

Political institutions in Indonesia

Democracy, decentralisation, diversity

SUMMARY

Until his downfall in 1998, General Suharto ruled Indonesia with an iron fist. Since then, a series of reforms have transformed his authoritarian 'New Order' into the world's third largest democracy (and largest Muslim democracy).

Indonesia has a presidential system in which a directly elected president serves as both head of state and of government. A maximum two-term limit on the presidency helps to ensure a peaceful alternation of power.

Also directly elected, the House of Representatives (the lower house of the bicameral People's Consultative Assembly) has asserted itself as a strong and independent institution. There are nine parliamentary parties, none of which holds a majority, obliging the government to seek support from a broad coalition.

Despite the success of Indonesia's political reforms, its commitment to democratic values cannot be taken for granted. Although Indonesia has traditionally been a tolerant, multicultural society, a rising tide of Islamic populism threatens to disrupt the delicate balance between the country's Muslim majority and minorities such as Christians and Buddhists.

The Corruption Eradication Commission (KPK) has had some success in tackling endemic graft in the country's courts, local governments and Parliament; however, the latter recently voted to weaken the KPK's powers. While trust in democratic institutions declines, the military – whose commitment to democratic values has often been questionable – is becoming increasingly influential.



In this Briefing

- The President
- The government
- The Parliament
- The courts
- Local and regional government
- Challenges to democracy
- The European Parliament and the Indonesian Parliament

Indonesia Facts and Figures

Population: 262 million

Religions: Muslim 87.2 %, Protestant 7 %, Roman Catholic 2.9 %, Hindu 1.7 %, other 0.9 % (includes Buddhist and Confucian)

Languages: Indonesian, of which 20 % are native speakers, is the only official language. Other widely spoken languages include Javanese (32 %), Sundanese (15 %) and Malay (4 %)

GDP (2018): US\$1 042 billion (16th largest in the world); **GDP per capita** at purchasing power parity: US\$13 080 (lower-middle income) **GDP growth (2018):** 5.2 %; **Human Development Index ranking:** 116th in the world

Press Freedom Index ranking: 124th out of 180 countries (2019); **Freedom in the World status:** partly free (2019)

Sources: [CIA World Fact Book](#), [2010 Indonesian census](#), [World Bank](#), [UNDP](#), [Reporters Without Borders](#), [Freedom House](#).

History

Indonesia declared itself independent from colonial ruler, the Netherlands, in 1945, and was recognised by the United Nations (UN) in 1950. The country's post-independence President, [Sukarno](#), was toppled in 1967 by General [Suharto](#). Suharto's authoritarian New Order regime lasted until 1998, when an economic crisis and a popular uprising forced him to step down. Reforms since then have consolidated multiparty democracy, with five presidents over the past 21 years.

Governance system

Indonesia's [Constitution](#) was adopted in 1945 and has remained in force ever since, except between 1949 and 1959. As part of the post-1998 democratic reforms, it was [amended](#) four times between 1998 and 2002. Among other things, these amendments require the president to be directly elected by the people (instead of the Parliament, as before), and add clauses protecting human rights such as freedoms of expression, association and religion.

Indonesia's leaders

Position	Name	In position since:
President	Joko Widodo ('Jokowi')	October 2014
House of Representatives speaker	Puan Maharani	October 2019
House of Representatives vice-speakers	Azis Syamsuddin (Politics and Security); Sufmi Dasco Ahmad (Economic and Financial Affairs); Rachmad Gobel (Industry and Development); Muhaimin Iskandar (People's Welfare)	October 2019
Council of Representatives of the Regions speaker	La Nyalla Mahmud Matalitti	October 2019

The President

Indonesia has a presidential system similar to that of the United States, in that the president is head of both state and government. The president appoints government ministers, approves legislation adopted by the Parliament and is the supreme commander of the armed forces.

Indonesia held its first direct presidential election in 2004. The president and the vice-president are elected as a pair by the people, for a maximum of two consecutive five-year terms. Presidential candidates must be [nominated](#) by political parties (or coalitions of parties) having won at least 20 % of seats or 25 % of votes in the previous parliamentary election. This strict requirement means that in practice, only the largest political parties have the option of fielding a candidate, thus limiting the number of contenders (in 2009 there were three candidates, while all the other elections since 2004 have been two-way races).

