharto combined this with a mechanism that assured victory for the government-controlled party Golkar, thus institutionalizing a system under which almost every MPR member backed Soeharto. In other words, the results of the presidential election were evident before voting. The latest revisions, however, have greatly reduced the president's arbitrary intervention in the makeup of the MPR, by stipulating that regional representatives be elected by provincial assemblies and representatives of organizations be named by the DPR (the General Elections Commission was given the authority to select them for the most recent election only).

2. 1. 3 Institutionalization of Power Relationships

Together with political liberalization and the institutionalization of political competition and participation, another important component of the political institutional reforms are changes regarding the powers of state organizations and the power relationships among various organizations. The question of how to institutionalize the political power and how to regulate the use of that power inevitably entails the question of what sort of a constitutional system should be established. In the case of Indonesia, that raised the question of how to handle the provisions of the 1945 constitution written at the time of the country's independence. After the Soeharto regime collapsed, political elites came to share the understanding that the 1945 constitution allowed Presidents Soekarno and Soeharto to concentrate power in their own hands and abuse that power while holding the reins of government for many years. Thus, the first issue that came up in discussions on the institutionalization of new power relationships was how to deprive the president of state powers currently concentrated in his hands.

The first step taken to eliminate such powers was adopted by the MPR special session in November 1998. Decision Number 4 scrapped the March 1998 MPR decision that granted the president the so-called emergency supreme power – the right to declare a state of emergency and take whatever measures necessary to maintain the security and stability of the nation. Decision Number 7 set a maximum tenure of office for the president and vice-president of two five-year terms. Previously,

there had been no legal limit on their tenure.

However, at this point, intellectuals and political elites began to point out that MPR decisions were not enough to institutionalize limitations on presidential powers. Gadjah Mada University (UGM), along with other Indonesian universities and research institutes, presented draft constitutional revisions which gradually paved the way for revision of the 1945 constitution. With the June 1999 general election drawing near, differences over the constitutional revisions between various political parties came into the open. Separation of power by shifting some presidential powers to the legislature and judiciary was favored by parties advocating the cause of modern Islam, such as the National Mandate Party (PAN), led by Amien Rais, and the Crescent Star Party (PBB), headed by Yusril Ihza Mahendra, a professor of constitutional law. The National Awakening Party (PKB), the Justice and Unity Party (PKP) and other parties close to nationalist forces also supported amending the constitution. On the other hand, Megawati Soekarnoputri's Indonesian Democratic Party of Struggle (PDI-P) was lukewarm toward constitutional revision. The PDI-P, widely regarded as the champion of reform, was half-hearted about revising the constitution to narrow presidential powers, because Megawati herself was reportedly hesitant about changing the 1945 constitution written by her father, Soekarno.

The MPR that went into session on October 1, 1999, set up a working committee on constitutional revisions in a bid to include MPR special session decisions of the previous year in the constitution. The committee agreed to make the minimum revisions to the constitution necessary to curtail presidential powers, including a specific term of office for the president and limitations on the president's legislative and personnel powers.¹¹ The committee's debate saw no particular imbroglio as the PDI-P reversed its half-hearted attitude after the general election and came around to recognizing the need for constitutional revisions, though with some reservations.

The most significant change in the constitution is the two-term, 10-year limit placed on the president's term of office. The prerevision constitution's Article 7 stipulated that "the term of office of the president and the vice-president is five years, and they can be reelected." Thus, there was no legal reference to multiple terms. The revised

constitution stipulated that the president and vice-president can be reelected for one more term only, with the provision that “the term of office of the president and vice-president is five years, and they can be reelected for another term only.”

On presidential legislative power, the constitution was revised to state that “the president has the power to submit legislative bills to the House of Representatives,” instead of “the president has the power to enact laws with the consent of the House of Representatives” (Article 5, Clause 1 of the old constitution). Previously, the president, with control over the DPR, was able to make decisions on important matters in the form of presidential decisions or presidential instructions and then enact them as laws. That was why Soekarno could determine the composition of the MPR by presidential instruction and Soeharto was able to decide by a presidential instruction the National Car project, the symbol of his family’s business interests. The constitution’s provisions for the president’s legislative power made the authoritarian regimes of Soekarno and Soeharto legally possible. Under the revised constitution, the president retains the right to propose legislative bills but is deprived of the right to write laws on his own. The revisions also require the approval of both the DPR and the president for the enactment of all legislative bills (Article 20, Clause 2). The original draft also called for a legislative bill to be automatically enacted if the president fails to approve it within 30 days of the DPR’s approval. This provision, in the end, was put on the back-burner for further debate.

