Dilemmas of Populist Transactionalism

What are the prospects now for popular politics in Indonesia?

LUKY DJANI & OLLE TÖRNQUIST
with Osmar Tanjung & Surya Tjandra
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Cover Design: Damar N. Sosodoro


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Proofread: Chirstoper Allan Woodrich

Layout: Rizal Bintang Rahani


PolGov Publishing is specialized for politics and government issues and managed by Research Center for Politics and Government [PolGov].

Research Centre for Politics and Government (PolGov) is research and publication institution under Department of Politics and Government [DPP] Faculty of Social and Political Science UGM. At present PolGov focus on 4 key themes as mentioned in DPP curriculum, which are: 1) local politics and regional autonomy 2) political parties, elections, and parliament, 3) Human Rights and democracy, 4) governance reformation and development of integrity system.

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Catalogue Record is available from Indonesian National Library.

Dilemmas of Populist Transactional:
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96 pages. 20x13 cm
1. Social/Politic
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<tr>
<td>AAP</td>
<td>Aam Aadmi Party (the Common Man’s Party)</td>
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<td>BPJS</td>
<td>Badan Penyelenggara Jaminan Sosial (Social Security Executing Agency)</td>
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<td>FPI</td>
<td>Forum Pembela Islam (Islamic Defenders Front’s)</td>
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<tr>
<td>FSPMI</td>
<td>Federasi Serikat Pekerja Metal Indonesia (Federation of Indonesian Metal Workers Union)</td>
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<td>IAC</td>
<td>India Against Corruption</td>
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<td>ILO</td>
<td>International Labour Organisation</td>
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<td>JRMK</td>
<td>Jaringan Rakyat Miskin Kota (Poor People's City Network)</td>
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<td>KAJS</td>
<td>Komite Aksi Jaminan Sosial (Action Committee for Social Security Reforms)</td>
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<td>KSPI</td>
<td>Konfederasi Serikat Pekerja Indonesia (Confederation of Indonesian Trade Unions)</td>
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<tr>
<td>KJS</td>
<td>Kartu Jakarta Sehat (Jakarta Health Card)</td>
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<td>KJP</td>
<td>Kartu Jakarta Pintar (Jakarta Education Card)</td>
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<tr>
<td>KPK</td>
<td>Komisi Pemberantasan Korupsi (Anti Corruption Commission)</td>
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<td>KDP</td>
<td>Kecamatan Development Program</td>
</tr>
<tr>
<td>KNGB</td>
<td>Konsolidasi Nasional Gerakan Buruh (National Labour Movement Consolidation)</td>
</tr>
<tr>
<td>MPBI</td>
<td>Majelis Pekerja Buruh Indonesia (Council of Indonesian Labourers)</td>
</tr>
<tr>
<td>PAN</td>
<td>Partai Amanat Nasional (National Mandate</td>
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<tr>
<td>Acronym</td>
<td>Full Form</td>
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<tr>
<td>PAPERNAS</td>
<td>Partai Persatuan Pembebasan Nasional (National Liberation Party of Unity)</td>
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<tr>
<td>PDI-P</td>
<td>Indonesian Democratic Party of Struggle</td>
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<td>PKI</td>
<td>Indonesian Communist Party</td>
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<td>PNPM</td>
<td>National Programme for Community Empowerment</td>
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<td>PRA</td>
<td>Partai Rakyat Aceh (Aceh People’s Party)</td>
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<td>PRD</td>
<td>Partai Rakyat Demokratik (People’s Democratic Party)</td>
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<td>PRP</td>
<td>Partai Rakyat Pekerja (Workers Party)</td>
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<tr>
<td>SATPOL PP</td>
<td>Satuan Pengaman Polisi Pamong Praja/Satpol (Local Administration’s Law Enforcer Unit)</td>
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<td>PPR</td>
<td>Partai Perserikatan Rakyat (People United Party)</td>
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<td>PTPN</td>
<td>Indonesia’s state owned plantation companies</td>
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<td>PWD</td>
<td>Power, Welfare and Democracy</td>
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<td>RPJB</td>
<td>Volunteers for a New Jakarta</td>
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<tr>
<td>RT</td>
<td>neighbourhood</td>
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<tr>
<td>RW</td>
<td>the hamlet</td>
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<tr>
<td>SBY</td>
<td>Susilo Bambang Yudhoyono</td>
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<tr>
<td>SJSN</td>
<td>Sistem Jaminan Sosial Nasional (National Social Security)</td>
</tr>
<tr>
<td>TURC</td>
<td>Trade Union Rights Centre</td>
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<td>UPC</td>
<td>Urban Poor Consortium</td>
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THE PROBLEM

The challenges of popular democratic politics in the Global South are best appreciated in a historical perspective. The first wave of democratisation, from about the 1820s until the First World War, occurred in the strong nation states of Europe and the less strong equivalents in North America and 'down under'. The process was driven by conflicts between powerful employers and relatively coherent working classes, in addition to influential middle classes and independent farmers; as well as conflicts between the states that they shaped. This generated unequal but inclusive development. However, in the newly independent Latin American countries, industrialisation and the related class interests were less dominant. Development, thus, was held back and democratisation turned more elitist, at the expense of marginalised peoples—including indigenous populations.
In contrast to the largely endogenous conflicts during the first wave, the next wave of democratisation, after the Second World War, grew out of elite-led but mass-based struggles in the still-colonised South. This was mostly in opposition to the old democracies' colonial politics of civil and political inequality and extractive economic institutions. In Latin America, moreover, pro-democratic struggle continued against neo-colonial practices.

Initially, several aspects of these revolutions and radical reforms were remarkably successful. These revolutions and radical reforms even stimulated a new and more internationalist generation of socialists in the North. However, the sometimes-unavoidable wars of liberation generated new problems. Moreover, most of the new democracies—such as Indonesia—deteriorated within a decade or so in the face of the Cold War and internally rooted authoritarianism.

The third wave of democratisation, from the late 1970s until recently, turned against this. The third wave was the combined result of two tendencies. First, resistance against new repression and exploitation—despite the fact that many popular organisations had been next to eliminated. Second, the political and economic crisis of authoritarian rule in the context of neo-liberal globalisation. Given that alternative forces were weak, the dynamics of neo-liberalism dominated and popular movements tended to be constrained within organised politics and confined to civil society activism. This was in the context of internationally supported pacts between moderate elites on how to develop new and more democratic institutions that dominant groups
could live with. The stronger movements in South Africa and Latin America shaped some initial exceptions, but these too have gone and continue to go against serious problems.

*The cardinal question in the discussion about problems and options of the third wave of democratisation is, therefore, whether and how persons who are interested in more inclusive, equal and sustainable development can make better use of and improve shallow democratic institutions, even in the context of uneven economic development, inefficient governance, and elitist politics.*

Indonesia is a critical case in point. The largest reformist popular movement in the world was eliminated in the mid-1960s, giving way to more than 30 years of authoritarian rule and uneven growth. After the fall of President Suharto, democratisation in the country has certainly come with a number of liberties, but the processes and institutions are dominated by compromises among moderate elites: oligarchs from the Suharto era and increasingly important businessmen in local areas, many of whom have seized public offices. These elites, moreover, continue to benefit from extractive rather than production-oriented economic activities, not just in natural resource-rich areas but also in the growing urban districts. Having their fingers in the pie, they are usually unwilling to curb corruption or to foster fair institutions of representation. The pacts between moderate dissidents and previous followers of Suharto to pursue their vested interests,¹ and the related

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¹ Indonesia’s transition is marked by an agreement between the political and economic elites that seek to survive, including by support from international financial and development institutions such as the IMF and the World Bank
unfair institutions of representation, are combined, moreover, with poor political capacity and fragmentation and polarisation of movements and organisations. This is all rooted in Indonesia's history of repression and decades of rapid but uneven economic growth (Priyono et al. 2007, Samadhi et al. 2009, Savirani and Törnquist 2015).

The general question to be addressed in this essay, therefore, is whether and how there is any prospect in Indonesia today for popular politics of democratic citizen rights and their impartial implementation, despite unfavourable conditions?

Indonesia's uneven capitalist transformation and, in many respects, inefficient state makes first wave-type democratisation and inclusive development unfeasible, rooted as it is in extensive industrialisation and conflicts between comparatively well-organised agents and institutions of capital and labour. However, as we shall suggest, Indonesia's uneven development may instead carry along differently configured conflicts that open up for broad and relatively strong collective action among popular actors in a struggle for improved democracy, welfare reform, and public governance to deliver appropriate services. These actors may, thus, also negotiate the combination of welfare and growth.

As concluded in a recent study on 'Reinventing Social Democratic Development', (Törnquist and Harriss, 2016) this would be an upside-down scenario. Compared with the Scandinavian history of remarkably

(Chua 2009, Törnquist 2002, van Klinken 1999). New Order elites skilfully utilised the pact in determining the direction of transition, thus protect their interests, financial assets and political base (Budiman 1999, van Klinken 1999; Robison and Hadiz 2004)
broad labour movements to counter the world economic crises with pre-Keynesian public works and investments and social growth pacts between well-organised representatives of capital and labour, which generated capacity and interest (even among employers) in welfare reforms that also fostered economic development, the possible scenario in countries in the Global South with uneven development is rather one of struggles for rights, welfare, and impartial implementation that paves the way for more unified and strong organisations and social growth pacts. The basic problem for alternative actors, however, remains that of building and sustaining such broad alliances.

We go about this study by revisiting experiments among popular and citizen groups to come together and make a difference within politics during the years before and after the fall of Suharto. In short, even well-intended actions and strategies that produced immediate results proved unviable in the long run. By the early mid-2000's, however, there were two significant openings: one, the development of an informal social contract between new populist leaders, urban poor, and civil society activists in the city of Solo, Central Java; two, the remarkably broad and successful KAJS (Komite Aksi Jaminan Sosial) alliance in Greater Jakarta, in which unions and civil society activists worked in tandem with progressive politicians to promote social policies and legislation for health protection. The Solo model of a social contract, with Joko 'Jokowi' Widodo in the forefront, gave rise to new leadership in Jakarta and the presidential palace, and the KAJS alliance was followed by additional attempts at new policies based on movements from below. The two cases and the following processes provide
a unique chance to discuss the viability of arguments about possible broader unity. This may be done by asking a number of critical questions in view of relevant international experiences: (i) What characterised these social contracts and alliances? (ii) What enabled them? (iii) What problems occurred? (iv) What are the lessons?

We rely primarily on our own relevant previous studies as well as those by our colleagues; conversations, focus group discussions, and workshops with the actors; as well as participatory observation. Having accounted for previous experiences, we study first the Solo model and the KAJS alliance respectively before turning to attempts to follow them up. We conclude by summarising the answers to the four questions formulated above and by discussing what should be done.

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2 Tjandra was a leading activist in the KAJS and have conducted research for his PhD dissertation on the unions in the struggle in favour of the social security reforms; Tanjung is in the movement behind Jokowi; Djani (as part of his recent PhD dissertation and follow up studies) and Törnquist (since the early 1980s) have done related research, including in cooperation with activists.
PREVIOUS LESSONS

The recent processes in Indonesia grew out of many different attempts over the past three decades by political groups, interest organisations and citizen associations to foster popular interests through democratic struggle. These are analysed in particular by Aspinall (2005), Budiman and Törnquist (2001), Prasetyo et al. (2003), van Klinken (2009), Lane (2008), Priyono et al. (2007), Nur and Törnquist (2009), Ford (2014), Hadiz (1997), as well as by Törnquist (1984) and (1997); Törnquist et al. (2009b), and Samadhi and Törnquist (2015). The major conclusions may be summarised in four arguments.

First, the repressive New Order regime prevented political organisation at the grass-roots level and imposed state-corporatist mass movements. In this context, however, civil society activists who fought Suharto negated the importance of popular based political agency, while some avant-garde groups tried hard but failed to foster ideologically guided class organising. The majority of pro-democratic groups came together under the banner of human rights, agrarian
reform and environment conservation, thus developing loosely coordinated networks; and many of the Indonesian sectoral- and issue-based groups advanced specific agendas. As such, while it is true that both tendencies challenged the Suharto regime, they also encountered fragmentation. Moreover, advocacy was often focused on victims of New Order politics, which made it difficult to develop broader solidarities and common platforms among different social classes. These initiatives shaped, therefore, a dynamic dissident movement that fell short of the broader constituency- and mass-based organisations that we know from, for example, South Africa, Brazil, and South Korea.