To date, Indonesia has only had two directly elected presidents, Susilo Bambang Yudhoyono (2004-2014) and Joko Widodo (popularly known as Jokowi, 2014-), both elected for the maximum two terms. The two men come from very different political and professional backgrounds. Yudhoyono is a former general backed by the Democratic Party, which he still leads. After a career in business, Jokowi entered politics as mayor of the Javanese city of Surakarta before becoming governor of Jakarta. He is backed by the Indonesian Democratic Party of Struggle.

The government

The president decides on the composition of the government, which currently has [38 ministers](#). In practice the need to ensure broad parliamentary support means that he does not have a free hand: no fewer than six parties are represented, including Defence Minister, Prabowo Subianto, runner-up in the 2014 and 2019 presidential elections and a vocal critic of President Jokowi. Like its predecessors, the government also includes several ministers from outside politics, such as Gojek motorcycle taxi and courier platform founder, Nadiem Makarim.

The Parliament

Indonesia has a bicameral parliament, named the People's Consultative Assembly (*Majelis Permusyawaratan Rakyat*, MPR). The lower and more important house is the House of Representatives (*Dewan Perwakilan Rakyat*, DPR). The upper house is the Council of Representatives of the Regions (*Dewan Perwakilan Daerah*, DPD).

The House of Representatives (DPR) adopts legislation and the budget, and ratifies international agreements. In 2019, it was enlarged from 560 to 575 seats. Members are [elected](#) by proportional representation on a party-list system from 80 constituencies, with the number of seats per constituency ranging from three to ten. To have seats in the DPR, a party must have at least 4 % of the national vote. In the past, Indonesian electoral law required a gap of at least three months between presidential and parliamentary elections. However, this law was changed for the 2019 vote, allowing presidential, parliamentary and regional elections to be held on the same day. Among the [reasons](#) cited for this change was the need to save money and to create a stronger link between presidential candidates and the parliamentary parties backing them.

Parliamentary committees (DPR)

In the DPR, commissions are responsible for drafting, amending and debating legislation in their respective policy areas, as follows:

- Commission I (Defence, Foreign Affairs and Information)
- Commission II (Home Affairs, Regional Autonomy, Administrative Reforms and Agriculture)
- Commission III (Law and Legislation, Human Rights, and Security)
- Commission IV (Agricultural, Plantations, Forestry, Maritime, Fisheries, and Food)
- Commission V (Communications, Public Works, Public Housing, Disadvantaged Regions)
- Commission VI (Trade, Industry, Investment, Cooperatives, SMEs, and State-Owned Enterprises)
- Commission VII (Energy, Mineral Resources, Research and Technology, Environment)
- Commission VIII (Religion, Social Affairs, and Women's Empowerment)
- Commission IX (Demography, Health, Manpower and Transmigration)
- Commission X (Education, Youth, Sport, Tourism, Arts and Culture)
- Commission XI (Finance, National Development Planning Board, Financial Institutions)

The Council of Representatives of the Regions (DPD) debates regional matters, and can also present bills on regional matters to the DPR, but does not adopt legislation itself. It is elected directly by the

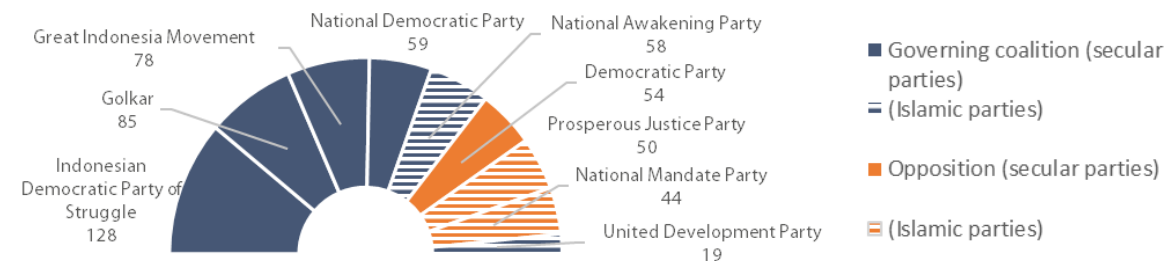
Indonesian people, at the same time as the DPR. Voters [elect](#) four members on a non-partisan basis for each of Indonesia's 34 provinces, giving a total of 136 seats.