Presidential power over appointments and other personnel matters was also curtailed. The so-called presidential privileges can no longer be exercised single-handedly, including the right to appoint and receive envoys, pardons and amnesties such as commutations and restoration of civil rights, and conferment of honors and medals. The president now needs to consult with the DPR for ambassadorial appointments (Article 13, Clauses 1 and 2), with the Supreme Court for commutations and restoration of civil rights, and with the DPR over amnesty and pardon (Article 14, Clause 1). The conferment of honors and medals is subject to a separate law to be written later.

Constitutional revision was a very serious undertaking because the 1945 constitution was changed for the first time since independence.¹² But the revision work went ahead without facing

any particular roadblocks, because parliamentarians beyond party lines all shared the awareness that the two previous governments of Soekarno and Soeharto had monopolized and abused power. In addition, the revision work was made easier after the November 1998 MPR special session repealed the decision by the 1983 MPR. The 1983 decision required a national referendum on the need to deliberate a constitutional revision, before the MPR begins its consideration. The law on national referendum was enacted in 1985. Soeharto turned the 1945 constitution, a convenient tool for his effort to retain power, into an eternal code of law of the nation by erecting high procedural hurdles against constitutional revisions.

Even under the circumstances described above, however, the latest revisions were kept to a minimum. The MPR decided to continue deliberations at the working committee on constitutional revisions after the adjournment of the latest session. The committee is expected to reach conclusions by August 2000. The pending issues for continued debate include the direct election of the president, a review of the roles of the MPR and DPR, abolition of the Supreme Advisory Council (DPA), and strengthening of the functions of the Supreme Audit Agency (BPK).

2.2 Democratization and General Elections in June 1999

As described in Section 2.1, the political environment for a shift to a democratic regime was prepared by safeguarding freedoms by the end of 1998, including freedom of speech, freedom of association and freedom of creed. The institutional framework was also put into place with the DPR’s enactment of three political bills at the end of January 1999. The next step in the process was the holding of general elections to implement a shift of regime. This section reviews the implementation process of the general elections which were extremely important as a transition from the authoritarian regime to the democratic regime. If the elections were held in a free and fair manner, that would mean a giant step forward for the institution of political freedom, competition and participation to take firm root in Indonesia.

On February 2, 1999, the General Election Agency announced a political schedule leading up to the June 7 voting, setting in motion the cam-

paigining for the first free and fair election in 44 years since the first general elections held in the Soekarno era. The screening of the qualifications of parties wishing to participate in the elections got under way in February under the revised law on political parties. Because the screening process was launched before the establishment of the General Elections Commission, a team of 11, headed by renowned Islamic scholar Nurcholish Madjid, was set up to ensure unprejudiced examinations. Of the 141 political parties that applied to participate in the general elections, 48 were found to be qualified. The general public showed strong confidence in the screening process. Nonetheless, disqualified parties apparently feeling a strong sense of repulsion leveled scathing criticisms against the 11-man team. The chairman took a stern attitude and rejected the ousted parties' objections, saying, "I would be glad to fight it out in court."

The registration of eligible voters began on April 5. Under the Soeharto regime, registration was partially coerced in order to demonstrate his government's legitimacy. This time around, however, it was observed that the majority of voters registered voluntarily. The final tally of voter registrations, as announced by the General Elections Commission, was 117.81 million, or 92% of total eligible voters.

A two-week campaigning period started on May 19. The campaigns for the 1997 general election under Soeharto turned violent, with 273 people killed in clashes between supporters of different parties or civilians and security forces. In the buildup to this election, fears had been expressed that rioting could occur owing to strong interparty competition given the increased number of participating parties.

But once underway, campaigning went off rather calmly with no major clashes, only minor incidents being reported. Then, how were election campaigns fought?