Second, progressive movements and actors remained marginalised after the fall of Suharto. Radical political leaders were isolated and both CSOs and the emerging mass movements were fragmented and subordinated to the renaissance of liberal elitist politics that had been curbed forty years earlier – this time, however, excluding anything resembling the previously important communist movement. The inability to form mass-based politics was, in many ways, due to the internationally supported pacts of late 1998 (cf. Liddle 2001) between moderate elite dissidents (such as Megawati, Gus Dur, and Amien Rais) and moderate incumbents (including the Sultan of Yogyakarta, the new president Habibie, and the leader of the armed forces Wiranto) followed by swift elections in 1999. Thereafter, the student movement petered out and disintegrated. Pro-democratic actors typically retreated to civil society demands for amendment of the 1945 constitution, free and fair electoral laws, and single issue-based campaigns such as against 'rotten politicians', plus workplace
activism. While their aim was 'change from below and from within', the prime result was what Törnquist et al. (2003) dubbed 'floating democrats' that was neither firm in its organisation nor in its social base.

Third, early democracy surveys in cooperation with concerned scholars and informed activists (Prasetyo et al. 2003, Priyono et al. 2007 and Samadhi et al. 2009) recommended, therefore, that pro-democrats not allow the elite to dominate the fledgling democracy. Rather, activists should 'go political' and build alternative 'political blocks'. These were thought of as alliances/coalitions/united fronts in the political space between fragmented interest organisations and citizen associations on the one hand, and elitist politics on the other hand. Such efforts came, however, with new challenges.

One strategy was to intensify classical liberal lobbying such as on human rights, the environment, gender agenda, and issues of corruption (Mietzner 2013). However, mass organising and developing comprehensive political alternatives was neglected. Another roadmap was to offer comprehensive political alternatives through pioneering central or local parties (such as Partai Rakyat Demokratik [People's Democratic Party, PRD], Partai Rakyat Pekerja [Workers Party; PRP], and Partai Rakyat Aceh [Aceh People's Party, PRA]) and party-led political fronts (such as Partai Persatuan Pembebasan Nasional [National Liberation Party of Unity, PAPERNAS]). These did not manage, however, to organise ordinary people, to reconcile avant-gardist ambitions with those of other activists, or to overcome unfavourable rules and
regulations with regard to the eligibility of parties to run in elections. A third strategy was to build a loose federative party (*Partai Perserikatan Rakyat* [United People's Party, PPR]) based on the political interests of various political organisations and civil society groups. However, activists failed to develop a unifying political concept and to court sympathetic actors and organisations working with issue-based donor projects. A fourth strategy was to 'take over' non-active local units of national parties initiated by moneyed political players in Jakarta (most recently, for example, the *Partai Nasdem* [National Democratic Party] in Central Sulawesi); or to opt for a 'diaspora strategy' by entering elitist parties and then trying to change them from within. Typically, however, leaders lacked sufficient base and resources to avoid being subordinated to the main priorities of the dominant political bosses, thus ending up with only a handful successful activist-turned-politicians in the 2014 legislative election.\(^3\) The fifth approach was to use existing interest and issue organisations to build trade union-based parties, develop effective political extra-parliamentary pressure, or sign political contracts with leaders or parties on favourable policies. As there was little development of a unifying political concept, such efforts tended to be subordinated to the powers and priorities of elitist political leaders and parties.

\(^3\) The idea supported by certain CSOs was to facilitate and endorse former activists to run in the 2014 elections. These activists were labeled 'honest and clean' candidates and were promoted in media and social media (see www.Bersih2014.org).
THE SOLO MODEL

As already mentioned, new and more dynamic popular politics and policies gained ground in the 2000s. The first was based on the possibility of rallying behind strong populist leaders in need of legitimacy and votes in direct local and presidential elections and thus using acquired resources and contacts with the 'grass-roots' to foster more progressive politics and policies. The foremost case was in the Central Javan city of Solo, also known as Surakarta (cf. Pratikno and Lay 2013). In this case, an unofficial social contract on urban development developed between leading politicians in the Indonesian Democratic Party – Struggle (PDI-P) and activists in CSOs and sectoral popular organisations. Solo has a long history, both during and after colonial rule, of popular struggles that often resulted in chaotic and destructive events. In the

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4 Thanks also to several informants during authors field visits to Solo, and in particular to Akbar of KOMPIP (a local NGO) that has been active in promoting citizens' participation agenda; April 2015. In addition to Törnquist’s conversations with activists in Solo in the late-1980, 1990s and especially in late 2006, early 2007, and in late 2013.
1950s and early 1960s the city was a stronghold of the *Partai Komunis Indonesia* (Indonesian Communist Party, PKI), and thereafter suffered badly from repression. Many years later, towards the end of Suharto's regime, it was again a centre of activism, this time in the context of a campaign against the then-president's Golkar party (Budiman and Törnquist 2001). The city was hard hit by the Asian economic crisis of the late 1990s, and as a result many people had problems of making ends meet, often having to squat open places and riversides and turn to petty trading in the streets.

A few years after the fall of Suharto, however, times began to change. First, substantial funds were devolved to the districts and towns, including Solo, in the context of decentralisation.\(^5\) Second, even though PDI-P won the first local parliamentary elections, Slamet Suryanto, a party member leader who wanted to be appointed mayor, did not get sufficient party backing and opted instead to negotiate support with a wide array of other politicians to get into office. Third, once Suryanto became mayor, he could not only rely on the support of dominant political and economic actors, but also had to nourish support among strategic sections of the bureaucracy (including those focussing on planning) and with civil society organisations and sectoral interest groups. This search for supplementary extra-parliamentary support became a turning point.

\(^5\) Indonesia’s radical agenda of decentralisation began to be implemented in 2001. Local governments received substantial portion of their budget from the central government. In the early stage of decentralization, on average, 90% the local governments’ budget came from external sources. This substantial external funding strengthened the local governments and especially the associated elites.
Cooperation with the grass-roots was, on the one hand, territorial in the context of Indonesia's so-called *Musrembang* (participatory planning), sponsored and celebrated by foreign donors as part of the hype around decentralisation, direct democracy, and the experiments in Porto Alegre (the political emergence and design of which was conveniently neglected).\(^6\) On the other hand, however, it was also sectoral via popular interest groups representing poor people, from hawkers to sex workers. These territorial and sectoral avenues could rarely be combined. In terms of capacity and impact, the sectoral organisations were most crucial. They were facilitated by both civil society groups (with external financial support) and special task forces (*satgas*), organised under PDI-P. Solo has a long history of popular struggles, but modern and progressive ideologies had been repressed. Hence organisations picked their options among the facilitators, depending on who they immediately found to be most favourable. Most importantly, consultations with the mayor and his administration were informal and often with one actor at the time. In spite of this, new linkages between government and society were established—and, in turn, they fostered political capacity among sectoral groups.

This proved important in the first round of local direct elections of political officials, which took place in Solo in 2005 (Buehler 2007, Pratikno 2009, Qodary 2009). In brief, direct elections did not generate more policy oriented politics and better representation, but they did indicate a demand for more than elitist negotiations within and between political parties. There

\(^6\) For a recent summary, see Antlov 2013.
was thus a need to reach out wider, to engage popular figures, to conduct popularity surveys, and to engage professional campaign workers and activists. The incumbent mayor, Suryanto, was accused of corruption, remained rebuffed by PDI-P, and had to run with the backing of a number of small parties. PDI-P rallied instead around a rising star, an educated local businessman with fresh visions named Joko 'Jokowi' Widodo. The party's foremost organiser, who had a working-class background and strong roots in the party's networks and its satgas, F.X. Hadi 'Rudy' Rudyatmo, was named as his deputy. This proved more successful.

However, Jokowi and Rudy were only elected with a slim margin of about one third of the votes. So even though PDI-P was in control of parliament, Jokowi and Rudy had to enhance their own authority and legitimacy to ensure anything was done. This called for extra-parliamentary support, just as in the case of the previous mayor. This time, however, a larger dose of populism was added. Jokowi and Rudy projected themselves as non-elitist mouthpieces of ordinary people's ideas and ambitions, capable of establishing direct links with popular and civic partners in society. As a result, it was possible for Jokowi and Rudy to get extra support, and for their partners in civil and sectoral organisations to strengthen their own political capacities. Moreover, the partnership between Jokowi and popular and civil society groups made it possible to bypass some of the party bosses and their clientelist networks—and thus shape Jokowi's image as a progressive and pro-poor mayor.
Jokowi's main focus was to curb corruption and clean up the chaotic city of Solo to make it liveable for the middle classes, to foster investments, and to even turn it into a tourist destination by bringing back 'the spirit of Java'. This called for getting rid of squatters along the riverbanks and hawkers in public places. However, by this point the urban poor had gained some organisational strength, and they flatly refused Jokowi's instructions to pull out. Given that repressive solutions were politically unviable, Jokowi and Rudy had to negotiate decent solutions. This proved successful, and Jokowi in particular gained a reputation as a good popular leader and administrator. In the following mayoral elections, Jokowi and Rudy even received 90% of the votes.

These negotiations to enable urban development in favour of business and middle classes by moderating the impacts on the poor and less well-off, and, where possible, to bring them aboard, became known as the Solo model. Interestingly, however, it was conveniently forgotten that such a successful model was made possible by the fact that popular groups had already become stronger in the framework of the cooperation with mayors since the early 2000s, and that it was this relative strength that made it necessary for Jokowi to avoid using force and to opt, wisely, for meaningful negotiations that resulted in a win-win deal.

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7 In interviews with street vendors-cum-activists, we were told of their willingness to confront the Solo administration’s instruction to move from public spaces just before the August 2006 ceremony commemorating Indonesia’s Independence Day. Some informants said that they would defend their ‘right’ to exist in the public park because that was their only place to sell goods. Other informants (journalists, university lecturers) also confirmed this story.
Still, the linkages between the local government and popular groups remained informal, more like those between a benevolent feudal ruler and his follower. When Jokowi shifted to Jakarta and Rudy became mayor, much of the populist flavour and some of the practices faded away.

In conclusion...

... in Solo, the space for broader alliances and policy development was due to the occasional need among dominant actors to develop extra-parliamentary support and the possibility of scattered activists rallying behind a 'friendly' politician. On a structural level, the Asian economic crisis was a facilitating factor. It shaped the urban crisis of dominant actors, led to greater interest in extra-economic control of land and other business opportunities, increased the number of dislocated and unemployed poor people who had to be 'managed', and led to an exodus of the middle classes to cleaner cities. These structural changes, in turn, meant that it was necessary to supplement clientelism with path-breaking populist campaigning and negotiations to win elections. Fifthly, finally, a major constraint was that populist leaders preferred feudal-like informal and separate negotiations with their partners. The crucial factor for whether or not progressive actors could benefit from the widened manoeuvring space was (and still is), therefore, as Cornelius Lay and Pratikno (2013) concluded in their analysis of the Solo experiments, drivers of change ability to institutionalise and democratise deliberative governance and effectively organise beneficiaries.
THE KAJS ALLIANCE

KAJS (Komite Aksi Jaminan Sosial, Action Committee for Social Security Reforms) refers to the successful efforts in Greater Jakarta in 2010–2012 by a number of leading unions, interest organisations, civil society groups and progressive parliamentarians to form a broad alliance (coordinated by KAJS) in support of legislation and implementation of a national insurance system, particularly universal health insurance (Law No. 11/2011 on Badan Penyelenggara Jaminan Sosial - Social Security Executing Agency, the BPJS).  

