

USINDO's 2014 Indonesian Elections Open Forum Series

**The Indonesian 2014 Electoral Process:
How Does it Work? How Does it Affect the 2014 Election?**



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This is a brief providing a summary of Dr. Sarah Shair-Rosenfield's September 23, 2013 Open Forum on Indonesia's election process as it relates to the 2014 elections.

Introduction by Ambassador David Merrill, President of USINDO

President Merrill said Dr. Shair-Rosenfield's talk is part of USINDO's 2014 Open Forum Series, which welcomes political leaders, scholars, and pollsters to present their views on the upcoming 2014 Indonesian general elections. Previous speakers have included Aburizal Bakrie in December 2011, and Hashim Djojohadikusumo, the Deputy Chairman of the Gerindra Party. Later this Fall, USINDO will program an Open Forum discussion with Bill Liddle, and others. USINDO also encourages young, up-and-coming Indonesianists, including experts in the elections area, to share their research and expertise with USINDO members. Today, he said, we have such an up-and-coming Indonesianist in Dr. Shair-Rosenfield.

The elections are complicated, President Merrill noted. Some Americans want to know only about the presidential elections. Yet, to understand Indonesian politics, Americans also need to understand Indonesia's legislative elections, as they play a key role in determining the country's presidential candidates and eventual results.

Summary of Dr. Shair-Rosenfield's Remarks

Dr. Shair-Rosenfield explained that in contemporary Indonesia there are legislatures at every level—national, provincial, and *kabupaten kota* or district level—all with five year fixed terms. From 1999 until now, the lower house of the national parliament, the DPR, which is similar to the U.S. House of Representatives, has been directly elected, as have the legislatures at the provincial and district levels. Because of a 2001-2002 amendment, an upper house of parliament—the DPD—was created in 2004. Although similar in some ways to the U.S. Senate, it is far less powerful, Dr. Shair-Rosenfield said.

On the executive side, the political hierarchy is similar, Dr. Shair-Rosenfield continued. From the national level down to the district level, executive elections are held, and the terms of office are also for five years. From 1999 to 2004, presidential and vice-presidential elections were indirect. However, because of the same 2001-2002 amendment, all executive elections from 2004 to the present—whether for president, governor, or mayor—have been direct elections.

Since Suharto's New Order Regime fell, according to Dr. Shair-Rosenfield, four major issues have affected elections and the development of parties in Indonesia: the electoral threshold, the openness of the proportional list system, contestation criteria, and the accountability of the election process.

Legislative Elections

Indonesia's electoral threshold was initially an election barrier, Dr. Shair-Rosenfield said. To compete in legislative elections, parties had to gain a certain vote share in the previous election or had to meet registration criteria, such as having party offices in a certain number of provinces and districts. However, these measures did not do much to limit the number of parties, Dr. Shair-Rosenfield noted. Some parties which failed to meet the vote-percentage requirement, for instance, simply registered as new parties, so they could compete in the next election cycle.

Eventually, the electoral-barrier system was scrapped, and a legislative-threshold system was introduced. However, according to political scientists, Dr. Shair-Rosenfield explained, "electoral threshold" is a more accurate term. If a party fails to get a certain minimum percentage of the vote share, it does not get any seats in the DPR. In 2009, the percentage was 2.5%, so to receive any seats, a party needed to obtain at least that share of the vote, irrespective of how well a party's individual candidates did in their individual districts. The threshold was applied only at the national level, however. Therefore, a political party could fail to win seats in the DPR but may obtain enough votes to get seats in the provincial (DPRD I) and district (DPRD II) parliament.

The new law reduced the number of parties but did not do so to the satisfaction of some of the larger factions in the DPR, Dr. Shair-Rosenfield said, so the electoral threshold was raised to further reduce the number of parties who would win DPR seats in 2014. In 2014, the electoral threshold will be 3.5%, and is again applied only to national-level elections – i.e., to receive any seats in the DPR, a party must get 3.5% of the total vote share.

After the New Order Regime collapsed, there were three major parties: *Indonesian Democratic Party – Struggle* (PDI-P), Golkar, and the *United Development Party* (PPP). But in each of the elections, 1999, 2004, and 2009, their respective vote totals varied considerably, showing that Indonesia's electorate did not have firm allegiances to one particular political party. PDI-P's vote total, for example, dropped between 1999 and 2004, and Golkar's dropped between 2004 and 2009. Meanwhile, *Partai Demokrat* (PD) became increasingly popular, and its vote share increased tremendously after 2004.