In previous elections, party supporters, mostly young, wore T-shirts of the same design with printed party logos and registration numbers. They ran around downtown streets in trucks and on motorcycles roaring their engines and generally making a lot of noise. The same style of campaigning was seen by and large in the 1999 elections, but careful scrutiny revealed a few characteristics not seen during the Soeharto years.

Central to party campaigning were speech-ral-

lies and demonstration marches. In many cases, participants in these activities were young or even under-age activists without the right to vote. Admittedly, it is difficult for working adults to participate in these activities that are held on weekdays during the daytime. However, it is equally true that many of the young that were mobilized received money from party patrons or gathered at rallies to get free T-shirts or box lunches. In this way, campaigning in 1999 was not much different from that of the Soeharto era.

On the other hand, more down-to-earth political activities took place during the 1999 campaigning. Fliers explaining party policies were handed out to passers-by on the streets and free medical or legal advice was offered at party branch offices. Every conceivable means to try to win the hearts of voters was used. Giving free advice could be construed as being tantamount to offering an incentive to vote, not an honorable thing to do during campaigning. But the scene of parties racking their brains to gain voter support was a new development never seen during the Soeharto years.

Another feature of the 1999 election was the frequent and wide use of the media by the government as well as political parties. Particularly noticeable were television commercials. Government-sponsored commercials urged voters to go to the polls, and also called on female voters to "vote on your own judgment, not to rely on what you are told by husbands or male friends." The government also frequently aired an election manual carefully explaining the method of voting for about 30 minutes.

Most party political commercials were not informative in explaining party policies, but rather, were image-selling advertising with party leaders coming on air to emphasize party names, registration numbers and the locations of party logos printed on the ballot paper. With participating parties jumping from three to 48 and so many parties using similar party colors and logos, the parties involved tried desperately to caution supporters not to vote for other parties mistakenly. Only major parties could afford to run these TV commercials, however.

In late April, before the campaign was launched, students from the University of Indonesia hosted a TV debate among presidential candidates. TV stations also broadcast discussion programs featuring election-participating parties.

The above-described TV commercials or programs were largely image-boosting attempts with little substance. Yet, it seems that campaign commercials had a strong impact on voters, as 1 in 4 households have a TV set. Parties appear to have succeeded at least in having the voters memorize their registration numbers. Of greater significance, perhaps, was the government commercials on voting procedures and the public formation bulletin targeted at women voters. No incidents of major disruptions were reported at polling stations, and the people well understood the message that women can vote at their own discretion. The media played no small part in making all this possible. Therefore, given the above experience, it can be concluded that the process of disclosing public information to get it across to the people has important implications for the practice of democracy.

In influencing the voting behavior of the electorate, election education activities by non-governmental organizations (NGOs) also had a certain role to perform. NGO activities explained the significance and methods of free elections to voters who only had the experiences of elections under the government's tight grip. The primary targets of election education were residents in village communities and women. These activities were financially and technically supported by foreign governments and international organizations.

Another characteristic of the general election was the appearance of ethnic Chinese on the front stage of political activities. Ethnic Chinese, believed to account for some 3% (about 6 million) of Indonesia's total population, have been completely deprived of a political voice, despite their control over much of the country's economic activities, hence the name "bourgeoisie without power." Therefore, they had no means of protesting the repeated violence and rioting against their community in the Soeharto era, though in many cases the Chinese were made the scapegoat for popular protests against the Soeharto regime. After Soeharto stepped down and the process of democratization was launched, some ethnic Chinese began to move to acquire a political voice. There were parties formed at the initiative of ethnic Chinese that took part in the 1999 election,¹³ while quite a few Chinese candidates ran from the Indonesian Democratic Party of Struggle and other established parties.

As ethnic Chinese themselves became actively

involved in political activities, political parties, too, came to regard the ethnic Chinese community as a key support base. It was unthinkable during the Soeharto years that parties would go out of their way to incorporate ethnic Chinese supporters. The change in the relationship between ethnic Chinese and politics, as observed in the latest elections, is something that has to be closely monitored in terms of its future impact on the politics and economy of Indonesia.¹⁴

On the election day of June 7, voting started at 8 a.m. at polling stations across the country. Voting closed at 2 p.m. without reports of any violent incidents, and ballot counting was conducted at each polling station. The vote count went on as local residents watched, drawing cheers from them each time the name of a political party was called out.