The new healthcare system would be as universal as possible, apply to families with up to three children (even if both parents were not employed) and be valid in the country at large (thus benefitting migrant labourers too). Furthermore, it would be based on a premium system with contributions from employees as well as employers; voluntary inclusion and premiums from the well-to-do self-employed; and the State

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8 For a detailed discussion of the KAJS movement see Tjandra, 2016: 138-146 and Cole (2012).
covering premiums for the poor. There would thus also be an incentive for the State to foster good employment relations so that the employers would have to pay their share.\textsuperscript{9}

The broad contours of a law on *Sistem Jaminan Sosial Nasional* (National Social Security System, SJSN) were first initiated in 2004 by the government under President Megawati. The government of Susilo Bambang Yudhoyono (SBY), which followed, responded reluctantly to proposals and ignored its responsibility to provide implementing regulations, including a bill on the implementation of BPJS, to ensure that the system could work. Until immediately before the October 2009 deadline, the government had not submitted any operational proposals to the National Parliament (DPR). The DPR then initiated a draft bill on BPJS, to be discussed in the House as part of the 2010 legislative program. It was in response to the delaying of the deliberation of this BPJS bill that dozens of national labour unions and NGOs, as well as farmers, fishermen, student organisations and individuals formed the KAJS. KAJS was a civil society organisation to push for the implementation of social security reforms. It was formally agreed upon in a meeting from 6 to 8 March 2010 in Jakarta with a number of unions and other organisations, facilitated in particular by *Federasi Serikat Pekerja Metal Indonesia* (Federation of Indonesian Metal Worker Unions, FSPMI) and its vigorous chairman Said Iqbal, the Trade Union Rights

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\textsuperscript{9} For BPJS, formal and permanent employment relationships are preferable over contractual employment relationships or outsourcing, as it is easier it to collect premiums. Presently, approximately 163 million of Indonesia's 255 million populaces are enrolled (including all family members).
Centre, and the Friedrich Ebert Stiftung. This meeting was important because, to strengthen workers' demands, union leaders agreed to merge all the groups and individuals supporting social security reform into a single 'action committee'. In its work, KAJS also gained broader support from other civil society organisations, including urban poor, domestic labourers, peasants, NGOs, academics, and reformed bureaucrats and members of parliament—most notably the charismatic actress turned PDI-P politician-cum-activist Rieke D. Pitaloka. This made the (eventual) successful enactment of the BPJS Bill possible.

Initially, unions responded to the idea of a universal health scheme by defending their previous special benefits for formal-sector permanent workers and their leaders through Jamsostek Ltd. Their original demands, therefore, focused on transforming Jamsostek Ltd. by only establishing one additional pension program, for formal workers in the private sector. They were less interested in issues such as universal healthcare and the existing problematic pension scheme for civil servants (Tjandra, 2016: 151). After some time, however, several leaders and their followers understood that they would gain wider support by incorporating and linking up with broader sections of labour. This brought to mind the frequent examples of social movement trade unionism, in which unions initiate broader alliances beyond the factory gates, that have been so important in,

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10 The initiators KAJS included the Federasi Serikat Pekerja Metal Indonesia (Federation of Indonesian Metal Worker Unions, FSPMI); the Konfederasi Serikat Pekerja Indonesia (Confederation of Indonesian Labour Unions, KSPI), the Konfederasi Serikat Pekerja Seluruh Indonesia (Confederation of All-Indonesian Labour Unions (KSPSI), Komite Buruh Untuk Aksi Reformasi (Labourers Committee for Reform, Kobar) and the Trade Union Rights Centre (TURC).
Dilemmas of Populist Transactionalism

for example, South Africa (for a recent analysis see Williams 2015). It never really managed, however, to bring informal labourers (such as domestic labour) aboard on an equal footing—which brings to mind the Indian experiences where informal labourers organise on their own (Agarwala 2013). The structural background was, of course, the increasing informalisation of employment relations that impact not only affected workers but also unions. This called for broader unity behind unions and for union engagement in wider laws and regulations as well as social security reforms. Moreover, the precarious middle classes too became interested in public welfare reforms. In addition, one central finding of the recent PWD democracy survey is that the general interest in public welfare schemes among activists and, they say, among the general populace has increased. This interest was also expressed through extensive media attention, the engagement of leading NGOs, as well as frequent references to public welfare reforms in other countries, including the Obamacare programme in the United States. Many politicians increasingly adjusted to the opinion, especially within the PDI-P, whose leader Megawati Sukarnoputri's previous government had initiated the new law in 2004. Though it is true that most employers thought that they had to pay too high premiums, generally history was on the side of the reformists.

Remarkably, however, the successful campaign proved to be temporary and in proportion to special (and even individual) interests of the unions, their leaders, and politicians. Moreover, there was little in terms of additional policy proposals as part of a strategy
to follow up the successful alliance and to reach out to informal labour. The reforms have likewise not generated demand for the efficient and non-corrupt governance of the welfare schemes. Separate anti-corruption campaigns monitor obstacles and problems face by people accessing service provisions, particularly in the health and education sectors. However, they primarily relate to the urban middle classes and have not been able to integrate their efforts with social movements such as labour and peasants. As such, there is a need to restart efforts at broader alliances; we shall return to this in section 5.

*In conclusion*...

... the KAJS experience clearly indicates that there is potential for unified actions on welfare issues between unions and other interest organisations and related issue groups. However, labourers in informal sectors were not firmly included. Likewise, the additional role of concerned politicians as well as think tanks on the national political and parliamentary level in developing specific proposals must not be underestimated. Concerned politicians (such as Rieke Diah Pitaloka), organisations linking workers in formal and informal sectors (such as TURC), think tanks (such as the Prakarsa), and scholars all helped set the agenda. This was essential in bringing together various individuals and groups, and it attracted additional interest from the media and general populace. However, it proved insufficient, with the partial exception of the (at the time of writing) ongoing election campaign of trade union leader Obon Tabroni for the position of *bupati* (regent) in Bekasi Regency. In fact, the lack of follow up actions
and sustained unity seems to be related to a shortage of long-term strategies beyond issue-based advocacy work, which in turn rests with these actors insufficient capacity for long term policy development.

In view of international experiences, such long-term reform sequences of might include additional welfare reforms such as unemployment and educational schemes. These would benefit both labourers (and middle classes) and employers who focus not on exploiting cheap labour, getting access to attractive land and concessions, and extracting natural resources but competing and earning profit on the basis of efficient and more advanced production. Such links between welfare reforms and inclusive economic growth—the basis of social democratic development in northern Europe, particularly Scandinavia (Törnquist and Harriss 2016)—are particularly important to avoid the growth based on cheap wages and extraction of resources and the bifurcation between reforms, in terms of handouts for the poor, that is so common in countries like India. Indian labourers in informal sectors and labourers without fixed employers have begun to organise on their own and tend to ask state governments (within the Indian union) for better welfare policies, which in turn, have at times engaged employers in so-called welfare boards (Agarwala 2013). In addition, Indian activists have engaged in successful campaigns for equal citizenship, political capacity, and welfare, including the right to information and food as well as a remarkable rural employment guarantee scheme (MNAREGA) that provides unemployed people with public work with consumer price index-based minimum wages for at least 100 days per year. These reforms,
however, have not really become part of the strategies for more inclusive growth, but rather served as supplements to neo-liberal growth. Unfortunately, this applies partly to the Brazilian *Fome Zero* programmes too, including *Bolsa Familia* programme, and even to its de-informalisation of employment relations (cf. Saa-Filho 2015 and Maurizio 2015) Similarly, ANC and trade unions have not really included strategies to handle the basic problem of unemployment (cf. Seekings and Nattrass 2015).

It is true that the Indonesian demands for a universal health programme rested more with popular mobilisation than in India, where they reflected the harsh conditions among hundreds of millions of people and were advocated by rights campaigners with some patronage from Mrs Sonia Gandhi during the Congress-led and Left-supported governments between 2004 and 2014 (Harriss 2016 and Chandhoke 2016). In Indonesia, however, as we have seen, the insufficient development of strategic transformative policies provided immediate space for the resurgence of special interests among the various partners involved, especially among organised labour—to which we shall return in section 6. The KAJS alliance was a campaign by activists and politicians with forceful support and engagement from certain unions, rather than a broad movement promoting related policy development from below. Hence there was no solid movement to sustain unity and further actions beyond monitoring the implementation from 2011 until 2014.
Dilemmas of Populist Transactionalism
SCALING UP THE SOLO MODEL

Possibly the most crucial question with regard to the relatively successful social contract in Solo was whether and how the model could be scaled up from a small city to a much larger one or even to the national level. This was put to the test with Jokowi's gubernatorial campaign in Jakarta (2012) and his presidential campaign (2014). In each case, it was possible to foster the model on broader levels. We turn first to Jakarta and then the Presidential palace.

The Jakarta project

Jokowi’s performance in Solo was above the average of many other local executive leaders. Several innovative programs, especially the pro-poor policies, attracted media attention and boosted his popularity. Solo became an ‘innovation site’ where cultural events combined with governance innovations attracted the attention of donors, activists, other local governments and reformers. Jokowi received various awards for his anti-corruption policies; and his popularity and proven records put him
on the national radar in conjunction with the election of new governor of Jakarta to be held in 2012. In this context, the PDI-P leadership had to find a figure that was able to contest the popularity of the incumbent governor and sufficient political and economic support. After discussions within the PDI-P elite (with the proponents of Jokowi as a potential winner in an increasingly strong position), as well as within the top brass in the Gerindra-party of the former General and son in law of Suharto, businessman Prabowo Subianto (and his immensely rich brother, Hasyim Djojohadikusomo), the parties agreed to nominate Jokowi as governor candidate in tandem with Basuki Tjahaja ‘Ahok’ Purnama. Ahok, a mining engineer with ethnic Chinese background, was best known as a reformist regent of Belitung Timur, off the east coast of Sumatra, where he had failed to become the governor and instead been elected in 2009 on a Golkar Party ticket as member of the national House of Representatives where he engaged in environmental and welfare issues in particular. In face of the governor election in Jakarta he intended to run as an independent candidate, but did not receive enough support and was instead nominated by Gerindra. Seasoned observers claim that this was because his Chinese ethnic origin attracted Prabowo, who needed to signal that he had changed since 1998 when instigating anti-Chinese riots to contain the transition from the New Order (Fealy, 2013).

Jokowi’s and Ahok’s candidacy was supported not only by leaders within PDI-P and Gerindra. There were also fruitful discussions between the Jokowi-Ahok team and union partners within the KAJS campaign. Certain union leaders conveyed support, including Said Iqbal of
the well-organised *Konfederasi Serikat Pekerja Indonesia* (Confederation of Indonesian Trade Unions, KSPI). In addition, several rather young people in particular were fascinated by the possibility, in spite of Indonesia's run-down politics, of fostering clean candidates with good track records in the same vein as Barack Obama's campaign for 'change'. Many were active in social media, some joined the campaign machine as volunteers, and civil society organisations formed a loose coalition in East Jakarta called Volunteers for a New Jakarta (RPJB) coordinated by noted scholarly activist Hilmar Farid. Moreover, attempts were made to win over not-always-very-progressive leaders of resident organisations that had been close to the incumbent Governor (Suaedy 2014).

Generally, however, civil society was less well organised in Jakarta than in Solo. Many civil society groups in Jakarta focus on general advocacy and on lobbying the national government and parliament. As such, they tended to keep arm-length distance from the elections. In addition, many activists, including important leaders such as Wardah Hafid and Romo Sandyawan and followers of the Urban Poor Consortium (UPC) and *Jaringan Rakyat Miskin Kota* (Poor People's City Network, JRMK), supported the progressive, independent, middle class-oriented candidate Faisal Basri, a leading economist and former secretary general of the *Partai Amanat Nasional* (National Mandate Party, PAN), a party which was important in the aftermath of the fall of Suharto before backsliding into religious-identity based politics. Basri appointed senior

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11 Conversations with, among others, Pitono Adhi of RPJB.
journalist (and also former PAN member) Santoso as his campaign coordinator. Santoso activated Basri's network, launched the so-called Jakarta Kita (Our Jakarta) volunteer groups at the hamlet (RW) and neighbourhood (RT) level, and launched a social democratic-oriented platform which aimed at attracting non-oligarchic business, middle classes, and workers. Unions and many radicals, however, did not come along, and there were hardly any populist welfare reform proposals. As such, when Jokowi began to campaign and gained the upper hand, many followers jumped ship and Basri lost in the first round of the elections.\(^{12}\)

Jokowi and Ahok had more resources, good campaigners, and a more effective and trustworthy message to promote populist social welfare issues such as education, health, and social protection of the poor on the basis of their well-reputed previous experiences (Nugroho 2014). In short, the policy proposals were projected as a continuation of Jokowi's landmark innovations in Solo and some of the efforts of Ahok, both in Belitung and in his capacity as a campaigner for the national health scheme during his brief stint as a DPR member. Jokowi in particular was able to 'sell' his populist programs remarkably well, especially in the media. Media covered his frequent visits in troubled neighbourhoods wearing chequered every-man's shirts, using simple means of transportation, and rarely making speeches but listening humbly to local people's problems (that his team had, of course, prepared him for). Many

\(^{12}\) Interviews and conversations with Sukma Widyanti, former secretary general of Pergerakan Indonesia (Indonesia Movement, PI) of which Faisal Basri was the chairman (Djani, May 2016) and Wardah Hafid, former chairperson of UPC (Törnquist, continuous).
voters were convinced, thus, that his proven capacity to manage Solo would apply in Jakarta too. The main challenge was thus not civil society-based contenders, but incumbent governor Fauzi Bowo, nicknamed 'Foke'. Foke had powerful support from most of the other mainstream parties and relied on his ideas for infrastructure projects and on a web-like network of indigenous Betawi and Islamic organisations. Nevertheless, Jokowi and Ahok stood tall and Foke was defeated in the second round.