The electoral threshold has reduced the number of parties in the DPR from seventeen in 2004 to nine in 2009. In 2014, the number of parties in the DPR likely will dwindle again. Yet, Dr. Shair-Rosenfield explained, this absolute reduction has not made smaller parties consolidate. Rather, it has redistributed the vote among larger and medium-sized parties and increased "wasted" votes, meaning that someone voted for a party that failed to get any seats in the DPR. She noted that between 2004 and 2009 the number of "wasted" votes more than tripled, whereas during past elections wasted votes were quite rare.

For those that monitor and watch Indonesian elections, the issue of list openness is important, Dr. Shair-Rosenfield said. In 1999, there was a closed-list proportional representation system, and twenty-one parties won seats in the first DPR elections. In a

closed-list system, each political party internally fixes the order in which the candidates are listed on the ballot and elected, meaning the party entirely determines which of its candidates win its seats. The voters cast their vote for the party as a whole and must accept the order of the candidate list given by a political party since voters do not choose individual candidates.

In 2004, the list became “semi-open.” A semi-open list system permits voters to cast their ballots for a party and select an individual candidate running on that political party’s list. In order to win a seat, a candidate needs to obtain the vote division number (Bilangan Pembagi Pemilu, BPP), which is the total valid votes gained by all political parties in one electoral district divided by the number of seats available in their respective electoral district (BPP/quota).

In practice there are only a few candidates who are able to surpass the electoral division number. The votes for every party in a district are then tallied. If the party’s overall votes surpass the electoral division number, the party wins seats. These seats are then given to candidates based on the order of the candidate list specified by a political party. In a semi-open list system voter choice does have some influence determining who is elected. However, by being able to place candidates in list order, the party largely decides which of its candidates win its seats.

In 2004, with this “semi-open” list system, the number of districts more than doubled, and when the election results were tallied, seventeen parties were allowed to sit in the DPR.

When a petition was brought before the Constitutional Court demanding that voters have more control over the selection process, the court agreed. In a December 2008 ruling, the court forced the party lists to become open in 2009.

In an open-list system, voters can choose individual candidates, and their votes determine specifically whom a party sends to the legislature if that party passes the minimum threshold. The political party decides only which of its candidates get onto the ballot, but voter choice entirely determines which of those candidates win the party’s seats. An open-list gives voters greater control over their representatives’ selection, as opposed to a closed-list system, which allows voters to vote for specific parties, not individuals, according to Dr. Shair-Rosenfield.

Open lists also help parties determine which candidates are popular. By looking at an individual candidate’s vote share, parties can see not only what districts support their candidates but also, and just as important, whom the voters want to elect.

In 2004, for instance, two out of the 550 elected to the DPR would have won based on their vote shares. They were, Dr. Shair-Rosenfield said, ranked number one by their respective parties, so they would have been elected regardless. Yet, in 2009, 104 candidates were elected to the DPR who won seats based on voter preference and replaced someone their party prioritized and listed higher in rank order on the ballot.

In the 2009 election, the lists were fully open. The 2.5% parliamentary threshold was implemented. The number of electoral districts, once again, increased, although not as drastically as before. Nine parties got into the DPR. Fifteen would have, if the 2.5% minimum requirement of votes were not in place.

However, since voters can now vote for individuals, rather than just parties, campaigns have become more individualistic, according to Dr. Shair-Rosenfield. Sometimes, candidates end up competing against their fellow party members, not only those from other parties, and financing their own campaigns. Some parties have tried to avoid this scenario, such as PDI-P and PKS. But with other parties, there is a candidate “free-for-all.”

It is an interesting situation. While some candidates are competing against people from their own parties, they also need their parties to do well overall, because if their parties do not meet the threshold, they cannot enter the legislature, regardless of how well they did, Dr. Shair-Rosenfield noted.

She said that list openness increases the power of larger parties. Smaller parties however, have trouble attracting big names.

There are also registration barriers: parties must have offices in 75% of the provinces and 50% of the districts within those provinces—thus, parties need these wealthy candidates to fund the party’s infrastructure, Dr. Shair-Rosenfield said. Without these backers, the parties cannot establish enough offices and, in turn, cannot register for the elections.

For example, forty-one parties tried to register for the 2014 elections, but only twelve succeeded. Many parties that previously broke off from larger parties may return or combine with other small parties to meet the threshold.

In 2014, a dozen parties will contest national elections, down from thirty eight in 2009.

