The Elite Construction Post-Authoritarianism Suharto

Taufik1, Muhamad Nadzri Mohamed Noor2*, Jamaie Hamil3

1Faculty of Social Sciences and Humanities, National University of Malaysia, 43600 Bangi, Selangor, Malaysia.
Email: taufik@unpas.ac.id
2Faculty of Social Sciences and Humanities, National University of Malaysia, 43600 Bangi, Selangor, Malaysia.
Email: nadzri@ukm.edu.my
3Faculty of Social Sciences and Humanities, National University of Malaysia, 43600 Bangi, Selangor, Malaysia.
Email: jamaie@ukm.edu.my

CORRESPONDING AUTHOR (*):
Muhamad Nadzri Mohamed Noor
(nadzri@ukm.edu.my)

KEYWORDS:
Authoritarianism
Democracy
Elite Adjustment
Indonesia
Oligarchy

ABSTRACT
Suharto's New Order rule has ended with various political and economic dynamics and a vision of progressive development every five years. Suharto's New Order government became authoritarian for the sake of stability built in all regions of Indonesia, utilizing various power networks such as the military, businessmen, and oligarchs, and using Golkar as a political “boat” in every election. After the fall of Suharto, the remnants of elements of power and the oligarchs still existed in the reform era until the current Jokowi administration. The data was obtained through a literature study, a literature review, and in-depth interviews with a qualitative approach. The number of informants who were met was four informants. In addition, the views of scholars who are referred to are also to strengthen the arguments of the ideas that are designed and compiled. In analyzing, this article emphasizes inductive patterns or patterns of relationships between theoretical, conceptual, and empirical relationships. This article identifies how the transformation of the political and business elites, or the classical oligarchy that once lived forever in the New Order era, adjusted the situation and conditions of the political regime. In addition, this paper also shows that there is a phase of elite adjustment that impacts the emergence of a new style of authoritarianism in Indonesia. This article is to see how the elites adjusted themselves after the “Reformasi” in Indonesia with various political maneuvers, either involving themselves in the government or becoming trend setters outside the government until the Jokowi administration era.

Contribution/Originality: This research examines the construction of elites during the New Order authoritarianism regime, which was still in the Reformation era. This study provides a new contribution to the literature review on elite adjustment, which ultimately gives the impression of a decline in democracy and gradually authoritarian regime behaviour practiced.
1. Introduction

Suharto’s New Order regime lasted longer than Sukarno’s Old Order regime. It shows that the situation during Suharto’s New Order government was a reformist movement supported by the Army and the people after the charisma of Sukarno’s Government faded and led to the demands of the people, known as tritura, namely: The disbandment of the Indonesian Communist Party (PKI); Cleaning the Dwikora Cabinet of various elements involved in the September 30th Movement (Gestapu); Lower food prices (Crouch, 1978, pp. 165–166; Said, 2016, p. 2). However, this situation later changed after Suharto made Pancasila the sole principle of the nation and state, starting to resist pressure from various oppositions considered difficult for his government. It was done by consolidating power with the military as a corporate element, disbanding parties and merging them into PPP and PDI, and making Golkar the primary tool for maintaining power (Jenkins, 2010; Reeve, 2013; Tomsa, 2008).

During his period of power, Suharto consolidated political and economic power through the military and civilian bureaucrats. It resulted in an oligarchic sultanic that could control the capital and, even worse, the development of a corrupt bureaucracy (Hadiz & Robison, 2013). Even the generals are in their circle of power; At the same time, in the Army, many of their former assistants were appointed to strategic positions in the cabinet and became regional heads in various provinces (Jenkins, 2010). Even so, Suharto would gently remove military officers if deemed too prominent. Suharto gave them new duties and positions as ambassadors or placed them in situations far from the palace (Said, 2016, p. 3). As a result, it opened opportunities for Suharto to carry out authoritarian actions and build a dynasty of power without being disturbed by the military officers he suspected.