It is true that Jokowi and Ahok differed from each other. For example, the former focused on social protection of the poor and stood out as the soft solidarity maker, beloved by ordinary people and the media, while the latter fostered a more institutionalised social security system combining social assistance for the poor (paid for by the government) and social insurance (paid for by participants and their employers) that was later passed by Parliament (i.e. BPJS). Also, he was known for his efficient but rather rude managerial style, one enacted in hopes of making Jakarta somewhat Singaporean.\(^\text{13}\) However, these different characteristics proved complementary rather than contradictory. For the citizens of Jakarta, Jokowi and Ahok introduced, ahead of Parliament, the provision of such basic services as 'Health Cards' (Kartu Jakarta Sehat, KJS) and 'Education Cards' (Kartu Jakarta Pintar, KJP), along with efforts to safeguard poor patients and poor students in accessing those services. They also streamlined the provincial administration's projects and activities, many

\(^{13}\) Conveniently forgetting, of course, that Singapore's success rested with authoritarian revolution and governance plus its status as a free-riding city state separate from Malaysia.
of which were redundant or empty projects with little impact. Ahok, moreover, introduced e-government and e-budgeting initiatives through which the administration could use online tender mechanisms to procure goods and services. The e-government initiatives were a breakthrough in administrative services, enabling people to obtain licenses and permits within a short period of time.

**Two main problems**

The first of two main problems was that the negotiations and cooperation with civil society organisations and sectoral groups in Solo could not be duplicated in Jakarta. In Solo, these organisations and groups had gained some clout owing to historical activism in the area and in the space provided by conflicts within the political elite that needed extra-parliamentary support. Little of this applied to Jakarta. Jokowi's main advisor in this regard, Eko Sulistyo, the former director of a local NGO in Solo (*Kompip*)\(^{14}\) who was brought to Jakarta, often had to apply quick fixes in unchartered waters with the support of scattered civil society activists and community facilitators. It is true that Jokowi tried to maintain his benevolent managerial style from Solo, which had become his trademark, and that many supportive volunteer groups were encouraged to continue their activism after the elections by channelling people's demands and monitoring public service delivery, but these groups were not as well-organised as in Solo. Moreover, for example, Jokowi tried to develop his own deliberative form of public administration with

\(^{14}\) Konsorsium Lembaga Swadaya Masyarakat untuk Monitoring dan Pemberdayaan Institusi Publik (Consortium of Non-Governmental Organisations for Public Institution Monitoring and Empowerment)
regard to squatters and slum dwellers by installing the first ever female official in-charge of the Local Law Enforcement Unit (*Satuan Pengaman Polisi Pamong Praja/Satpol PP*), and the *Satpol PP* personnel used persuasion rather than force in dealing with urban poor squatters and street vendors. In the process, local fixers also gained ground.\(^\text{15}\) Even when they guided and aided local people in getting access to public services such as health care, according to our informants and early results from research by Retna Hanani (2015) this may have at least partly taken the form of patronage in exchange for political support rather than the facilitation of active citizenship wherein people themselves would get to know their rights and how they could claim and extend them. Hence, there was much less capacity in Jakarta than in Solo to stand up against worsening policies, particularly with regard to squatters. This happened when it was decided that Jokowi should run for president (to which we shall soon return) and when Ahok became governor. Ahok wanted speedier actions to 'clean up the city' to foster economic development and gain the support of the middle classes. This was also subject to some criticism from concerned sections of the middle classes (e.g. *Jakarta Post* 20.02.2016), as persons who were not officially residents of Jakarta simply had to leave the city and persons who were officially residents, where provided with public housing, had to pay rather substantial rents or leave within six months.\(^\text{16}\) Generally, Ahok seemed to gain sufficient ground among the middle classes with his harsher policies—until late 2016, when

\(^\text{15}\) See Amalinda Savirani and Dono’s paper on "Urban Poor Struggle in Jakarta". Personal communication with Ian Wilson (Djani).

\(^\text{16}\) Personal communication with Dono of UPC (Yogyakarta, February 2016).
politicians contesting in the forthcoming gubernatorial elections, along with socio-religious Muslim organisations supported the infamous Islamic Defenders Front's (FPI) campaigned against Ahok for allegedly having committed blasphemy when criticising how certain leaders had turned a verse in the Qur'an against him. Ahok’s ill-advised statement, as well as his contenders’ hypocritical identity politics, put Indonesia’s remarkable pluralism and multiculturalism at risk. Perhaps worst, the contending politicians and Muslim groups were able to mobilise the urban poor that Ahok had neglected and even evicted to show his middle class supporters that he could deliver results speedily (cf. Wilson 2016). Suddenly Indonesia was far from Jokowi’s Solo model of negotiating social contracts, instead becoming more reminiscent of Modi’s India and of Donald Trump and European right-wing populist politicians’ ability to gain substantial support from not just extremists and racists but also the neglected working class.

The second problem involved cooperation with sectoral organisations, including trade unions. We shall return to this from the point of view of the activists who tried to further develop the KAJS alliance, but at this point we focus on the problems of applying the Solo model in Jakarta. Once elected, the deputy governor in particular engaged in bringing up minimum wages to the officially calculated level of what is needed to sustain a decent standard of living. This was, of course, much appreciated, but the challenge was to find a balance between better wages, welfare programmes, and public services as well as employment generation and industrial development. When putting these issues on the main
agenda in late 2013, and inviting unions to discuss how to provide better and cheaper housing and transportation rather than only higher minimum wages, union leaders were reluctant. There were several reasons for this, including the lack of an institutionalised format for democratic interest representation (of both unions and employers and other parties to the issues) that would make it possible, among other things, for union leaders to convince their members that they would not lose out. There were also growing political stakes involved, including among the union leaders themselves. Some began to distance themselves from Jokowi and link up with presidential candidate Prabowo Subianto (more on this in section 6 below).

In conclusion...

... initial efforts to scale up the Solo model in Jakarta mainly involved the elite. The ideas did not emerge from social movements, but rather intellectual supporters of change through decentralisation and populist social contracts. These actors gained ground thanks to the need for an electable figure among PDI-P party bosses and others. However, the unholy alliance with Gerindra and the huge funds involved did not entirely dominate the picture. Jokowi's popularity, which was certainly appreciated by the powerful actors who had invested in him, also granted him some autonomy, as did Ahok's good reputation. The main problem in Jakarta was not just that popular sectoral groups and related civil society associations focussed more on 'national' politics than on local politics of immediate importance for people at the grassroots. Unlike their counterparts in Solo, they also had been unable to enhance their organisations while
cooperating with political leaders in need of extra-parliamentary support. Indeed, their relations with previous governors had been quite strained. In Jakarta, then, there was no time to generate the necessary strength among popular organisations, and thus many leaders and activists resorted to shortcuts and quick fixes of obtaining popular backing through networking and media hype. This was, of course, a serious drawback, and after the elections attempts were made to sustain work among the volunteers and build good relations with unions. These efforts, however, were insufficient; and they were soon overtaken by an elitist and populist transactionalism and, most recently, by Ahok's focus on the middle classes to the neglect of the labourers and urban poor so important in the Solo model.

**The progressive president project**

The ultimate test in the attempt to scale up the Solo model was the promotion of broader alliances to launch Jokowi as an alternative presidential candidate and thereafter foster progressive policies. Getting Jokowi accepted by the decisive elite was an uphill task. The only realistic way was through the PDI-P, but that meant that the party bosses and Sukarno's daughter Megawati Sukarnoputri (who contemplated running as presidential candidate again), and her siblings (who also had political stakes) had to be convinced. This called for a combination of elitist discussions and the drumming up of Jokowi's popularity. The campaign was primarily driven by some pro-democratic activists who had been against the Suharto regime and remained close to, but not always members of, the PDI-P. Having reunited in a number of clusters, these activists built networks and
formal organisations. One avenue for trusted advisors (such as Cornelis Lay and Andi Wijajanto) and politicians and activists (such as Eva Kusuma Sundari, Teten Masduki and Hilmar Farid), as well as representatives of more unofficial supporters (like UGM Rector Pratikno), was to employ contacts with actual decision makers, in the final instance Megawati. In the end, Megawati was convinced to form an advisory committee of entrusted academicians and experts-cum-activists (the 'team of eleven') to analyse political dynamics and to give impartial advice. The poorly organised popular base was compensated for by intensifying populist measures and media exposure. This, too, was done through networking and by using social media, but also involved building supportive campaign organisations such as Pro-Jokowi (Projo), numerous volunteer organisations, and Seknas Jokowi (the National Secretariat for Jokowi). The latter of these was aimed at bringing together committed experts and leading activists to suggest policies within various areas and sectors (Nugroho and Yamin 2014). These groups, however, could only generate broader alliances from above, and the bottom line to convince Megawati was favourable opinion polls.

Getting Jokowi elected was otherwise a matter of building a sufficiently broad coalition of influential elite figures with financial and media resources. Jokowi's favourite as potential vice-presidential candidate, Abraham Samad, a man from outside Java and the head of the anti-corruption commission, was thus turned down (including by Megawati) as a lightweighter in favour of former vice president Jusuf Kalla. Kalla, too, was from Makassar and compensated his poor
reputation with respect to impartial governance and human rights with a solid base in and around Golkar, his idea of substituting business opportunities for the repression of rebels, his huge financial resources, and his basic trust among business leaders (such as Sofjan Wanandi) and related technocrats and senior editors (such as his brother Jusuf Wanandi).

These dynamics affected Jokowi's programme and campaign too. There was indeed a movement behind Jokowi in his capacity as a non-corrupt and fairly simple businessman from outside the Jakarta elite who had proven capable of advancing and managing to facilitate change without being the son of a general, famous politician, or oligarch. However, cooperation with popular groups and civil society organisations—as in Solo—was not yet feasible in Jakarta. Moreover, no alternative strategy was shaped to foster such organisation. Quick fixes were insufficient, and the basic policy orientation and commitments were constrained by major political and economic sponsors. Jokowi and his team had not worked out a proactive concept, but resorted to reactive problem-solving. Reaching beyond the model developed in the Royal country town of Solo, something had to be done, given that increasingly many different actors and interests had to be accommodated and that the prime supporting party was PDI-P. The solution was to reclaim state policies, including to provide protection of the poor through various welfare programmes, and to recall populist oriented Sukarnoism by emphasising Sukarno's formula of national and economic independence and cultural dignity, known as Trisakti.
In reality, however, the business community deemed Jokowi much more liberal than Prabowo. Prior to assuming office in Solo, Jokowi's background was in the furniture trade and in directing a business association. By the time of the presidential election, he was applauded even by the world's leading liberal journal, the *Economist*, for reducing business permits and licensing (more as matter of principle than based on an evaluation of their qualities) and for fostering economic development and mega infrastructure projects in cooperation with business—while ignoring democratic representation of labourers and other affected people and communities. Moreover, the somewhat more specific nine priorities, Nawa Cita (the principles that were meant to reflect aspirations among popular movements and facilitate broader alliances) were limited to general statements about social welfare and improved education, anti-corruption, greater support for rural development and neglected parts of the country beyond the urban industrial centres, and sweeping statements about participation and human rights. This is not to suggest that neither Trisakti nor the Nawa Cita or their authors\(^{17}\) were fake. Rather, there was nothing like the concept and strategy for implementation in terms of priorities, step-by-step reforms, and—most importantly—formats for negotiation and agreement with concerned fundamental parties (including business, labourers, and ordinary citizens) that had evolved in Solo, gained trust, and would need to be fostered elsewhere too.