The balance of power between the executive and legislative branches

Under Suharto, Parliament was little more than a rubber stamp for executive decisions, but now the relationship is much more balanced. Legislation can be [proposed](#) by the president, the DPR and the DPD (for regional matters). All laws must be adopted by Parliament, but they must also have the preliminary approval of the president. The president may issue government regulations instead of laws, but to remain in force these must be approved by the DPR at its next session. Parliament can impeach the president by a two-thirds majority of votes cast by both houses sitting together; this happened in 2001, when the country's fourth President, Abdurrahman Wahid, was forced out of office. The president may not dissolve or suspend the Parliament. Parliament also has the power to amend the Constitution, by over half of votes cast in the two houses sitting together.

Political parties

Figure 1: Political parties in Indonesia's House of Representatives (2019-2024)



Source: [House of Representatives](#).

Under Suharto's [New Order](#), most political parties were banned, apart from the ruling Golkar party and two small opposition parties. Post-1998 reforms ended those restrictions, transforming Indonesia into a multi-party democracy. Since then, no one single party has dominated the political scene – the country's five presidents since Suharto came from four different parties, and no single party has held a majority in the Parliament.

Nine parties currently hold seats in the People's Representative Council, five of them secular (also referred to as 'nationalist') and four Islamic. The distinction between these two groups is not always clear-cut: given a rising trend towards Islamic piety (see below), and the fact that 87% of Indonesians are Muslim, no party can afford to give the impression of not being interested in religious issues. For example, in 2019 secular and Islamic parties were united in backing a controversial new penal code that would criminalise extramarital and gay sex (after international criticism, in September President Jokowi [ordered](#) its adoption to be postponed).

The four largest parties are all secular. In first place is the **Indonesian Democratic Party of Struggle (PDIP)**, to which Jokowi belongs. Led by Megawati Sukarnoputri, daughter of Indonesia's first President, Sukarno, and herself the country's fifth president, the party grew out of the opposition to Suharto. Formerly dominant under Suharto, **Golkar** remains influential due to its well-established party structures and connections to business circles. The right-wing **Great Indonesia Movement (Gerindra)** split off from Golkar in 2008 and serves as an electoral vehicle for Subianto Prabowo, a former general and son-in-law of Suharto. The **Democratic Party**, is led by another former general and Jokowi's predecessor, Susilo Bambang Yudhoyono. Under Yudhoyono's presidency, it became Indonesia's largest party but has since lost ground, in part due to a series of [corruption scandals](#).

Apart from the secular/Islamic divide, ideological differences between political parties are often [blurred](#). The lack of a strong ideological position makes it easier for parties to collaborate in broad-based governing coalitions. Six of them are in the current Onward Indonesia coalition, including

Gerindra, despite its leader Prabowo's vocal criticisms of Jokowi during the 2019 presidential campaign, leaving only three small parties in opposition; overall, Onward Indonesia commands nearly three-quarters of seats in the House of Representatives.

Women in Indonesian politics

Only one of Indonesia's seven presidents has been a woman – Megawati Sukarnoputri, daughter of the country's first president Sukarno, who was also prominent in the opposition against Suharto. She was elected president by the parliament in 2001, but was defeated by Yudhoyono three years later in the country's first direct presidential election. She remains influential, as leader of the Indonesian Democratic Party of Struggle, the party of current President Jokowi.

To date, the largest number of women ministers in the national government has been eight out of 34, in Jokowi's 2014-2019 cabinet. However, in the current government there are only five, including Sri Mulyani Indrawati (finance) and Retno Marsudi (foreign affairs).

Party lists of candidates for election to the DPR must include at least 30 % of women, with at least one woman every three places on the list, and the highest placed woman no lower than third place. In the 2019 elections, this quota was substantially [exceeded](#), with women making up a record high 40 % of candidates. Some [21 %](#) of elected DPR members are women – also a record, although still very low (the figure for the European Parliament is [41 %](#)), with male candidates almost three times more likely to be elected than women. It is at least positive that the DPR speaker is a woman, for the first time.