After the fall of Suharto, scholars are still interested in the development and process of democracy in Indonesia. It is due to the fall of the authoritarian regime that can be described as a victory for the mobilization of the pro-democracy society (Diamond, 1994; Linz & Stepan, 1996). It shows that civil society has an essential role in the political system prevailing in a country, including Indonesia (Lane, 2008; Mietzner, 2012). The electoral politics that prevailed in Indonesia did not significantly change democratic reforms. The political contestations that occur are enlivened mainly by elite interests that marginalize civil power, such as the practice of money politics and clientelism (Aspinall & Berenschot, 2019; Muhtadi, 2013, 2019).

The reformasi era that occurred after Suharto encouraged holistic changes in political institutions, but what happened was even superficial democratic changes without any structural changes in the lines of power. What is even happening is that the conglomerates and political elites seek to govern and control the concentration of material resources to maintain and increase personal wealth (Hadiz, 2010; Robison & Hadiz, 2004; Winters, 2011). In this context, Winters (2011) said Indonesian politics is trapped in an alliance of ruling bureaucratic political elites who accumulate personal wealth through public office. Likewise, the success of the business elite comes from allocating state resources.

Although it has switched to the era of reform, the democratization process in Indonesia is still being played by the old actors of the New Order regime – both the political elite and the business elite. They try to adjust to every leadership regime in Indonesia. This article analyzes the involvement of the old political elite and business elite in changing
every political power in Indonesia. This theme must be studied more deeply because this elite adjustment significantly influences the government's political system and various public policies, including those under Jokowi’s presidency.

2. Methodology

This article uses a phenomenological qualitative approach, which can also be called a naturalist. This approach is a research strategy that prioritizes the use of words in both data collection and data analysis. The views of scholars will be used as references to strengthen the arguments of the ideas being built. It will clarify the theoretical, conceptual, and empirical relationship findings. In addition, this method emphasizes the inductive pattern or the pattern of the relationship between theory and research. Thus, qualitative research is considered a process of inquiry that can understand the meaning and explore social and human problems (Creswell, 2014, pp. 1–2). In this context, this article looks at the adjustment of political and business elites in the political system in Indonesia by carrying out various political maneuvers to maintain wealth resources. The data search process in this study used primary and secondary data by conducting in-depth interviews. In this study which the number of participants involved in providing various information was as many as four informants, such as researchers from Research Center for Politics, National Research and Innovation Agency, former minister in the Working Cabinet of Jokowi, former politician of the National Mandate Party (PAN) and former Commissioner of Election Commission. Using the concept of elite adjustment as a tool in analyzing, the data obtained is processed and analyzed to produce a qualitative interpretation.

3. Result and Discussion

3.1. Oligarchic Political Power in The Suharto Era

The political consolidation by Suharto after becoming the holder of the mandatory Supersemar, who eventually became President, was to strengthen his power in politics and economics. Suharto's first consolidation was to try to carry out political reforms in the cabinet, filled with many military members. Subsequently, Suharto sought to restore and build the economy. Suharto involved technocrats as ministers and advisors in making economic policies; this group is often called the "Berkeley Mafia," which refers to Indonesian economists who graduated from the University of California, Berkeley. Their thinking is considered too close to Western economic theory, which relies on foreign aid and investment for economic development and modernization (Mortimer, 1973).

In this context, Suharto’s consolidation of economic development has further developed oligarchic networks that seek to maintain wealth and income. These oligarchs did not intend to take over Suharto’s power but were controlled directly by Suharto in a sultan-style command (Winters, 2011). The oligarchic-sultanistic regime built by Suharto was based on the personal rule. Entrepreneurs’ loyalty to rulers or patron-client relationships is motivated by “fear and respect for their collaborators”. While the ruler exercises his power “without restraint, all policies are not burdened by any rules or commitments” (Fukuoka, 2013, p. 55). It shows that businesspeople in the patron-client network still show loyalty to Suharto by remaining obedient to the rules. Indicates that businesspeople who belong to the patron-client network show their commitment to Suharto by adhering to the authorities. It is because entrepreneurs are afraid of losing access to wealth. In addition, the commitment of entrepreneurs is also motivated by
respect for Suharto as the giver of access to wealth. According to Winters (2011), the development of the Suharto-era sultan-style oligarchy emerged in three main stages: The Chinese-military phase; this phase began in 1965 when Suharto took over the armed forces and succeeded in eliminating military and political competitors. This phase is marked by economic stability by getting closer to global economic power. This effort to stabilize the economy accommodated entrepreneurs of Chinese descent (Winters, 2011, p. 159).