\(^{17}\) Including a number of academics such as Andrinof A. Chaniago, who later served as Minister of National Development Planning for less than a year.
In short, this was insufficient; and towards the end of the presidential campaign there were not many attractive reform messages to put up against Prabowo's enormous funds and massive smearing. It appeared that Jokowi was about to lose out.\textsuperscript{18} However, just as in May 1998, quite different actors with new visions entered the scene. While in 1998 the moral force had been students filling the streets and parliamentary grounds, thus tipping the balance against Suharto, now cultural activists mobilised huge masses for a merry concert that ignited hopes for a better future in which everybody wanted to be part. Ultimately Jokowi won, by a thin margin. Just as the civil society activists and students in 1998 disintegrated within a few months and were marginalised by the moderate elite, the equally spontaneously organised volunteers behind Jokowi were immediately kept at bay as soon as the election was over.

\textit{Lost in government-formation}

In direct elections, political parties may lose control over the campaign process as candidates' electoral machineries and supportive popular organisations, families and networks, as well as professional canvassers become more imperative. However, the playground is different once the votes have been cast (Buehler and Tan 2008). Dominant Indonesian groups and political elites clearly understood this development. Immediately prior to the inauguration of Jokowi as Indonesia's seventh President, key players

\textsuperscript{18} The gap between Jokowi and Prabowo narrowed in the last week before voting, according to credible pollsters. This situation brought into question why the 'Jokowi effect' was more limited than predicted (see Aspinall 2014).
such as Luhut B. Pandjaitan\textsuperscript{19} and Andi Widjajanto\textsuperscript{20} along with Rini Sumarno\textsuperscript{21} established a 'Kantor Transisi' (Transition Office) with the main party leaders that had backed Jokowi and Kalla. This became a formal channel not only to design and prepare the transfer of power from the previous administration to Jokowi's, but also to regain control over the political arena. In fact, Jokowi himself had not given instructions and had to step in to provide some little space for the volunteers. The transition office acted as gate-keeper to reconcile and mediate interests, including in the nomination of potential cabinet member.\textsuperscript{22}

In addition, vice president Jusuf Kalla resumed his major influence over economic policies from the previous presidential administration. One outcome was that Jokowi's bold, quick decision to work with business to reduce fuel subsidies and foster economic development, and, at best, welfare policies too, was not combined with developing cooperation with representatives of labourers, farmers and the middle classes. Some loyal leaders were granted favours as part of populist transactionalism, but the most dynamic and distrusted union leaders of FSPMI and KSPI, who had been promised positions and funds by Prabowo during the presidential elections and were now in search for a new lease on life under Jokowi, were not provided with a

\textsuperscript{19} A businessman, business partner of Jokowi, friend of Golkar leader Aburizal Bakrie, commando commander and former general. He is now the Coordinating Minister of Political, Legal, and Security Affairs.

\textsuperscript{20} Son of the late general and PDI-P politician Theo Syafei, political science lecturer, defence analyst, and Cabinet Secretary until August 2015

\textsuperscript{21} Former CEO in banking and big business; close to the PDI-P; currently the Minister of State-Owned Businesses.

\textsuperscript{22} Tempo magazine, 15 September 2014 edition 'Transisi Setengah Mati'
democratic alternative. They thus returned to the old practice of claiming various benefits for themselves and their specific members, both from the government and from their wealthier authoritarian patron Prabowo (Tjandra 2014). We shall come back to this.

**Linking up with the anti-corruption efforts**

In this context, Jokowi was caught between two distinct positions: one camp demanded that cabinet members be professional and competent, as frequently stated by Jokowi himself during his campaign, while the other maintained that political parties that supported Jokowi’s candidacy should have crucial positions in the cabinet. To strengthen his position, Jokowi shared the burden of screening potential members of the cabinet with the anti-corruption commission, KPK (*Komisi Pemberantasan Korupsi*, or Commission to Eradicate Corruption). KPK was asked about particular candidates' track records. As this was a way of rejecting the persons submitted by party elites, party bosses were certainly frustrated but turned to clean proxy candidates with sometimes dubious qualifications—thus continuing to block progressive candidates.

Moreover, Jokowi's reliance on the screenings by the anti-corruption agency in fostering change was also undermined by concerted efforts on part of the police, the military, the judiciary, and other conservative groups and party bosses. This became most obvious in the struggle over the appointment of the new Head of the Police. When the candidate who was suggested through backroom compromises, Budi Gunawan, was announced, KPK declared him suspect of corruption. In response, the Police stated that two of KPK's
commissioners, Abraham Samad and Bambang Widjojanto, had also been involved in criminal cases, though long time ago and in minor cases, meaning that these commissioners had to be suspended. This was not a new tactic; for a decade, there have been conflicts between KPK and the Police over the KPK's attempts to investigate and prosecute high ranking police officials suspected of corruption. In most cases, the KPK leaders have stood out as absolutely clean. Moreover, there have been strong public sympathies for the KPK over the years. However, after the election some of them were accused of petty crimes, and the Police were supported by powerful political bosses and parliamentarians for whom the case was also about their chance to appoint themselves and allies to influential positions. Equally bad, attempts to mobilise public support for KPK ('#savekpk') failed to build a cross-sectoral movement despite extensive solidarity. The President himself could thus not stand tall, but had to search for compromises through a consultative group, which did not help much, and by appointing temporary commissioners. This turned the KPK into a lame duck. Meanwhile, the contracted time in office was up for all the incumbent commissioners, and while the eight prime candidates identified by a respectable group of 'formidable Ladies' (Srikandi) appointed by Jokowi were accepted by most parties, the final selection in parliament turned into disgraceful horse trading that boiled down to tactical considerations among the politicians with their own skeletons in the closet and special preferences for how the struggle against corruption should be conducted. Worst, civil society groups and popular organisations did not manage to counter this by a broad alliance to oppose
the vested interests involved and to promote the progressive candidates among those who had been suggested by the 'formidable ladies'. One fundamental reason was, of course, that there were no firm programmes from the progressive candidates on the basis of which the general populace could be convinced that the struggle was not just important for the figures involved but also crucial for common people's efforts at a better life through efficient governance. Support was thus limited to media statements against candidates with dubious track records, and as a result the field was open for parliamentarians' final selection on the basis of political compromises, which Jokowi could not but accept. This was then followed by further attempts to weaken the position of the KPK.

In the end, there was almost no representation of the groups that aspired to scale up the Solo project and promote alliances such as KAJS. The consequences were serious. The weakening of these movements and actors was not just bad for them and their visions, but also undermined Jokowi's own ability to withstand the hostile parliament and his more conservative-oriented partners inside the cabinet.

Anti-corruption movements can do better, as the recent local experiences in north India prove. In New Delhi, those who transformed the main parts of an anti-corruption movement into a party managed to build a very broad front and win the elections in 2013 and in a landslide in 2015. The immediate background was the India Against Corruption (IAC) movement that evolved in the late 2000s. Great attention was given to enormous abuse of public resources, but also to politically
facilitated accumulation of capital by dispossessing poor people of the land where they lived and earned their livelihoods without fair compensation. This attracted extensive media attention, and the major demand was for a politically independent anti-corruption ombudsman (Lokpal). When some concessions were finally given in 2012, and as activists trying to impose decisions on the elected parliament faced valid critiques, the movement began to lose steam. However, the reaction of several activists proved historical: they decided to continue the struggle by 'going political', by transforming the movement into a party, the Aam Aadmi Party (Common Man's Party, AAP) and participating in the local election in New Delhi. The main focus was simple: to curb corruption and put an end to dirty politics through participatory democracy. The claims for more democracy were also related to the growing concern, among the younger generation in particular, over gender rights and even problems of rape. There was thus an impressive new wave of mostly younger people involved with these and other human rights issues.

Remarkably, the AAP activists managed to bypass vote banks based on party favours and ethnic and religious networks-cum-clientelism by relating corruption to some of the most immediate problems with public provisioning of basic services, including water and electricity, faced by so many people in New Delhi.23 Also, activists engaged in immediate voluntary assistance showing citizens how to claim their rights and enrolling them in selecting AAP's candidates and in drawing up the

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23 For the AAP experience, see in particular Harriss (2016), Ramani (2013); Shukla (2013), Palshikar (2013), Roy (2014); Naqvi (2015); Palshikar 2016; and The Hindu's review of its performance (14 February 2016).
party's main action programme. Corruption is certainly not the root of the problems in India, and APP did not even have a policy regarding such problems of labour as jobs and employment conditions or many other issues that cannot be handled on the local level through participation in neighbourhood and town hall meetings. However, in this case APP's focus was on the immediate basic needs of many people, both the poor and middle classes, and addressing them through democratisation facilitated by active citizenship and collective political action. It is true that a number of mistakes by the AAP-led local government (which was short of an agenda for how to really implement many of its promises) were followed by presidential rule and total failure in the national elections in 2014, indicating very clearly that AAP's success was not just due to media hype about corruption but also a movement on the ground which was only organised in New Delhi; in New Delhi, the party made an astonishing comeback in early 2015, winning 67 of 70 seats. It is also true that, in a week or so, the movement-cum-party proved that, while arguing for genuine democracy, AAP could not even handle its own internal problems as it began to fall apart. In fact, it stood out as a rather top-down driven populist party without convincing governance capacity. Yet AAP has proven what is possible, and it has made some headway in improving conditions for people in New Delhi.

In short, there was no vision on the part of Jokowi and his team for fostering cross-class alliances and thus enabling progressive reforms. The basics of the Solo model of cooperation with civil society and popular sectoral groups, which had also been attempted in Jakarta, were much more difficult to materialise in larger
contexts. Bluntly speaking, there was no concept and strategy. In brief, a populist figure without an organised popular movement to back him—and, worst, no policies to facilitate one—had to accept that he needed to combine a greater focus on welfare with market-oriented economic growth in cooperation with big Indonesian business and international partners without involving labour. This was not realistic, nor did it catch the imagination of many people. As such, Jokowi's popularity from the good work in Solo and Jakarta began to peter out. Initially this applied to the campaign machinery, which was far from the consolidated and efficient machinery of Prabowo. It was only thanks to clumsy tactical mistakes on part of his opponents and a last minute cultural and social media campaign among volunteer groups and personalities that Jokowi finally won the race with a slim margin. Since taking power, with the poorly organised supportive movement now marginalised, the President has largely been constrained by the party leaders and businessmen that back up his administration.

_In conclusion…_

… Jokowi's candidacy for the position of president was made possible by supportive elites, some of whom also initiated volunteer groups, who—mainly thanks to positive opinion polls because of his successful performance and media hype in Jakarta—managed to convince Megawati of his outstanding electability. Getting elected, however, was also a matter of negotiating additional support from party bosses and moneyed actors. This affected the campaign and the programme, which was essentially a compromise between Sukarnoism and liberal economics, and which
marginalised anything resembling the Solo model of implementing alternative policies by negotiating not just with business but also sectoral groups and civil society organisations. Bluntly speaking, there was no concept or strategy that could catch people's imagination, and in the end Jokowi was only saved by his opponents' mistakes and an intensive electoral campaign on part of a genuine popular movement of volunteers from all walks of life. Immediately, however, the much better organised party bosses and other elites resumed initiative in the processes of cabinet selection and deciding real priorities. In the end, there was almost no representation of the groups and concerns that were a basic pillar of the governance model that had proved successful in Solo and promising in Jakarta, and which had made Jokowi himself immensely popular. Bold policy initiatives, such as redirecting fuel subsidies to welfare and infrastructure investments towards inclusive growth, were neither negotiated not followed up by cooperation beyond business groups, and even the best labour leaders preferred special favours over engaging in a campaign for participatory governance. Moreover, attempts to appoint the best possible ministers by having the anti-corruption commission disclose candidates with poor track records failed for many reasons, but in the end mainly because of the anti-corruption movement's insufficient capacity to broaden the issue of anti-corruption to matters concerning the common people and thus generating sufficiently broad backing. Recent positive developments in New Delhi, where anti-corruption activists managed to broaden their agenda to include ordinary people's problems and thus win elections, testify to what is possible. Unsurprisingly, however, in Jakarta the
government' performance has been disappointing, as has that of the president himself. We shall soon return to efforts at reorganisation and attempts at improving his staff.