Most voter results were to be known before the day was out and the final outcome of the general election was to be announced within a few days. But the schedule went haywire, with the announcement of the final results delayed for many weeks. Reasons for the confusion include complex vote-counting procedures, the inexperience of election administration officials and poor communications infrastructure that all combined to delay the vote count and tallying work. Vote tallies have to be approved by election committees at all levels of sub-districts, districts/cities, and provinces across the country. Among parties that form election committees, some small parties with little prospect of winning seats objected to and refused to endorse the election results, bringing about the unusual situation where the final election results and the allocation of parliamentary seats were not announced until nearly one month after the vote. On July 17, the National Election Committee (PPI), the central election committee, finally approved the vote tally. But the General Elections Commission (KPU) decided not to approve the results, and the commission's chairman Rudini left the ultimate decision to the president. Only after President Habibie approved the vote results on August 2, was the official election outcome announced.

Procedures to approve and officially announce the election results were delayed considerably by resistance and maneuvering by small parties. What ultimately decided the fairness of the election outcome was election-monitoring activities by domestic NGOs. The law on general election set up

the National Election Monitoring Committee (*Panwaslu*), in parallel with election committees, to monitor the voting and vote-counting processes. But the public election monitoring system lacked sufficient personnel and funding, thereby failing to have its presence fully felt at polling stations. Conversely, 11 domestic NGOs formed election monitoring teams to monitor the voting and vote counting at each polling station, checking any possible irregularities. In particular, five large organizations funded by the United Nations Development Program (UNDP) mobilized a combined total of as many as 700,000 election monitors. The five are the Independent Election Monitoring Committee (KIPP), Rectors Forum, University Network for Free and Fair Elections (UNFREL), Indonesian Elections Monitoring Network (JAMPPPI), and Indonesian Prosperous Labor Union (SBSI). As the NGO monitoring teams pointed to mistakes in voting and vote-counting processes and at the same time issued statements acknowledging the fairness of the latest elections, the legitimacy of the elections have been established.

The first general elections after Soeharto's resignation was thus brought to a peaceful end, with Megawati's Indonesian Democratic Party of Struggle claiming a major victory.¹⁵ Indonesia cleared the first hurdle toward democratization. During the campaigning and the voting and vote-counting processes, there was reportedly vote buying and some other forms of irregularities as well as procedural mistakes. Fundamentally, however, the elections were held according to a new, democratically-revised law. There was no interference with the election by the government on the whole. There was no vote manipulation by the military or police. It deserves special mention that Indonesia was able to hold a calm, peaceful election while the domestic situation still remained unsettled both socially and economically. Also, it is very important for the establishment of democratic politics in Indonesia that the whole process of deliberations on the political bills to the actual elections went on lawfully, without recourse to measures beyond the law. For the fostering of a culture that respects law is an essential factor in establishing a democratic regime.

The 1999 general election was indeed the important first step toward democratization in Indonesia. But it can also be rephrased that Indonesia at last took just a first step toward democratization.

Democratization is not a process to be completed with the holding of a single general election. The mechanisms of politics have to be changed, covering all areas of the legislature, administration, judiciary and the relationship between politics and the military, and the changes have to be institutionalized. Indonesia must also push ahead with liberalist reforms such as the guarantee and expansion of fundamental human rights and tackle such issues as the equality of economic opportunities and the redistribution of wealth. It is needless to cite what has happened in some cases in Latin America, that if Indonesia fails in these reforms, a democratic regime could easily revert to an authoritarian regime at any time.

2.3 Tasks To Be Tackled by the Abdurrahman Wahid Government toward Further Democratization

It is truly admirable that Indonesia successfully completed general and presidential elections, the first set of procedures toward democratization, in a short period of one and a half years since Soeharto resigned as president. But the process toward establishing a democratic regime has only just begun. From now on, Indonesia must stabilize a democratic regime and at the same time make it an effective one. The last section of this chapter reviews the key political reform issues the new Abdurrahman Wahid government has to address from now on.