The second phase is the indigenous phase. It was marked by a fourfold increase in world oil prices at the end of 1973 and the riots that threatened the Suharto regime in January 1974. Meanwhile, in 1975-1976, there was a domestic crisis because oligarchic groups stole state resources, which were then currently Suharto’s cronies did through Pertamina. The second spike in oil prices in 1978, after 1974, profoundly changed the dynamics of creating and controlling oligarchs. Suharto enlarged the rise of the oligarchy outside the ethnic Chinese to get huge profits that flowed into the state treasury by accommodating the indigenous-Malay businesspeople. Although at first, the indigenous entrepreneurs, known as middle-class entrepreneurs, felt jealous, they economically, racially, and religiously hated ethnic Chinese entrepreneurs because of discrimination in business facilitation (Winters, 2011, p. 163). The third was the family phase in the mid-1980s when the Suharto family began engaging in wealth defense politics. In this phase, friction and instability occurred because other oligarchs were dissatisfied, especially among ethenic Chinese businesspeople. This dissatisfaction occurs because it is considered to have injured the belief in the 'divide' managed by Suharto's power; this can be seen in taking very large profits of up to 50%, which previously was only around 10-20%. Even though Suharto himself never asked for a gain of up to 50% (Winters, 2011, pp. 166–253). In this context, Suharto's economic reforms were carried out by embracing Chinese businesspeople (who had capital), involving his children in the business, his wife in humanitarian foundations, and the military as a security shield. The impact of the development of this oligarchy is that the patron-client relationship becomes commonplace and becomes a prevailing norm, as well as the enforcement of legal ambiguity, namely that the law can apply depending on personal interests rather than the dominant oligarch (Ridha, 2020, pp. 17–18). However, according to Robinson and Hadiz, the origin of the oligarchy that occurred in Indonesia happened since the country's economic activities were carried out by clients or political bureaucrats, controlling institutions by involving powerful officials for their collective interests (Robison & Hadiz, 2004).

Suharto built his dynasty of power through economic channels by involving foreign businesspeople and investors. It was done to improve Indonesia’s economic conditions after the prolonged crisis in Sukarno's Old Order era. Suharto formed a special team in economic policymaking consisting of technocrats. Suharto also tried to attract foreign investors to the capital-intensive natural resource exploitation industry (Elson, 2005, p. 323). However, this policy has become an annoyance to the indigenous businesspeople who still need Suharto's political constellation. This foreign investment policy provides excellent opportunities for foreign investors to compete with domestic companies and imported products that enter Indonesia, impacting domestic producers’ losses. Even further, this foreign investment policy provides an excellent opportunity for foreign investors to compete with domestic companies and imported products that enter Indonesia, impacting the loss of domestic producers (Crouch, 1978, p. 300).
However, in contrast to the Chinese trading community in Indonesia, which had been permitted and operated since the Dutch colonial era to dominate middle-level trade, it enjoyed a symbiotic relationship with the ruling elite after independence. These Chinese businessmen have attached themselves to several influential politicians, bureaucrats, and army officers, especially in the New Order. Thus, the presence of foreign investors in Indonesia, instead of doubting these entrepreneurs, get military support by becoming a tripartite partner between Indonesian military officers, foreign companies, and Chinese businessmen (Crouch, 1978, p. 300). For example, Pertamina has become the sole non-government contributor to the Army. Even the business autonomy granted by Suharto to military officers such as Ibnu Sutowo (as President Director of Pertamina) did not experience any restrictions as long as the funds needed by the Government continued to flow (Crouch, 1978, p. 287; Elson, 2005, p. 363). In the case of embracing Indonesian entrepreneurs of Chinese descent, the Government provides credit facilities and special access to specific markets hoping that the Government will receive appropriate payments for the cooperation (Elson, 2005, pp. 364–365).