In short, while efforts to scale up the Solo model were successful in the sense that Jokowi was elected President, they were fundamentally unsuccessful as there were no concepts or strategies to foster and implement the model. This rested primarily with insufficient support for and backing by the partners among sectoral groups and civil society actors that was fundamental for the model to function in the first place.
SCALING UP THE KAJS ALLIANCE: ONE STEP FORWARD AND TWO STEPS BACK

Meanwhile, however, there were also efforts to scale up the successful KAJS alliance to implement a social security system. As previously indicated, once the bill was passed, many activists began to question the future of KAJS and its ultimate goal. However, the alliance had already inspired the trade union movement and demonstrated its potential, and thus several unions and leaders were encouraged to advocate workers' interests through more advanced political experiments. These included, first, the establishment of the Council of Indonesian Labourers (Majelis Pekerja Buruh Indonesia, MPBI) and the National Labour Movement Consolidation (Konsolidasi Nasional Gerakan Buruh, KNGB). These alliances led two national strikes in 2012 and 2013 and pushed the government to develop several new pro-labour regulations that did not just favour permanently
employed workers, such as regulations regarding additional components to be considered in deciding on minimum wage and further restrictions on outsourcing at the company level. Moreover, while the national-level union alliances were short-lived due to internal competition and conflict among leaders, they nevertheless encouraged further action. Some parts of the movement, in particular the Federation of Indonesian Metal Workers Unions (FSPMI), and the Confederation of Indonesian Trade Unions (KSPI), which had been key elements of KAJS, remained active and took further steps, including by engaging in the 2014 elections. In this context, some of their cadres were encouraged to run in the legislative elections, becoming candidates within different parties (as they could not participate through parties of their own) but sharing a jointly coordinated campaign. Moreover, and much more controversially, FSPMI and KSPI also supported Prabowo in his presidential campaign. These endeavours led to both gains and losses for trade unions' struggle for political influence in Indonesia, and lessons learned from these efforts may change the future course of the union movement in the country (Tjandra 2014).

The intention behind engaging in the elections was to use the existing momentum to increase the bargaining position of workers and unions, especially at the national level, by demonstrating that workers were fighting not only for the interests of workers, but for the society at large. Even if the main point in the campaign strategy was to focus on mobilising votes from the rank

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24 FSPMI had participated in the local parliamentary election in Batam, Riau Islands Province, when its local branch formed a 'political task force' called 'Jas Metal' (see Ford 2014).
and file of labour (‘buruh pilih buruh’), an additional characteristic slogan was ‘from factory to the public sphere’ (‘dari pabrik ke publik’). The attempts to gain the votes of the union members also served the purpose of educating the workers with regard to their political rights and opportunities to change the country to the better. The unions and members believed that by joining central and local parliaments, they could become more effectively involved in changing policies and regulations in favour of the workers' and the entire population (Tjandra 2014).

In the legislative elections, these efforts enrolled a majority of the unions' officials and members. In fact, the initiative to participate in the elections came largely from below. In addition, several individuals and activist groups from outside the unions—including academics from Gadjah Mada University, Yogyakarta, and labour and peasant organisations such as the Trade Union Rights Centre (TURC, a labour service organisation based in Jakarta), and Omah Tani (a peasant-based group in Batang, Central Java)—assisted in matters that could not be handled by unions themselves such as training workers in the voting process, monitoring the elections, and developing campaign strategies. These collaborative efforts during some three months were successful both in terms of gaining experiences and in terms of winning two legislative seats in the important industrial regency of Bekasi, West Java. Two seats were not much, but it was the first time that a union had successfully obtained parliamentary seats for its candidates through coordinated efforts between with its supporters rather than through candidates' individual efforts (Tjandra 2016: 265-259).
As previously indicated, in the Jakarta gubernatorial elections there were also good initial contacts between the unions in and around Jakarta and the Jokowi–Ahok team that was elected. The minimum wage was increased substantially, which also strengthened the bargaining power of the unions outside Jakarta proper, and the deputy governor wanted to discuss whether and how welfare and industrial policies could be combined with minimum wage levels. Union leaders, however, could not compromise on the wages as long as there were no firm and obvious additional promises. Jokowi and Ahok did not provide a format for such negotiations, and unions did not have a concept of their own. Meanwhile, employers continued to evade negotiations and claimed that they might lose out in the international competition. As usual, discussions about reducing other costs, such as paybacks, was also avoided. In short, the positions of the various unions and politicians returned to zero, essentially meaning that trust and collective action suffered and that all groups took care of their immediate benefits and careers.

Divisive forms of politicisation

In the presidential elections, therefore, the main unions' approach was very different. The decision to support Prabowo for president came from KSPI's chairman, Said Iqbal, with little if any consultation with other union leaders—let alone ordinary members, who were simply expected to obey. There were reports that FSPMI leaders undermined and even aggressively suppressed members' worries, and there were other reports that many union officials had different opinions from their leader and were concerned regarding his
decision. The situation worsened as there were only two candidates, with very different backgrounds and characters, running for president. Competition was thus fierce and even brutal, causing polarisation in society, which according to some observers put Indonesia's fledgling democracy in danger (Aspinall and Mietzner, 2014).

This polarisation became increasingly important within the trade union movement as well. In 2014, FSPMI and its confederation KSPI even declared its support for Prabowo in front of some eighty thousand members during International Labour Day celebrations held at Indonesia's largest football stadium, Gelora Bung Karno; this event was widely covered by the media (Caraway and Ford 2014). Other groups of unions supported Jokowi, including Konfederasi Serikat Pekerja Seluruh Indonesia (All-Indonesia Workers Union Confederation, KSPSI) and Konfederasi Serikat Buruh Sejahtera Indonesia (Confederation of Indonesia Prosperity Trade Union, KSBSI). Both camps claimed that their preferred candidate was best for labourers. FSPMI–KSPI in particular became deeply involved in the election campaign, having signed a 'political contract' with Prabowo that included particular favours in case of victory. In the same vein, FSPMI leaders allowed the widespread use of negative campaigning, including sectarian and hate messages, against dissenting members. Although some may argue that such policies help achieve a decision-making consensus within unions, especially when said organisations are interested in promoting a particular issue and person, such actions were clearly not democratic, and therefore contradicted the founding principles of trade unions as democratic
organisations of workers (Michels [1911] 1962). FSPMI had not yet been able to balance the needs for organisational efficiency and internal democracy. There was also a strong tendency within the union to focus merely on the sectorial interests of workers, even when these interests were not in-line with the interests of society as a whole.

FSPMI was possibly the most advanced trade union in Indonesia in terms of its ability to organise and mobilise its members, a necessity to become politically influential. Indeed, FSPMI was the organisational backbone of the KAJS movement, and in many respects propelled the enactment of the BPJS Law. The KAJS movement was the first successful, systematic engagement of Indonesia's labour movement in the development of alternative policies, outside the frames constructed and maintained by elitist parties and leaders. With support from trade unions such as FSPMI, which originated from a modern and relatively strong industrial sector, there was a good opportunity for KAJS (and FSPMI) to become an alternative political power and develop transformative policies to improve the capacity of ordinary people and progressive actors, including trade unions and other people-oriented organisations, and to strengthen democracy and pro-people development (Stokke and Törnquist, 2013). Despite this potential, however, FSPMI–KSPI's position and practices in the presidential elections meant that it failed entirely in becoming the alternative political force many in Indonesia were looking for. Even some friendly international unions reacted strongly.
After the elections, efforts were made by the president and his special staff to build more fruitful cooperation and thus move ahead by inviting representatives from various unions and labour groups (such as migrant care) to discuss specific demands. There were a number of meetings, but instead of reaching a common agenda of vital issues that could be transformed into policies, decisive union leaders asked for public positions that benefitted themselves; over the following months, Jokowi appointed leaders of KSBSI and KSPSI, the unions that had supported him, as paid commissioners in some state-owned enterprises (related to housing development and postal services). Moreover, while it is true that the government did not try again to discuss crucial matters with unions—the regulation of minimum wages, for instance, was realized by simply imposing new regulations (supported by the employers) in 2015—it is also remarkable that unions were reluctant to engage in constructive discussions, especially given that some of the new regulations were not simply negative. Rather, they launched another national strike, one which was not entirely successful. The shortage of strategic policy proposals to follow up the universal healthcare scheme with further transformative reforms that might also foster inclusive growth remain unresolved. As we indicated above, this has also haunted the efforts in Brazil, South Africa and India.

In conclusion...

... while the KAJS alliance could not be followed up (for reasons analysed in section 4), successful political engagement helped consolidate unions in campaigning for demands related to the setting of minimum wages
and subcontracting, thus going beyond the interests of permanent workers. There were also partially successful attempts to launch candidates for local-level elections (and, at the time of writing, for direct regency elections) with a focus on citizens' concerns, rather than just workers’ interests. However, intervention in the presidential race supporting former General Prabowo proved disastrous, as priority was given to special favours for unions and some of its leaders rather than developing a union-initiated agenda for combining decent jobs, employment relations, and welfare for all with inclusive economic growth. Internal union democracy suffered too. Post-election attempts have not yet come to terms with this, largely because both unions and the government have resorted to transactional politics rather than developing a format for democratic interest-based representation in public governance. Yet again, this does not mean that the potential for broader alliances such as KAJS is no longer possible. It only means that there is a need for an alternative to transactional politics on part of union leaders as well as the President and his aides.
NEW CHALLENGES AND OPPORTUNITIES

As concluded in the previous section, Jokowi and his administration have become increasingly entrenched in both elitist and populist transactional politics, with the rates of approval and popularity being the focus of his concern. This, in turn, has generated discussions among the volunteers and inside the presidential palace. The President has obviously felt entrenched by the priorities of his vice president, Jusuf Kalla, and the cabinet members who have underperformed and been directed by their party leaders (including Megawati) and their own ambitions rather than focusing on his priorities and campaign promises.

Top level governance

Efforts have thus been made to reorganise and strengthen the president's direction of the cabinet and to craft pioneering policies with the assistance of skilled chiefs of staff, first coordinated by Golkar leader and
Dilemmas of Populist Transactionalism

former general Luhut B. Pandjaitan and then by outstanding labour rights and anti-corruption activist and perhaps Jokowi's most crucial campaigner Teten Masduki. Some of the poor leadership of a number of ministries has thus been addressed, if not solved; and Jusuf Kalla's hegemony over economic policies has been contained. However, this has not been based on an organised popular mandate but mainly occurred thanks to more loyal coordinating ministers. These include Sri Mulyani Indrawati, who was brought back as finance minister from an exile in the top leadership of the World Bank after having opposed oligarchic interests in the previous Indonesian government, Luhut, whose powers were enhanced first as Coordinating Minister of Political, Legal, and Security Affairs, then as coordinator of Maritime Affairs, i.e. Jokowi's main priority area, with huge infrastructural investments. Luhut and some new aides are also influential within a party where the struggle for the best government contracts remains as intensive as ever: Golkar, the support of which Jokowi would prefer to get directly rather than through Jusuf Kalla, including in the face of the next presidential elections. Linking up with moderate reformists such as Luhut and the Golkar party, and to even engaging Suharto's former military commander Wiranto—who had been indicted for crimes against humanity—as the new Coordinating Minister of Political, Legal and Security Affairs are obvious ways in which Jokowi has finally attended to one of his campaign promises that convinced activists to support him: to reconcile the historical crimes against humanity in the country, including the state-sponsored massacres of 1965–1966. To make things worse, this has encouraged reactionary
forces to undertake a counter-campaign that even includes threats against human rights and cultural and academic freedoms, orchestrated by crucial sections within the Army, Police and Judiciary. It remains to be seen whether and how Jokowi and his team can maintain their position. The issue is not 'only' about human rights and victim welfare. The broader alliances needed to foster progressive reforms in many other respects also presuppose that the people regain their history and equal citizen rights (Törnquist 2015).

In other words, the foot-dragging and opposition have only been addressed by manoeuvring at the elite level, while the issue of developing and implementing pioneering policies remains unresolved. The president is aware of the need to get outside support in monitoring and improving the government.25 The voluntary groups, in turn, are engaging taskforces to monitor the implementation of the Nawa Cita programme in cooperation with the presidential staff. Various CSOs are advancing policy proposals on such topics as land reform, protection of migrant workers' human rights, anti-corruption, and so on. However, the oft-mentioned quick fixes for monitoring the administration and hopefully increasing its efficiency through technocratic managerialism and social media do not alter the power relations that hold back progressive governance, and it is not to be expected that specific issue-oriented civil society groups (that primarily have access to the President's staff but not the ministries) can overcome the fundamental lack of broader strategic reforms within a

25 Personal communication with top-ranking activists within relawan (pro-Jokowi volunteer) organisations, Jakarta.
number of policy areas, reforms which should be anchored in agreements between the crucial progressive actors in these fields.