First, let's take a look at the reform plans under debate at the working committee of the People's Consultative Assembly (MPR). For the method of electing the president, the committee seems to be considering the introduction of a direct election system. If the presidential system is to be maintained, the election of the head of state by a direct vote of the people surely is the easiest to understand. Under the current system, the president is chosen by a vote in the MPR. This is a source of irritation for voters because they themselves cannot elect the nation's leader and also a source of dissatisfaction for them because even an outcome of the general election is not reflected in the presidential election. As the presidential election ultimately produced the combination of President Abdurrahman Wahid and Vice-President Megawati, an eruption of the people's pent-up feelings was somehow contained. If Habibie had been reelected, the people's distrust in the country's political in-

stitution could have amplified.

But the true significance of the presidential system lies in that “with the position guaranteed for a fixed period, the president can never be dismissed by parliament in the middle of the term of office.”¹⁶ This is to say that there is a definite separation of power between the president as the head of administration and the legislature of parliament. In that sense, the Indonesian system, much different from the genuine presidential system, has a form that may be called a “semi-presidential system.” The Indonesian president is not responsible to the House of Representatives (DPR) but is elected by “parliament” called the People’s Consultative Assembly (MPR) and is responsible to the MPR. The MPR can take back its confidence and dismiss the president if the president is found to have violated the State Policy Guidelines or the constitution (the 1978 MPR’s decision No. 1). In that sense, the Indonesian system is similar to the parliamentary system. The presidents had never been actually dismissed by the MPR before, partly because the legislature had not functioned properly in the past.

However, there is not necessarily an easy answer to the question of which is the best, the genuine presidential system, “semi-presidential system” or the parliamentary system. With the presidential system, the president may find it relatively easy to take political leadership, but a deadlock situation may arise due to a clash of interest between the president and the legislature. On the other hand, the parliamentary system may be able to avoid such a confrontation between the legislature and the administration but there arises the possibility of politics lapsing into maneuvering for power between political parties. A system like the “semi-presidential system” can check the confrontation between the MPR or DPR and the administration by restricting the powers of the president. But if the direct presidential election is to be introduced, it would be necessary to at least rule out the possibility of the dismissal of the president in midterm and clearly define presidential powers.

Institutional problems with the MPR or the DPR have to do with the appointed members. The question boils down to the reduction of seats allocated to the military and police in the DPR, and to the necessity of provincial assembly representatives and representatives of organizations for the MPR. The course of action to be taken on the former

issue points toward a gradual reduction of allocated seats. On the latter, calls are growing for the need for change. For example, M. Mahfud, instructor at Gadjah Mada University, has proposed the election of provincial assembly representatives simultaneously with the election of DPR members and asserted representatives of organizations are no longer necessary. Within the MPR, Golkar and other factions are proposing either the abolition of appointed members or their replacement with elected members.

What has to be discussed here is the original purpose of provincial assembly and organizations representatives. Aside from the political reasons behind the introduction of the system under Soekarno, it is assumed that these delegates are supposed to represent the opinions and interests of minority groups in a society consisting of so many groups based on ethnicities, religions and languages. A multi-ethnic country like Indonesia cannot escape dealing with the problem of the representation of minority opinions. The question is how to resolve it. For example, the introduction of the bicameral system is an option to reflect regional interests on national politics. Given the intensification of separatist movements in Indonesia, some unique institutional ideas are needed to prevent the diversity in society from leading to the disintegration of the nation.

Finally, Indonesia has to guarantee more solidly various freedoms and other fundamental human rights. In this area, the DPR on September 8, 1999 enacted the law on human rights, which places a particular emphasis on the protection of rights of women and children. The law also seeks to strengthen the function of the National Human Rights Committee (Komnas HAM). The status of Komnas HAM as an independent organization was legally defined, with its members appointed by the DPR. The law also established the secretariat of the committee with a view to strengthening its organization.