The courts

Indonesia inherited its [legal system](#) from the Dutch colonial administration, many elements of which (such as the country's penal code) remain intact today. The system also has some aspects that are influenced by Sharia law, such as dispute resolution between Muslims. However, Sharia punishments are not applied in Indonesia, except in the province of Aceh.

Post-Suharto [reforms](#) made the courts more independent by putting the Supreme Court, rather than the government, in charge of managing them. Supreme Court judges are proposed by the Judicial Commission and appointed by the president; in turn, members of the Judicial Commission are approved by the DPR and appointed by the president. Reflecting their independence, judges have often ruled against government decisions, for example, [cancelling](#) construction permits for part of a controversial land reclamation project in Jakarta Bay backed by the city's administration. They have also at times upheld human rights (such as [LGBT rights](#)) and [press freedom](#).

Although Indonesian courts are relatively well protected from political interference, they do not always deliver effective justice. The main problem is corruption: judges from even the [highest levels](#) have been convicted of taking bribes to influence court rulings, and in 2017 the country's Judicial Commission recommended that [33 judges](#) be the subject of further investigation. Other obstacles to justice include inadequate training and insufficient resources.

President Jokowi [called](#) for urgent legal reforms in 2016 and again during his 2019 election [campaign](#), but tackling corruption in the courts and elsewhere is one area where his presidency has made only limited progress (see below).

Local and regional government

Indonesia has [34 provinces](#), subdivided into 416 regencies and 98 cities. Each province has a directly elected governor and provincial assembly; regents and city mayors are also directly elected.

In 2000, Indonesia moved from being a highly centralised system to one in which subnational authorities, at the level of regencies and cities rather than provinces, have substantial autonomy and budgets in areas such as healthcare, education and the environment. The effects of this reform have been [mixed](#). On the one hand, local communities now have more say in matters that concern them; being more in touch with the situation on the ground, in theory at least they can take more

appropriate decisions. On the other hand, decentralisation has [not helped](#) the poorer regions to catch up. Thousands of local regulations [conflict](#) with national law, creating complexity and confusion. [Infrastructure projects](#) involving multiple regions have become more difficult to coordinate. Moreover, local control of government finance creates additional opportunities for [graft](#): according to the country's [Corruption Eradication Commission](#), in 2018 more district heads were convicted of graft than any other group, and 97 % of Indonesians believe that they are corrupt.

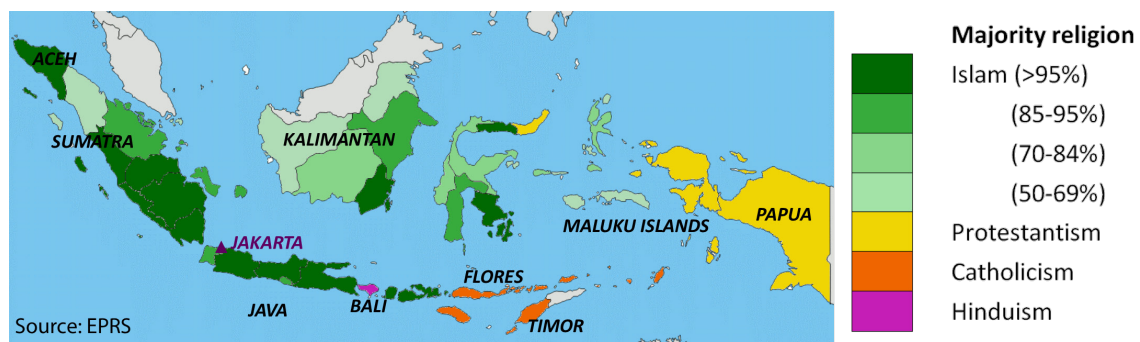
Challenges to democracy

Since 1998, Indonesia has undergone a remarkable democratic transformation. Sweeping reforms have established multi-party democracy, strengthened human rights, established independent courts and decentralised decision-making powers. The country is the world's third largest democracy, and the largest Muslim democracy, and according to [Freedom House NGO](#), it is the freest of the 10 south-east Asian countries. Two decades of elections and of genuine power-sharing have helped to consolidate democratic institutions.