Essentially, Jokowi and his team are back to square one: they face a need to foster and develop cooperation with various sectoral groups and civil society organisations, which are crucial in developing social contracts and thus paving the way for inclusive economic development as once initiated in Solo. For the time being, however, they seem to have shelved this, claiming that it cannot be done beyond comparatively small communities, such as Solo, and that various progressive groups need to provide input to the President and his staff and cabinet—thus subordinating their work.

However, even a superficial historical review and comparison with more successful cases of politically facilitated late development, such as in East Asia and North Europe, regarding which several of Jokowi's aides are well-read, proves this wrong. There is a need for national-level partnership between government and citizen and sectoral organisations that are sufficiently strong and able to negotiate.

If this is accepted, there must be ways of scaling up progressive agreements beyond the local level. In addition to the regular election and parliamentary and presidential representation, this calls for better citizen and sectoral representation. The devastating transactional populism, in the form of negotiations and trading with one partner at a time, involving representatives who are selected by and accountable to the leader rather than to the stakeholders, must be replaced by a concept and campaign for an institutional
framework that facilitates democratic representation in public governance within various sectors with the most important interests and with the best experts. We shall return to more operational aspects of this in the conclusion.

Labour, welfare and development

Perhaps the most important policy areas in which there is a basic need to foster democratic representation between major parties, as well as between said parties and the government at various levels, are welfare reforms, capital-labour relations, and economic development, as well as impartial implementation of related reforms and regulations. The Solo model pointed in this direction, but suffered from populist transactionalism. KAJS was an impressive start in fostering cooperation between politicians, unions, civil society groups and organisations engaging with informal labour, but the shortage of a transformative series of reforms and a framework for representation and negotiation with politicians and the government made major actors return to their own immediate priorities— and to transactional populism. Jokowi and his team (and supporters) obviously remain preoccupied with their own problems, but what of the unions, then, and their allies?

The answer must be inconclusive. Iqbal of FSPMI/KSPI, with personal sympathies for the Muslim brotherhood-oriented Partai Keadilan Sejahtera (Prosperous Justice Party, PKS) and Andi Gani Nena Wea of the more mainstream KSPSI, who is supportive of PDI-P and Jokowi and is also an active within business, have recently tried to move ahead on their own
by launching mass organisations: *Rumah Rakyat* (People's House) and *Organisasi Rakyat Indonesia* (Indonesian People's Organisation), respectively. They claim that they are prepared to coordinate these organisations, through which they intend to bring together labouring people in the broad sense of the term, beyond those with formal employment, and to build the basis for a labour party. Some unions and activists, however, are less convinced by these special attempts and ambitions and have tried other paths.\(^\text{26}\)

Meanwhile, moreover, the top leaders of FSPMI and KSPI seem to have lost their patience, as they began to support the efforts of Ahok's contenders in the forthcoming gubernatorial elections to employ religious identity politics in the media and in the streets. According to media reports, Said Iqbal has even favoured the attempt of an obscure group of extra-parliamentary leaders (including a sister of Megawati, a former student activist, a supporter of the Suharto family, some retired generals, and a rock singer turned notorious activist) to mobilise demonstrations for the impeachment of the president and to return to the more authoritarian Constitution of 1945.

In the shadow of these adventurous elite politics on behalf of 'the people' and 'the workers', however, senior FSPMI leader Obon Tabroni has been engaged in a much more innovative, inclusive, and constructive campaign as an independent candidate for the position of Regent of Bekasi, the most vibrant industrial district outside Jakarta. Obon has tried to form broad alliances

\(^{26}\) Personal communication with Abu Mufakkir of LIPS, a labour NGO.
for what may be described as social democratic-oriented policies. His volunteer group includes *Jamkes*-watch, a union initiative to assist poor people in getting health services which conducts door-to-door canvassing for people's support for Obon's nomination. From discussions with the authors, it is clear that many of these volunteers are ordinary people who are sympathetic to Obon's vision for Bekasi. Moreover, promises to foster better health services have been just as important in mobilising supporters as campaigning on the factory level. Obviously there are important possibilities for Obon, as an independent candidate, to formulate broad-based and cross-class campaign programs. However, he is still short of a clear concept, that might attract wider support, on how to foster more democratic governance on the basis of fostering citizen participation as well as interest representation, rather than employing Ahok's managerialism or Jokowi's transactional populism.

**Progressive potentials at the village level?**

It is also necessary to consider the potential importance and challenges in the launching of the massive village-level development programme prepared under previous President Yudhoyono and enacted in 2014 with broad political support and such merry slogans, from both Jokowi and Prabowo, as 'one billion rupiah to each village'. Everybody seems to be interested in 'doing a Thaksin' (Shinawatra); (Kitilangrap and Hewison 2012), that is, to alter Indonesian politics by gaining new ground at the local level.

To date, the public measures, directed by the Ministry of Home Affairs, are mainly about regulating administration and devolving money. There is a
remarkable shortage of anything resembling a plan and concept (Lewis 2015). In the Village Law, it was stated that each of village (Indonesia has approximately 73,000) would receive a substantial amount from national budget (roughly 1 billion rupiah) to foster development and promote better service provisioning. During the cabinet meeting, Jokowi suggested that Village Funds be utilised for infrastructure development (Djani, et al. 2016). If there are no substantial 'leakages', the Village Funds may foster development and service provision in less-developed and resource-less villages. Further, the funds might open up an arena that could, potentially, be beyond the reach of parties and bosses at the central, provincial, and district levels (Djani et al. 2016). The next question is: who will control the village leaders? We shall return to this. Another obstacle is the legacy of the village governance introduced by the World Bank's 'Kecamatan Development Program' (KDP). In the KDP setting, which was later dressed up as the 'Program Nasional Pemberdayaan Masyarakat' ('National Programme for Community Empowerment', PNPM), participation was guided by facilitators within the framework of predetermined and rigid managerialist formats. In short, both modes of governance were not only more technocratic than open for popular participation but also fostered neo-liberal agendas (Caroll 2009).

The new focus on rural development is often characterised as a breakthrough with regard to the 'legal identity' of villages, in contrast to the situation under Suharto. Suharto employed coercion to 'unify' villages and the ways in which they were governed. This was also part of the floating mass politics (politik massa
mengambang) of virtually preventing political engagement at the local level. Hence, one general idea at this time is to foster active citizenship 'from below'. Beyond nice words, however, there is little in the new regulations that would ensure ordinary villagers' extended rights and capacities to control the village elite. The heads of the villages typically get themselves elected by spending huge sums of money, after which they appoint their own staff. The village council, usually made up by the local elite, remains consultative (White 2016).

Even the basic issue of how to reconcile equal citizenship rights with the possibility of governing villages according to hukum adat, or customary law (for instance by granting customary rights in certain crucial policy areas such as land and fishing) remains unanswered. There are also strong opinions on part of interest organisations, such as among farmers, regarding land reform and the need to resist land-grabbing. In fact, control of land and other resources have become increasingly unequal. So far there is little evidence that subordinated people and their organisations will be supported by the new village regulation. In this regard, it is crucial not to forecast that the villages will be a neutral playing field where it is possible to foster democracy and promote equitable development (Harriss et al. 2004; Sambodho 2016; Ito 2016; White 2016). Experience from several sites in Indonesia27 as well as from such neighbouring countries as the Philippines and Thailand suggest that the villages are quite contested arenas where traditional and local social groups have been entrenched for decades and where external linkages and dependency

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relations are increasingly important. Their representation, thus, is one major problem.

Direct participation is not a panacea, and in combination with electoral and interest group representation it is a crucial but difficult matter, as proven by the challenges faced even in successful cases such as Brazil and the Indian state of Kerala (Törnquist et al. 2009a). Moreover, much Indonesian discourse seem to focus on the very local level, despite the fact that other lessons from other cases of decentralisation are often about the importance of state capacity in providing fair regulation and support and in facilitating negotiations between different levels of governance. Even the most radical cases of political and economic decentralisation, such as those in the Indian state of Kerala, presupposed firm universal regulations and support through state planning boards under progressive leadership and a vibrant popular educational movement.28 Similarly, as emphasised by scholars such as Joel Migdal (1994), the very linkages between state and society are vital. If they prove insufficient, as in China, the only way out may be the market.

It is true that much of the populist policies and democratic deliberative processes in Brazil developed (as in Indonesia) in the framework of decentralisation and direct elections. However, by now it is also obvious that there are huge problems. The broad impressive alliances that were built in the context of local participatory schemes have proven difficult to scale up (Baiocchi et al. 2013), let alone use to contain corruption, prevent reckless primitive accumulation of capital, implement

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28 The Kerala People's Science Movement.
firm taxation on speculation, and address the increasingly numerous other issues that cannot be handled locally as production and labour markets tend to become increasingly globalised.

In short, the new village law and devolution of funds may well open up new space for popular policies, but if the challenges indicated above are not considered in these new efforts, the new spaces may neither promote broader alliances like KAJS nor social contracts between governments and sectoral groups and civil society organisations as in Solo.

*In conclusion*...

... the President and his staff seem to be generally aware of the problems faced, and supportive groups prepare for popular participation in monitoring the government's performance as well as by providing input on various policies. This is insufficient, however, to address the basic need for more popular support and partnership, as occurred in Solo. In this regard, the new Village Law and the substantial funds transferred for village development with a participatory touch may open a window of opportunity, including by fostering equal citizenship. However, international experiences point to serious challenges that must be addressed regarding inequalities at the local level, elite capture, and especially the unresolved problem of scaling up to other levels to handle the many issues that cannot be solved in a local context. This calls for not just citizen participation, but also representation of the people that have organised themselves in interest and issue organisations to handle problems of unequal power relations.
Dilemmas of Populist Transactionalism
CONCLUSIONS

Progressive political groups, interest organisations, and citizen associations have tried since the fall of the Suharto regime to form alliances to foster popular interests through democratic struggle. The results have been discouraging, first because of uneven economic development and previous repressive regimes; second because of the marginalisation of radical popular movements in the context of the elitist strategy of liberal democratisation; and third because of the fragmentation, in this context, of the movements and their aims and strategies. By the 2000s, however, there were signs of new openings. We have analysed the foremost cases. First, the development of the social contract in Solo, with Jokowi in the forefront, in the context of direct elections, decentralisation, and primitive accumulation of capital in cities, followed by the efforts related to his subsequent election as governor of Jakarta and president. Second, the KAJS alliance in Greater Jakarta in favour of the universal health scheme plus efforts to follow up the joint action.
Generally, studies point to the potential for broader counter-movements (i.e. rather than those built on identity, specific groups, or class) based on fledgling equal citizenship in the context of post-clientelist elections. These are broader movements against the negative effects of neo-liberal economic development and poor public management and in favour of decent jobs and work conditions as well as effective and fair welfare state programmes which might generate sufficiently consolidated and strong actors to negotiate inclusive and sustainable development.

Basically, there are three specific enabling factors. First, the effects of neo-liberal oriented development. In the case of Solo—and, later on, partly in Jakarta—this related to the very negative effects of the Asian economic crisis for large numbers of people, which generated urban chaos and conflicts between well-off business and middle classes that wanted access to land and resources and the less well-off who would be deprived of their livelihoods. In the case of the workers propelling the KAJS alliance and their allies, moreover, neo-liberal industrialisation implied that unions had to attend to broader sections of labour and engage politically to prevent division between permanently employed workers and contract and informal labour, to restrict subcontracting and increase minimum wages for all (not just the permanently employed workers), and to foster decent welfare reforms. Moreover, those sections of the middle classes that were badly affected by precarious employment conditions were also interested in public welfare.
Second, progressive actors could benefit from the emergence of democratic citizenship and post-clientelist ways of mobilising electoral support. In spite of the structural dynamics, it was not the poor peoples' movements and unions themselves that facilitated political openings, but rather the elite that was in need of broader popular support. However, progressives could, at times, benefit from elitist dynamics. This was not only because of their freedom of speech and organisation or the new focus on equal citizenship rights in politically defined territories, from the country to the villages. In the case of Solo, moreover, mayors needed extra-parliamentary backing to gain votes and implement their policies, which in turn strengthened their partners in sectoral groups and civil society organisations. The KAJS alliance involved more influence from below from the outset, on the part of unions and their civil society allies. However, the political agenda and unifying focus was not set by unions, but by elitist PDI-P politicians in their conflict with then-president Yudhoyono, by progressive politicians inside and outside parliament, and by civil society activists focusing on citizenship rights (including those of informal labour) and welfare reforms. In the case of the Jakarta elections and the presidential race, central level party bosses and their financiers needed an electable populist figure, and a few leading activists convinced them that Jokowi was the right choice given his electability.