Suharto also exercised the power network through his involvement in elections and political parties. First, Suharto postponed holding elections in 1966 after the TAP MPRS XI concerning General Elections stated that the elections were held no later than July 5th, 1968 (Tap MPRS RI No XI/MPRS/1966 Tentang Pemilihan Umum, 1966). As a first step, in October 1969, Suharto held a meeting with various political parties, which urged the Government to immediately hold elections following the provisions and deadlines given by the MPRS, to explain that he remained committed to the time limit given by the MPRS to hold elections. It was not long before the leaders of the political parties finally dropped their demands regarding the adjustment of the election bill. On December 17th, 1969, the President issued a law concerning elections and the positions of the DPR, DPRD, and MPR. In the 1971 election, all seats in each electoral district had to be split up using a proportional system; Suharto reduced the number of parties winning hearts (Undang-Undang No 15 Tahun 1969, 1969). Ten political parties participated in the inaugural election of the New Order era, including two new parties, namely, Golongan Karya (Golkar) and the Indonesian Muslim Party (Partai Muslim Indonesia/Parmusi). However, the 1971 election was designed, and various rules and procedures were manipulated to win Golkar. Thus, this election was the first step for Suharto to maintain power; even the 1971 election was a quasi-democracy involving the people (Gatra, 2014).

In the 1971 election, Golkar split the PNI vote by taking out important people who had been the backbone of the PNI. The same thing was done to Muslim leaders, with promises of pilgrimage funds, religious development funds, and various government positions to ensure their constituents turned to Golkar. Even the Armed Forces participated in the political safari by giving promises that: Golkar is Pancasila; Golkar is the Government, which is oriented towards development, both places of worship and the center of Government; and the people were forbidden to criticize Golkar because ABRI will take action (Elson, 2005, pp. 356–357). In this context, Suharto's involvement in party leadership elections shows that Suharto was authoritarian in the democratic system.

Second, Suharto was involved in restructuring political parties, for example, by rearranging Islamic politics. It was done to accommodate Masyumi. Supporters who had been banned under Sukarno, and instead, Parmusi was founded on February 20th, 1968, to become a bridge to accommodate the aspirations of Muslim groups who had
shown dissatisfaction with the secularism of the New Order (Crouch, 1978, p. 261). Even so, Parmusi was given special conditions to avoid the old ideology used by the Masjumi and must be program-oriented and based on Pancasila and the 1945 Constitution (Elson, 2005, p. 350). Problems then arose after Djaelani Naro announced that he had taken over the leadership of Parmusi from Djarnawi Hadikusuma and had appointed Imran Kadir as secretary-general. After various internal party dynamics, the issue of Ali Murtopo strongly condemns the reappearance of Masjumi figures in Parmusi and is ready to take a ‘confrontational’ attitude toward the Government. Finally, it forced the Government to intervene by entrusting Amir Machmud and General Sutopo Juwono to settle Parmusi’s internal problems. So that on November 14th, 1968, Suharto placed one of his ministers, namely M.S. Mintaredja, who is Islamic and accommodating, to serve as party chairman. The impact was that Parmusi became a messy party and became a party belonging to the New Order (Ward, 1973, p. 70, 1974, p. 115).

At least, the Government does not view the Nahdatul Ulama (NU) party as a threat; at least, the Government does not interfere in the party’s internal affairs until Subhcan - a former student activist - becomes the leader of NU and eventually becomes the Government’s target for removal (Elson, 2005, p. 351). As a significant manipulation of the elections in the New Order era, Suharto tried to reorganize the parties and arrange electoral areas to prevent the parties from getting effective votes/gains in subsequent elections (Elson, 2005, p. 352). That way, every election from 1971 until 1997 has become a limited and pseudo-democratic event involving the wider community.