However, the ultimate guarantee of human rights should come in provisions of the constitution. The 1945 constitution, for example, states that “matters concerning the people should be stipulated by law” (Article 25) and that “the freedom of association and assembly and the freedom of expression in verbal, written and other forms should be stipulated by law” (Article 28). Under these provisions, fundamental human rights of the

people are not effectively free from the infringement by state power. If Indonesia is to accept the Western idea of human rights based on natural law principles, fundamental rights as human rights not to be infringed on even by state power should be treated as rights enshrined by the constitution, in distinction from simple legal rights.

In order to institutionally guarantee fundamental rights, it is necessary to ensure the independence of the judiciary and strengthen its functions and powers. Under the present Indonesian constitutional system, the judiciary is placed under the jurisdiction of the Ministry of Justice administratively and financially, that is, an organ subordinate to the administration. For the sake of the separation of power, constitutional provisions must be modified so that judiciary power belongs exclusively to courts. Furthermore, some jurists insist the Supreme Court should be granted the right of judicial review in order to establish the judicial power.

There are so many issues of institutional political reforms the Abdurrahman Wahid government has to wrestle with for enhanced democratization. Discussions are expected to continue at the MPR and DPR, among various forums. Such discussions are truly important for the establishment of democracy. On the other hand, as Indonesia ushers in an era of full-blown party politics, it has to be recognized that political reform itself has no choice but to be a product of politics. It cannot be denied that the current debate on constitutional revisions has an aspect of parliamentary forces snatching the power away from the president.¹⁷ A compound-eye viewpoint will be needed to consider the future course of political reform in Indonesia.

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Notes:

1 The decisions taken by the People's Consultative Assembly (MPR) special session on November 14, 1998, follows: amendments to the internal regulations of the MPR (Decision No. 7); repeal of the 1983 MPR decision (a national referendum on the revision of the constitution) (Decision No. 8); repeal of the March 1998 State Policy Guidelines (Decision No. 9); decision on the principles of development and reform (the provisional State Policy Guidelines pending the next session of the MPR) (Decision No. 10); decision regarding collusion, corruption and nepotism (Decision No. 11); repeal of the 1998 MPR decision (granting of the emergency supreme power to the president) (Decision No. 12); decision on the term of office of the president and vice-president (limitation

on the tenure of office to the two-term 10 years) (Decision No. 13); decision on the general elections (Decision Nov. 14); decision on regional autonomy (Decision No. 15); decision on economic democracy (Decision No. 16); decision on human rights (Decision No. 17); and repeal of the 1978 MPR decision (obligatory studying of Pancasila) (Decision No. 18). The Decisions No. 1 to 6 were those adopted by the March 1998 MPR.

- 2 The three political bills are the law on political party and Golkar; the law on general election; and the law on the composition of MPR, DPR and regional assembly. The contents of these laws are discussed in Section 2.1.
- 3 See Chapter 1 about the details of the collapse of the Habibie government and the establishment of the Abdurrahman Wahid government.
- 4 Political reforms that are not directly related to the process of democratization, such as reform of the military and decentralization (though they are of great significance in their own rights) are not discussed here. See Chapters 3 and 4, respectively, on the two issues.
- 5 On the liberalization of thought and creed, further development was observed as President Abdurrahman Wahid's government announced the abolition of the Ministry of Information whose duties were solely to control press activities.
- 6 The author got the suggestion from Kazuhisa Matsui on this view.
- 7 For the 1999 general elections, the qualifications were eased to "the establishment of the branches in nine provinces and a majority of districts/cities in those provinces."
- 8 Since the Soeharto era, some intellectuals were of the view that the single-member district system should be introduced in order to enhance the capabilities of individual parliamentarians by excluding the concentration of powers in the central executive leadership of political parties and interference by the government. With the liberalization of political party activities, however, debate over the choice between the single-member district system and the proportional representation system lost its relevance. See Masashi Nakamura, "Seiji kaikaku no shinchoku jokyō to tenbo" (Progress and outlook for political reform), in Keiji Omura, ed., *Suharto taisei no shuen to Indonesia no shinjidai* [The end of the Soeharto regime and a new era for Indonesia], Tokyo: Institute of Developing Economies, 1998, p.49.
- 9 The "dual function" is the idea that the military should perform the "defense and security function" as well as the "socio-political function." It was adopted in 1966 as an ideology to justify the Indonesian military's involvement in politics.
- 10 "Representatives of organizations" are "Indonesian nationals, or those from organizations or institutions which are independent, not part of political parties and not subject to the proportional election to the House of Representatives" and consist of "economic, religious, social, cultural, academic and other group organizations" (Ar-