Presidential elections

With executive elections, Indonesia’s electoral system is a little counterintuitive, according to Dr. Shair-Rosenfield. To be nominated, a candidate’s party must have won 25% of the total votes cast for the DPR in the election or hold 20% of DPR seats. As a result, coalitions often form to meet these requirements, both of which are too high for most parties to achieve alone. The coalitions, though, are short lived. They do not have much to do with policy or platform similarities. Rather, they focus on meeting the percentage requirements.

Also, because of the rules, no independents can run in presidential elections, Dr. Shair-Rosenfield said. All candidates need party backing. Many candidates need the support of multiple parties.

To actually win the presidency in the July election, a candidate needs to receive “50%, plus one”. If no candidate gets that percentage, then there is a run-off election between the nominees who obtain the two highest vote totals from the first round. With the new electoral threshold, the maximum number of presidential candidates is five. Dr. Shair-Rosenfield said that it will still be possible that candidates will split the vote, however with fewer competitors, it is easier for voters to distinguish each candidate’s position. The likelihood in her opinion is that three or four candidate pairs will run for office. Therefore, compared with previous elections, the possibility of a runoff has decreased. Yet, it is still possible.

Many think that is a good thing, Dr. Shair-Rosenfield explained. It reduces the cost of executive elections since there are fewer second rounds. It encourages coalition building, so the executive-legislative relationship is more harmonious, and with fewer presidential candidates, nominees can stake out clearer policy platforms.

Previous elections and what they tell us

In 2004, the first direct presidential election took place, but the requirements for nominating a candidate were not as strict as today. Then, Dr. Shair-Rosenfield said, a party needed 5% of the vote share, or 3% of the seats. In theory, this would allow a lot of nominees, and it did. There were five major candidates. After the first round, in which PD and PDI-P’s candidates came out on top, a second round election was held. Susilo Bambang Yudhoyono (SBY), the PD’s nominee, won comfortably with 60.6% of the vote. Interestingly, PD did not control many DPR seats. But SBY ran with Jusuf Kalla, a previous Golkar member. After winning the second round election with SBY, Kalla returned to Golkar and was elected the new party chairman for 2005-2010. Golkar controlled 21.57% of seats while PD won only 7.45% of DPR seats in 2004. Kalla helped SBY since he controlled the PD and Golkar faction in the DPR, Dr. Shair-Rosenfield noted.

In 2009, the restrictions were tighter: 25% of the vote or 20% of the seats. How many parties qualified? Only one, the PD, and it qualified based on its seat share after the 2009 elections, not on its vote share. That outcome—that just one party will qualify on vote share or seat share to be able to nominate a presidential candidate without having to find coalition partners—will likely occur again in 2014, according to Dr. Shair-Rosenfield. In 2009, PDI-P and Golkar were close, so they formed their own coalitions relatively easily. In the 2009 elections, three presidential candidates competed: SBY from PD, Megawati from PDI-P, and Jusuf Kalla from Golkar. SBY won. He received nearly the same vote share, 60.8%, which he won in the previous election, but this time, it only took one round, held on July 8, 2009, according to Dr. Shair-Rosenfield.

For the upcoming 2014 elections, there is a long list of candidates. Many are from the same party. At the moment, Jakarta’s Governor Joko Widodo, called Jokowi by his supporters, is incredibly popular. But to be nominated by the PDI-P, the party he is aligned with, he will need to get the support of the party’s Board. It will not be easy. The Board, which Megawati selected, has backed her candidacy in every previous election, Dr. Shair-Rosenfield said.

The PD, she added, held a convention a few weeks ago. No clear result came from it. The party's leadership announced that it would determine the party's candidate based on public opinion polls conducted before the election. That uncertainty could hurt the party in the upcoming legislative elections.

Dr. Shair-Rosenfield said she believes Golkar's and the Great Indonesia Movement Party's (Gerindra's) Chairmen will run as their party's respective candidates.

There have been rumors about an Islamic coalition. If true, five major parties would be involved. Yet, most of those parties' leaders do not want to form an Islamic coalition. They want to run with Jokowi due to his popularity, according to Dr. Shair-Rosenfield.

In May 2013, CSIS conducted a poll on the potential presidential candidates. Jokowi was the favorite by far, Dr. Shair-Rosenfield said, but 28% of respondents were undecided. What is most likely is that PDI-P will run Jokowi. If they do not, he may take a risk and run with another party.

Ahead of the 2014 elections, the parties' platforms are still not distinctive. Hopefully, that changes soon, Dr. Shair-Rosenfeld noted, so Indonesians can better identify the parties' policies and how they differ. Unfortunately, though, Dr. Shair-Rosenfield said, several parties are making the situation more confusing. They have tossed aside their old platforms, which are no longer credible with the Indonesian electorate, only to pick up new political stances.

