

Malcolm Cook

Early signs for SBY less than promising

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Political observers often focus on the personality of a leader and ignore the structural constraints they face. Up until the very end, this worked for Suharto's Indonesia. Now, it is no longer the case.

Many in the Australian government and business community heaved a sigh of relief when retired general Susilo Bambang Yudhoyono (SBY) won over 60 per cent of the vote in October's presidential run-off. A man of action who says the right things and likes Australia first saw off the tainted, nationalist General Wiranto and then the ineffectual President Megawati Sukarnoputri, who refused to return Canberra's calls. His emphatic win surely provided him a mandate to push through pressing reforms and revive relations with Australia.

Prime Minister John Howard took the unprecedented step of attending the presidential inauguration. Foreign Minister Downer called for a new, enhanced security agreement. The great expectations in Indonesia and Australia sparked by SBY's win reflect a deep frustration with the political and reform gridlock that has weighed post-Suharto Indonesia down.

Foreign investment has dried up and corruption has deepened. Much of the blame for this has been laid at the feet of mercurial former President Abdurrahman Wahid (Gus Dur) and preoccupied former President Megawati. The applause that greeted SBY's win reflects this personalised reading of Indonesia's new, fluid politics.

Alas, the first few weeks of SBY's administration have questioned this reading and the hopes it raised. Early signs are that the SBY administration will struggle in the face of parliamentary resistance and political gridlock. SBY's party, Partai Demokrat, only won 57 of 550 seats in April's parliamentary elections. The largest parties in the DPR, Indonesia's parliament, are the Golkar party with 128 seats that chose Wiranto as their presidential candidate and Megawati's PDI-P with 109 seats. Golkar and PDI-P already have worked together to prematurely end Gus Dur's tumultuous administration by impeaching him. SBY's choice in May of Golkar's Jusuf Kalla as his vice-presidential running mate was a successful gambit to win over Golkar votes.

It did not, however, win Golkar's support in the second round of presidential elections. After Wiranto's loss in the first round of the presidential election, Golkar backed Megawati for president and formed the Nationhood Coalition that boasted a majority of seats in parliament. In the run-up to the second round of presidential vote, SBY and Partai Demokrat responded by forming the People's Coalition, including the new dynamic Islamist party, PKS.

SBY's Cabinet announced just before midnight on his inauguration day showed that the new president realised his weakness in parliament. Like his predecessors, who lacked steady majorities in parliament, SBY appointed a large cabinet and distributed portfolios in a bipartisan nature. The only major party not to get a guernsey was the PDI-P.

SBY did retain five Megawati appointees, including Foreign Minister Hassan Wirajuda. Golkar's Aburizal Bakrie, who favoured SBY's presidential bid, was given the plum portfolio of Coordinating Minister for the Economy. SBY's Cabinet was widely panned for favouring political expediency over reformist zeal, a criticism the Jakarta stock exchange agreed with.

Yet, SBY had little choice given his party's small share of seats and his untested coalition's minority status.

Unfortunately, the fears behind the so-called "Unity Cabinet" are proving real, while the president's attempts to address them are failing. So far, despite a majority of Golkar voters opting for SBY over Megawati, SBY has been unable to swing Golkar's parliamentary block behind him. Rather, the Nationhood Coalition has gained control of the DPR and enticed over Gus Dur's PKB party and its 52 seats.

Today, the Nationhood Coalition controls over 300 seats in the DPR and controls all 11 parliamentary committees, Indonesia's key legislative bodies. The People's Coalition first stormed out in protest of this hijacking of the committees. Now both coalitions are fighting over the rules for committee selection.

For the last week, the DPR has been fixated on this single procedural issue with tempers rising and positions hardening. Megawati used her final days in power, and the Nationhood Coalition's position of legislative strength, to shorten SBY's post-election honeymoon and force him to deal with the opposition-held parliament. Funds allocated for Indonesia's populist and increasingly expensive fuel subsidies were severely cut.

SBY's administration will likely have to ask parliament for extraordinary funds to meet the cost of fuel subsidies or risk a popular backlash from cutting them. Megawati also chose the arch-nationalist General Ryamizard Ryacudu as the new chief of the armed forces knowing that SBY, himself from the armed forces reformist wing, would reject this. The opposition-controlled DPR defence committee formally endorsed this appointment that SBY refuses to recognise.

This orchestrated conflict threatens to delay the formation of the new administration as many key positions require parliamentary approval. The problems of parliamentary resistance promise to bedevil SBY's five-year administration and the hopes invested in it. SBY and his cabinet support stronger ties with Australia and economic reform. Will parliament allow these to flourish or undermine them for intramural point-scoring?

Dr Cook is program director, Asia and the Pacific, at the Lowy Institute for International Policy.

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