- ticle 1, Clause 4 of the law on the composition of MPR, DPR and DPRD). For example, the representatives chosen for the 1999-2004 MPR include religious groups (22 members), economic organizations (10), social organizations (5), ethnic bodies (5), cultural organizations (5), women (5), handicapped (5), academics (5), and civilian government employees (3). The representatives of organizations were created by President Soekarno with the purpose of listening to the opinions that existed in society but were not fully reflected in parliament because they were not picked up and channeled by political parties. But it is also true that the system opened the way for the military's political involvement and also made it possible for the president to manipulate parliament.
- 11 The nine articles of the constitution were amended in the latest revision: Article 5 (the president's legislative right); Article 7 (the president's term of office); Article 9 (the president's oath of office); Article 13 (appointment and reception of diplomatic envoys); Article 14 (amnesty and pardon); Article 15 (conferment of honors); Article 17 (cabinet); and Articles 20 and 21 (enactment of laws and parliament). The author would like to express his gratitude to DPR member Alvin Lie who offered the good offices in obtaining the first revision of the 1945 constitution.
 - 12 The 1945 constitution is not the sole constitution adopted by Indonesia in the past. There were two other constitutions: the federal republic constitution written when Indonesia became independent from the Netherlands with a formal transfer of power as the Federal Republic of Indonesia on December 27, 1949, and the 1950 constitution that was drafted, and promulgated on August 15, 1950, as a revised version of the federal republic constitution when it was transformed into the constitution of the unitary Republic of Indonesia. In 1959, Soekarno revived the 1945 constitution to create his authoritarian regime under the name of the "Guided Democracy."
 - 13 Of political parties formed by ethnic Chinese, the two parties were able to win DPR seats: The Love the Nation Democratic Party (PDKB) and the Indonesian Unity in Diversity Party (PBTI).
 - 14 One of the demands by Chinese Indonesians to revoke the restrictions on Chinese religious practices and traditions was finally realized as the President Abdurrahman Wahid abolished the Presidential Instruction No.41/1967 on January 17, 2000.
 - 15 The results of the general elections catapulted the Indonesian Democratic Party of Struggle (PDI-P) into the biggest party represented in the DPR with the 33.7% of votes cast for 153 seats. Following Megawati's PDI-P were, in this order, Golkar Party (22.4% for 120 seats); United Development Party (10.7% for 58 seats); National Awakening Party (12.6% for 51 seats); National Mandate Party (7.1% for 34 seats); Crescent Star Party (1.9% for 13 seats); and Justice Party (1.4% for seven seats). See data at the Appendix of this volume for the detailed results of the 1999 general elections. For an analysis of the general elections, see Hiroyoshi Kano, "Indonesia sosenskyoseitoubetsu chiikibetsu tokuhyouritsu bunpu to sokoni mierumono" (Indonesia's general elections: Distribution of party-by-party, region-by-region vote rates and what they suggested), *Kaigai Jijo* [Journal of World Affairs], Vol. 47, No. 10 (October 1999); Koichi Kawamura, "Minshuka heno daiippo wo fumidashita Indonesia-1999 nen sosenskyo no bunseki" (Indonesia took a first step toward democratization: an analysis of the 1999 General Elections), *IDE World Trend*, No. 50 (October 1999).
 - 16 Takeshi Sasaki, *Seijigaku kogi* (A lecture on political science), Tokyo: University of Tokyo Press, 1999, p. 166.
 - 17 For example, current discussions on constitutional revisions include an argument that the existing provisions putting the vice-president in the position of acting president when the president can no longer perform his duties should be changed to have the speaker of the MPR serve as acting president pending the election of a new president (based on an interview by the author at the Muhammadiyah headquarters in Jakarta on November 4, 1999). Behind this argument, it appears, lies the political intention of blocking Megawati from becoming president and instead making Amien Rais president, on top of the ostensible intention of transferring power from the president to parliament.