Compared to previous elections, there has been little electoral-system change ahead of the 2014 elections. The changes have been, for the most part, modest, and voters are more familiar with the process now. While parties are becoming more powerful because of the executive election requirements, Indonesian politics are also becoming more personal. Open lists and direct elections force candidates to compete against one another—in some cases, against their fellow party members, increasing intra-party divisions—but they also provide young leaders with more opportunities, Dr. Shair-Rosenfield concluded.

Election Monitoring and Political Polls

Election monitoring in Indonesia is complex. The KPU, Indonesia's national election commission, was established in 1999. Recently, though, two other electoral-monitoring bodies have been formed: Bawaslu and DKPP, Dr. Shair-Rosenfield explained.

Bawaslu is an election supervisory body. It deals with minor election infractions and with individual complaints against the KPU. When the charges are major, such as when they could result in a change in the election results over which candidate wins a seat, the Constitutional Court typically considers them.

DKPP was set up two years ago. It monitors the Bawaslu and the KPU—both of which, Dr. Shair-Rosenfield said, have been accused of corruption. It does not focus on election

fraud. Instead, it deals with allegations of fraud related to election officials. Both Bawaslu and KPU have officials at the provincial and district levels, about 10,000 in all, not including the officials who actually run the polling stations.

Laws have been passed to monitor the election bodies, Dr. Shair-Rosenfield noted, but they are not often enforced, and the relationship between each organization's jurisdiction is not clearly outlined.

The number of polls has increased, too. Western-trained pollsters have been active in Indonesia since democratization. Yet, many of them have political interests. Political parties, for instance, employ pollsters. Not surprising, some of the resulting polls are biased, Dr. Shair-Rosenfield explained.

Nevertheless, the surveys' findings still appear in the media. University and state-funded organizations also conduct polls, as do NGOs and private firms. Some of these pollsters were trained in foreign countries, such as the U.S. Several of the polls are quite good. They survey election fraud and voter perceptions. However, international polls are still more reliable. They do not have an interest in who wins or loses.

Question and Answer Session

(questions are followed by a summary of the speaker's replies)

Q: What caused the downfall of Suharto and the democratic transition? Why did Indonesians choose a presidential system, not a prime ministerial one?

Most scholars believe that the Asian financial crisis in 1998 brought down Suharto. He could no longer support his network of cronies. The crisis also caused rapid inflation, and unemployment grew. PDI protests started and expanded, and Megawati became a national anti-Suharto leader.

Indonesians wanted democracy because they were tired of the New Order's constraints. While their uprising was not an Arab Spring-like moment, it was not far off. For the younger generations, the constraints of the Suharto regime were not acceptable anymore.

Indonesia has a president, not a prime minister, because of the instability resulting from Gus Dur's inability to remain president and the coalition politics that almost prevented Megawati from becoming his vice president. After the 1999 elections, many parties entered the parliament, along with functional groups and military representatives. The governing coalition was unstable. Choosing Gus Dur and Megawati was a very contentious process. Now, with direct elections, the executive-legislative balance is more equal, and the chance of presidents falling, as Gus Dur did, has diminished.

Q: Would an Islamic coalition change Indonesia's reputation as a moderate Muslim country?

I don't think that will happen. Every one of these parties has lost votes since 2009, including the PKB. In 2009, the PKS thought it would dramatically improve its 2004 election results. When it did not, its leaders were shocked. PKB, meanwhile, has lost its identity as an Islamic party. PKB leaders have talked about rebranding as a "green" party. German parties, they say, have had success with the "green" brand, although PKB does not appear to have a clear idea of what "green" means in the context of Indonesian politics.

It will be almost impossible for these parties to form a coalition that can nominate a candidate. Even if they could, the parties' leaderships are split and do not get along with one another.

Q: To understand Indonesian politics, according to Dwight King, you need to understand the military's politics. Are you saying the military's role in Indonesian politics is declining?

Former ABRI members are still powerful and get elected, but as an institution, the military's power has decreased since 1999. The military is too constrained to be politically powerful as a group.

Q: In the upcoming elections, how many parties will meet the 20-25% threshold?

In the legislative elections, seven to eight parties will meet the 3.5% threshold and will, therefore, be able to take seats in parliament. Most likely, it will be the same seven to eight parties that made it into parliament in 2009 when the 2.5% threshold was in place. However, PD will probably lose half its vote total from the 2009 elections, and those lost votes will be distributed to smaller, peripheral parties, such as the PPP and PKB.