Third, even though democratic citizenship and post-clientelist methods to win elections generated some space for progressive politics from below, the bottom line for progress was that sectoral groups and civil society organisations could make skilful use of this room of
manoeuvre to gain strength and become party to
democratic governance. The social contract in Solo only
came about when popular and civic actors had become
strong enough to object to negative instructions (such as
evictions) from the mayor. Similarly, the universal
healthcare law was only accepted in parliament because
of strong outside pressure on part of the KAJS alliance.
The problems in scaling up the Solo model and further
developing the KAJS alliance occurred primarily
because, first, these actors had not yet gained sufficient
strength in Jakarta; second, they were unable to develop
priorities to continue to work together and gain
democratic representation; and third, Jokowi and his
team did not facilitate this. This takes us to the stumbling
blocks.

There were four major hindrances. First were the
transactional politics of party bosses and their financiers,
especially at the national level in Jakarta. In particular,
this constrained the development of an effective
programme for Jokowi, and the transition team hijacked
the cabinet member selection process, which in turn
became quite incoherent and ineffective.

The second hindrance, as already indicated, were
insufficiently strong sectoral group and interest
organisations. This was most clear in three cases. One
was when Jokowi’s team wanted to strengthen his
popular support in Jakarta as he had done in Solo but
lacked sufficiently strong sectoral and civic groups and
therefore had to turn to quick fixes. Another was when
the informal labour groups and civil society constituents
of KAJS proved much too weak to sustain and further
develop demands for decent employment conditions and
welfare reforms as the unions and their leaders returned to their own priorities. A third was when the President and his aides turned to KPK for support in efforts to appoint the best possible cabinet, but the anti-corruption movement lacked the necessary strength for generating popular backing.

The third hindrance was the shortage of clear concepts and strategic policy development to indicate how certain reforms could strengthen partners and provide better conditions for further advances through additional reforms. There was, for example, no vision on how to move beyond the successful campaign for universal public health reform. There have been no clear attempts to identify what welfare reforms and regulations on employment conditions might foster more inclusive development. Likewise, there has been no concept for institutional reforms towards the representation and participation of citizens and organised interests that would allow such institutions to foster popular interest and facilitate better policy development and reform implementation. The anti-corruption movement continues to primarily focus on the big fish and controversial scandals rather than broadening its agenda to relate to ordinary people's problems with poorly implemented social rights and service delivery (i.e. it fails to implement the strategies which proved so successful in New Delhi). This applies to the central level, the local level, and the linkages between them. Visions of local development, popular participation at the local level, and fostering government programme monitoring do not come with clear ideas of how to scale up, in democratic ways, new efforts and institutions to be able to address the increasingly many
issues that cannot be managed at the local level or through participation in village or town hall meetings or via social media. There are also no clear signs of attempts to consider related international experiences and challenges.

The fourth stumbling block is popular transactionalism. Even Jokowi and his close team have applied old rulers' practices of calling on supposedly crucial and friendly players rather than fostering the independent organisation of crucial interests and asking them to appoint their own representatives (who would thus be responsible to their own principals rather than politicians). Similarly, they continue to negotiate informally and individually with various actors, almost like Sukarno. This gives the upper hand to discretionary decisions on part of the rulers and undermines predictability and trust. Moving up the ladder to Jakarta and into the presidential palace, Jokowi and his aides have also felt the need to foster quick fixes to gain popular support and contain opponents. The same applies to transactional negotiations with, for example, union leaders. This has, in turn, increased the temptation among various groups and organisations—even among outright supporters—to act similarly and to thus try to 'penetrate' the state and politics in search of special favours and positions. Ahok's increasing neglect of Solo-like social contracts with the urban poor has, meanwhile, paved the way for Machiavellian politicians and union leaders to mobilise the masses by means of religious identity politics.
Out of the morass

Given that the structural conditions and political space for broader alliance exist, and that the main challenges are confined to insufficiently strong sectoral and issue organisations, it is easy in the development of strategic transformative policies and transactional politics—both old elitist and new populist—to be tempted by the breakthrough in New Delhi. That is, by the advances in broadening an anti-corruption movement into a political movement that is focused more on the mismanaged and crooked provisioning of basic social rights and services for broad sections of the population and that tries to fight this through popular participation and direct democracy at the local level.

However, anything like the Indian AAP is an unviable proposition in Indonesia, given the extremely exclusionary electoral rules and regulations in favour of an elitist and moneyed democracy. Even if intellectual exercises in suggesting alternative electoral rules are stimulating themes for seminars, such concepts are probably impossible to implement, given that it is hard to envision broad popular engagement for technicalities and that the final decisions would be taken by the same elite and the same related experts that benefit from the current rules and regulations. Even if progressive, young, middle-class liberals inspired by Ahok who are interested in social democratic ideas manage to mobilise sufficient financial support from their peers to set up chapters of their new Indonesian Solidarity Party (PSI) around the country so that it can run in elections, plus while making efficient use of bold women leadership, media skills, and
contacts within polling institutes, the issue of popular base and transformative policies remain unresolved.

The realistic alternative in this respect is rather, as we have shown, to try to advance by using popular pressure and engaging activists in struggles for equal citizen rights-based reforms, such as universal social security, impartial and effective public services, employment-generating policies, education, and decent work conditions—along with a system of sectoral and issue-oriented representation. Such social democratic reforms may prove transformative by generating better conditions for further advances and prove realistic by strengthening progressive supporters of Jokowi. This may also create a sound basis for party-building.

What would such policies and reforms look like? There are two pillars. The first is developing and campaigning for transformative policies to strengthen civil and interest organisation through broad alliances promoting reforms related to welfare, decent work, and employment relations, as well as the effective and non-corrupt implementation of such public reforms and services. Given the compartmentalisation of the government and the administration, as well as the fragmentation of popular organisations and civil society organisations, there is a need for leaders (assisted by academics and think tanks) to define the crucial policy fields that call for unified action and negotiations as well as the coordination of various government departments. Examples include the combination of employment relations and unemployment/social security arrangements to foster flexibility and competitive production by making life better, rather than worse, for
employees and others who have had to turn to precarious work. Similarly, there is a need to broaden anti-corruption work by fostering efficient and impartial policy implementation.

The second pillar is more popular support for the participation of stronger sectoral and issue organisations. Citizens' and users' direct participation in public governance is certainly crucial, but it presupposes that participants are reasonably socio-economically equal and have joint interests. Moreover, direct participation is only feasible at the local level; and though communication through social media is great for mobilising quick action and 'likes' for defined issues, trustworthy news, public discourse, and popular organisation and governance all call for democratic discourse and politics.

How would it be possible to support stronger interest and issue organisations? In addition to transformative policies favouring broad alliances, two institutional reforms are fundamental. One is to democratise and scale up various forms of local and direct participation in ways that will also strengthen linkages between state and society, including governance in villages and business life. This remains an Achilles heel even in the most impressive experiments in Brazil (Baiocchi et al. 2013); it was never resolved in China, which rather opted for market based methods (Shue 1994); and it was basic to the Scandinavian social democracies (Sandvik 2016; Svensson 2016). A second reform (that may also help resolve the challenge of scaling up) is to provide alternatives to the devastating transactional populism. Transactional populism was
already nourished in Solo in the form of informal and separate (rather than joint) negotiations between the leader and the partners in society. In Greater Jakarta, it grew stronger as the lack of sufficiently strong sectoral and issue organisations made quick fixes and provisioning special favours the orders of the day.

Given the lack of sufficiently strong organisations, transactional practices are thus a collective action problem in the sense that nobody will stay away from the problem as long as they cannot trust that others will do so as well. There is thus an urgent need for a forceful concept of structured representation of various groups and interests to strengthen democratic organisations and increase trust in the representative linkages between state and society. This would enable negotiations and compromises towards contracts for progressive polices within the politically-identified crucial sectors discussed above. This is not to replace direct citizen participation, but to supplement it, as well as liberal-democratic elections. State corporatist arrangements similar to those under Suharto must certainly be rejected, and the current practice of discretionary appointments by politicians is almost as destructive. There must be democratic forms and appointments from below. As in the case of electoral rules and regulations, such principles and institutions may be overseen by an impartial commission. And, as in the case of human rights and the freedom of the press, the fostering of broader and more democratic interest organisations may be implemented by a similarly impartial commission directed by representatives of unions, employers' organisations and civil society organisations.
This is much in line with the recent general recommendations of PWD's democracy survey (Savirani et al. 2015), and much can be learned from good and bad experiences in such different contexts as northern Europe and Brazil. The same applies to the basic principles of tripartite negotiations that Indonesia has agreed to as a member of the International Labour Organisation (ILO). Moreover, these principles should be expanded to vital policy areas other than labour and industrial relations, and they should include additional vital partners, such as organisations, with informal labour.

Given the compartmentalisation of the current government and the fragmentation and weak capacity of organisations involved in crucial interests, there is a need to craft a clear-cut concept and a specific reform proposal, and to convey this proposal to crucial actors that might wish to move ahead. The next step would be to develop such ideas in cooperation with the progressive actors involved.

**Feasible?**

Would this be politically possible? Why would President Jokowi and his close aides wish to consider less transactional populist practices? Why would they consider doing this by specifying policy proposals that may foster broader alliances and by initiating institutionalised forms of representation with regard to, on the one hand, citizen participation and, on the other hand, interest and issue organisations?

We believe that there are several reasons why Jokowi and his team may wish to move ahead:
• One, the current ability to mobilise the urban poor in the streets of Jakarta rests to a large extent with the neglect of the kind of social contracts that were pioneered in Solo and the broad alliances for social rights as welfare that were pioneered by KAJS; this situation is exacerbated by the morass of transactional populism. There must be an alternative!

• Two, it is unlikely that re-election can rest on similar popular hype as in 2014. Relying on elitist compromises with the military, Golkar, and others is no way to foster change and catch people’s imagination. Hence, there is a need for policy alternatives, concrete results, and better organisation to build constituencies and get enthusiastic votes.

• Three, to do so it is necessary to nurture and institutionalise more solid cooperation with progressive interests and actors. Some attempts have been made by Jokowi’s chief of staff Teten Masduki to engage CSOs in policy development and to let them decide who should represent them and report back to their own principals. However, little, if anything, seems to happen with regard to the fostering and representation of broad membership based interest organisations, aside from those of businesses and employers, as well as traditional socio-religious organisations.

• Four, all partner organisations in society may not outright create supporters, but their involvement is fundamental for effective policy implementation.
Five, institutionalising more solid cooperation with progressive interests and actors presupposes four pillars: (i) broad and active citizenship; (ii) well-organised progressive interests and actors; (iii) trustworthy channels for citizen participation; (iv) reliable channels for representation and participation of interest and issue organisations in public governance.

Six, these pillars cannot only be built from below through civil society organisations, unions, and village and neighbourhood associations. Uneven development with so many identities, organisations, and levels of production and exploitation is insufficiently conducive for active citizenship and strong unified interests and actors. Furthermore, progressive politics have been weakened by transactional populism as outlined in our studies. For these reasons, there is a need for stronger political leadership and policy proposals to transform and improve conditions, especially by countering transactional populism.

Seven, as transactional populism is a collective action problem (nobody changes unless one can trust that others also change), there must be solid institutions (rules and regulations) for participation and representation. This in turn can strengthen citizenship and progressive organisations. Such institutions need to be initiated politically, by the president and his staff.
Eight, this is not about reinventing the wheel. Previous experiences are available—from Indonesia itself, from the Philippines, from Kerala and New Delhi, from Brazil, and from Scandinavia—and the pros and cons of these need to be looked into as soon as possible to generate a policy proposal.
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Why is Indonesia by late 2016 suddenly so far from Jokowi’s Solo model of negotiating social contracts, which even produced a president in favour of change? And why are we now so far from the broad alliances of unions, CSOs and progressive politicians that produced a universal social insurance system? Why have the dynamics of Jakarta rather become more reminiscent of Donald Trump and European right-wing populist politicians’ ability to gain substantial support from not just extremists and racists but also the neglected working class? And what are the prospects, then, if any, for popular politics?

The answers in this timely essay are based on close analyses of the attempts at new popular politics since 2005. The transactional character of not only elitist but also populist politics that have put recent advances at risk must be transformed by way of policy proposals that foster broader alliances and by initiating institutionalised forms of representation of citizen participation as well as progressive interest and issue organisations.

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