Managing diversity: minority rights are at risk

However, democracy cannot be taken for granted. As in the EU, one of the main threats is a trend towards rising populism – a trend that often goes together with intolerance for minorities. Both Indonesia and Europe have highly diverse, multicultural societies; it is no coincidence that the two have chosen Unity in Diversity (in Indonesian, *Bhinneka Tunggal Ika*) as their motto. The [delicate balance](#) between the Muslim majority (87 % of the population) and religious minorities is at the heart of Indonesian identity. The country's 1945 Constitution aims to maintain that balance, with 'belief in the One and Only God' (using the neutral term '*Ketuhanan*' – deity, rather than the Muslim Allah) as one of the *Pancasila* (Five Principles) on which Indonesian statehood is based. The Constitution also guarantees freedom of religion – although in practice that freedom is constrained by the fact that Indonesia only recognises six official religions.

Figure 2: Religious diversity in Indonesia



Whereas Indonesian Muslims traditionally practised a [moderate form](#) of Islam that tolerates other religions and is open to influences from them, fundamentalism is increasingly visible. For women, wearing a headscarf used to be a personal choice, but for many it has now become [virtually compulsory](#) in certain situations. Businesses that cater to Muslim beliefs, such as Islamic banks, are [flourishing](#). Indonesia does not have Sharia law as such, except in the Sumatran province of Aceh, where offences (including by [non-Muslims](#)) such as drinking alcohol, gambling, adultery and sodomy are punishable by caning. However, some national legislation reflects

Gay rights in Indonesia

Although Indonesia has traditionally been tolerant of sexual minorities, the country's LGBT community has come under increasing pressure. In 2016, Jokowi half-heartedly [called](#) for the community to be protected from discrimination, but he has not spoken out against anti-gay [comments](#) by members of his own government, nor tried to rein in police [harassment](#), for example in the form of raids on gay nightclubs.

Islamic values, such as a 2008 [anti-pornography law](#), which among other things restricts scanty dress and kissing in public. In 2015, alcohol sales were [restricted](#), and in 2019, as already mentioned, legislators discussed outlawing extra-marital sex and homosexuality. At regional level, several provinces have introduced Sharia-inspired [bylaws](#): for example, [West Sumatra](#) has introduced an Islamic dress code and Koran reading tests for schoolchildren.

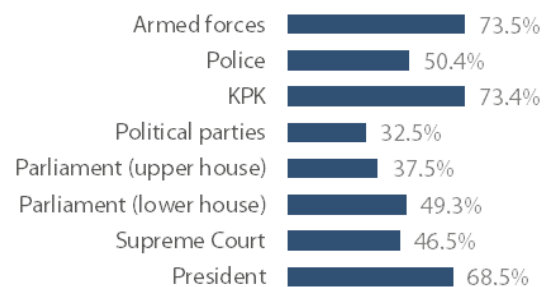
The drive towards Islamic fundamentalism is supported by the Islamic Defenders' Front, a populist movement whose activists have attacked venues such as nightclubs, brothels and massage parlours, but also religious minorities such as Christians and Ahmadi Muslims. In 2016, the Front led some of Indonesia's largest ever protests against Basuki Tjahaja Purnama (popularly known as Ahok), the first non-Muslim governor of Jakarta. Ahok, who is a Chinese Protestant, had caused outrage after [suggesting](#) that the Koran did not support the idea that Muslims should only vote for leaders of their own faith. He was subsequently given a two-year jail sentence for blasphemy. Several other non-Muslims have faced similar charges, for example, for complaining about [noise](#) from a neighbouring mosque or defending the right of Christians to celebrate [Christmas](#).

All of this raises questions about Indonesian democracy, which risks failing to strike a balance between the will of the Muslim majority and the rights of minorities.