Regarding the presidential elections, only one party, maybe PDI-P, will meet the 20% seat count or the 25% vote count needed to nominate a president. Regardless, that party will most likely form a coalition to give its candidate a broader base of support. Two other coalitions will probably form to nominate a presidential candidate, most likely bringing the total number of presidential candidates to three.

Q: What is the process of coalition forming?

First, parties look at the numbers. They look at how they can get over the presidential threshold requirement. Unfortunately, in the last elections, many parties did just that—and did not look at anything else. In 2009, SBY said that his ticket would not include another partisan candidate, ruling out the necessity of a formal coalition. Nevertheless, his party got smaller parties to back his candidacy. Golkar and PDI-P, too, focus on the numbers. Policy issues come a far second. Even if the parties are concerned about policy when

forming coalitions, it is more a matter of whether or not the parties' leaderships believe their voters will penalize them or not.

Q: An open-list system personalizes the electoral system and makes it more costly. Oftentimes, corruption is involved. How can Indonesia get rid of electoral corruption? Also, in past elections, PKS and PD did well, but now they are facing corruption charges, and their popularity has declined. Do you think that PD will form a coalition with other parties?

To prevent money from influencing elections, Indonesia needs firm campaign finance limits, and most important, they need to be enforced. The open list, undoubtedly, has increased the amount of money in politics. Implementing campaign finance regulations and enforcing them is unlikely. It would require politicians who have done well in the current political process, to essentially put restrictions on themselves and their campaigns.

Smaller parties can form coalitions together. Yet, they still need a large party—with around 7-10% vote share—as a backer. Five parties could mathematically all just meet that vote percentage, but it would likely be less than five.

Q: Do coalitions try to reconcile policy differences?

They do not. It is about the numbers. Reconciling policies is last on the list of priorities.

Q: How do Indonesian elections officials count the ballots? Also, how much of the money in Indonesian politics is for campaigning or for vote buying?

They count the ballots slowly. After the polling-stations close, employees empty the boxes and start counting the ballots manually. They make hash marks on a large sheet of paper, indicating the number of votes for each candidate, while party observers look on to ensure that the count is fair. It takes about six hours. It would take longer, but there are only 500 voters per polling station. Eventually, all the ballots are sent to Jakarta.

Q: Are there citizen poll watchers not related to the parties?

There are domestic and international election observers. The Carter Center, the National Democratic Institute, and the International Republican Institute have all monitored the Indonesian elections at one point or another. A couple of domestic groups monitor the elections in Aceh.

Q: I heard that there are already campaign-finance laws in Indonesia. What are the limits on contributions?

There are laws on the books, but they are part of existing election laws, not stand alone legislation, so they change as the election laws change—which is quite frequently. Most campaign finance laws fall under KPU's jurisdiction, not other courts'. However, the KPU

cannot effectively enforce the existing laws. It is too busy with other tasks, registering parties and verifying candidates, for instance. Stand-alone legislation would be most effective. For the parties in power, there is no incentive to change the electoral system.

For individuals, the donation limit is US \$100,000, I believe. For companies, it is higher, but there are a lot of loopholes, so candidates can donate to their own campaigns.

Q: How popular is Jokowi outside of Jakarta? Is his popularity sustainable?

In national surveys, he gets around 30%. His support is even stronger in PDI-P strongholds, so he is really popular in Java. His popularity has been increasing, and it will continue to do so. However, if he becomes the PDI-P nominee, his popularity could decline. Megawati's supporters may feel alienated, so Jokowi and the PDI-P may wait until right before the elections to announce his candidacy. They do not want to anger Megawati's supporters long before the election.

Q: How has Prabowo positioned himself ahead of the 2014 elections? There is a draft law in parliament, proposing to get rid of direct elections for *bupatis* and mayors. Will it pass?

The draft law has been in parliament for a long time. Voters do not know what to think of it. With direct elections, Indonesians are more satisfied, by and large, with their local officials. They can vote for independent candidates. If the threshold for parliament had been implemented at the local and provincial level, many Indonesians would have resisted it. The draft law may just stall out.

In 2009, Megawati boosted Prabowo's credentials. They wore red together and talked about workers' rights. He is a great politician. He has a broad platform that is designed to avoid alienating citizens, given his human rights record. Prabowo can morph, and he is popular, though the Gerindra Party has not had significant accomplishments in the DPR.