Corruption erodes trust in democratic institutions

According to the NGO [Transparency International](#), Indonesia's performance on corruption has steadily improved over the past decade, but in 2018 it still ranked fairly low, at [89th](#) out of 180 countries. In the Parliament's 2014-2019 term of office, some [two dozen](#) legislators were charged with corruption, including former speaker [Setya Novanto](#). In elections, [vote buying](#) is commonplace; while there is little firm evidence of vote rigging by election authorities, voters are nevertheless often suspicious of the results, as the [violent protests](#) by supporters of defeated candidate Prabowo after Jokowi's 2019 election victory show. According to a 2018 [survey](#), fewer than half of Indonesians trust the Supreme Court, the Parliament and political parties (see Figure 3).

Figure 3: Trust in democratic institutions
% of respondents who trust:



Source: [Charta Politika](#), August 2018.

Since 2003, Indonesia's fight against corruption has been led by the Corruption Eradication Commission (KPK). Trusted by 73 % of Indonesians, it has proved highly effective, with investigations leading to [121 arrests](#) in 2018 alone. Perhaps due to the fact that several legislators have ended up in jail as a result of the KPK's work, in 2017 several of them [called](#) for it to be suspended. In September 2019 came a second attack, with Parliament voting a [law](#) that waters down its powers, for example, by requiring it to seek permission for wire-tapping activities from a politically appointed committee. After the resulting nationwide protests, Jokowi, who defended the KPK in 2017, announced that he would consider reversing the new law through a presidential decree. However, he since seems to have acquiesced to the changes, even though these weaken the Indonesian institution that has done the most to uphold good governance by curbing corruption.

The military is making a comeback in Indonesian politics

Worryingly, the same survey that highlights Indonesians' scepticism towards democratic institutions also reveals that they are most likely to trust the armed forces (74 %). One of the achievements of the post-1998 reforms was to curb the military's political influence, taking away the parliamentary seats reserved for army representatives, and barring active security forces personnel from voting or standing in elections. However, recent years have seen something of a [comeback](#) to politics by the

military. As already mentioned, Jokowi's 2019 government prominently features several former generals. Since April 2019, active military officers can be promoted to civil service positions.

The armed forces' commitment to democratic values has sometimes been questionable. For example, Wiranto and Ryamizard Ryacudu, former generals who served under Jokowi's first presidency as security and defence ministers respectively, [defended](#) the army's role in the 1960s' massacre of at least half a million Communists who, according to Ryacudu, 'deserved to die'. It is also [alleged](#) that, as an army commander and son-in-law of then dictator Suharto, the current Defence Minister, Prabowo Subianto, was involved in kidnapping and torturing protestors in 1998. The NGO Human Rights Watch [claims](#) that in Papua, where there is a strong military and police presence due to a long-running [separatist insurgency](#), security forces were responsible for 95 deaths between 2010 and 2018, over half of them related to peaceful political activities such as protests or raising the Papuan flag. Even if Indonesian democracy seems sufficiently robust to make a military *coup d'état* unlikely, one does not have to look further than Myanmar, Thailand and Indonesia itself under Suharto to see what can happen when the armed forces get involved in politics.

The European Parliament and the Indonesian Parliament

Members of the European Parliament meet their Indonesian counterparts through the EP's Delegation for relations with the countries of Southeast Asia (DASE). In 2016, following a meeting between then-EP President, Martin Schulz, and President Jokowi, the EP decided to set up an Indonesia parliamentary [friendship group](#). In the EP's 2014-2019 term of office, this was chaired by Ana Gomes, and comprised around 20 members. It has not yet been reactivated for 2019-2024.

In April 2018, DASE [met](#) with eight Indonesian members during a visit by the latter to Brussels. Representatives of the two parliaments also meet on the margins of events such as the annual [ASEAN](#) Inter-parliamentary Assembly (AIPA), at which the EP has observer status, and the bi-annual Asia-Europe Parliamentary Partnership (ASEP), which was [hosted](#) by the EP in 2018.

The European Parliament is in the process of setting up a Liaison Office in Jakarta, which will help to facilitate its relations with the Indonesian Parliament and with AIPA.

Although the European and Indonesian Parliaments share a commitment to democracy and human rights, they do not always see eye to eye. An October 2019 EP [resolution](#) condemned the amendments to the Indonesian criminal code backed by a large part of the country's Parliament. Other divisive issues raised by EP resolutions include [palm oil](#) (of which Indonesia is by far the world's largest producer) and [growing intolerance](#) in Indonesia towards religious and sexual minorities.

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