In reorganizing the parties, the New Order also reduced the nine parties that participated in the 1971 elections into the Indonesian Democratic Party (PDI) and the United Development Party (PPP). PPP combines Islamic parties, such as NU, Parmusi, Indonesia Islamic Union Party (PSII), and The Islamic Education Union (Perti). At the same time, the PDI is a combination of non-Islamic parties: the Catholic Party, the Protestant Party, PNI, IPKI, and Murba. Thus, Suharto’s idea was that the nation’s needs were only divided into three groups, namely national, spiritual, and functional, which would later accommodate and assist the development of the New Order. For Suharto, with the existence of these three groups, there are no longer contested parties but only consensus (Elson, 2005, pp. 361–362). In this context, the impression is that all political parties were degraded and became passive throughout the 1966-1998 New Order period because the New Order had systematically depoliticized and de-ideologically implemented all parties. The entire political process and even parties were discredited. In this context, Drik Tomsa mentions that Suharto de facto rejected the regime party as a party (Tomsa, 2008, p. 1).

On the other hand, the Suharto regime used the vehicle in every election was a functional group known as Golkar, which should have stayed away from political party conflicts. For Tomsa, however, Golkar is a faction of a political party that has participated in elections every year since 1971 (Tomsa, 2008, pp. 1–2). Thus, the Government always prepared Golkar so that Suharto would still win by including ABRI and the Indonesian Civil Service Corps (Korps Pegawai Republik Indonesia/KORPRI) in Golkar politics. Even the Government from the center to the regions has been arranged in such a way that Golkar remains well-coordinated like the Soviet Union’s Communist government system (see Figure 1) and has become an organization that has special obligations in the socio-political field (Reeve, 2013, p. 376; Syafie, 2020, pp. 553–554).
The peak of Suharto’s power was in the late 1980s when his political decision always received his approval. The success of economic development and the massive installation of the Pancasila ideology became the pillars of the success of the New Order, including the development of technology through a technocrat who graduated from Germany, BJ. Habibie. In October 1988, Suharto issued regulations that paved the way for a radical restructuring of the banking sector that tended to liberalize in the economic context. This banking liberalization policy impacts the expansion of entrepreneurs and private conglomerates. It provides space for national and foreign private banks to operate more freely, increasing business confidence and domestic investment (Vatikiotis, 1999, p. 41).

When Suharto was at the height of power, there were various dynamics in Indonesian politics and society. The economic crisis around 1997 magnified the monopolistic practices, protectionism, collusion, and nepotism that occurred in the Suharto era. Within a few months until the beginning of 1998, the rupiah exchange rate had depreciated and fell by around 86%. The rupiah exchange rate in January reached Rp.17,000,- per dollar (MacIntyre, 1998, p. 371). It makes the economic structure fragile; various steps taken by the Government to restore the economy still need to be restored. In response to these conditions, it triggered large pro-democracy demonstrations, especially student movements protesting the regime, which spread almost all over the city. The protest no longer focuses on economic conditions but also pays special attention to free and fair elections, military involvement in politics, and political reform (Suparno, 2012, pp. 177–178). During the heated situation, cabinet ministers and parliamentary leaders instead defected, except for their passionate supporters, who could not do much to quell the student action.

3.2. The Elite Adjustment in the Post-Suharto

After Suharto’s resignation, power shifted to Vice President BJ. Habibie, the pro-democracy groups are disappointed because carrying out total political reform without
abandoning authoritarian elements is crucial. According to Permana (2017), during Habibie’s presidency, three groups of power centers emerged, namely: first, those who tried to maintain the status quo, namely, pro-Suharto elements within the military, Golkar party, and Suharto cronies; second, moderate reformist groups, which are dominated by civilian elites who control mass-based political parties (Ciganjur Group). The main characters of the Ciganjur group are Abdurrahman Wahid, Megawati Soekarno Putri, Sri Sultan Hamengkubuwono X, and Amin Rais. The Ciganjur Group produced several important decisions, including 1) Being consistent in the unity and integrity of the nation; 2) Empowering representative institutions; 3) Decentralization of Government according to regional capacity; 4) implementation of reforms is placed in the perspective of the new generation; 5) Independent implementers conduct elections; 6; The abolition of the dual functions of ABRI for a maximum of six years; 7) Prosecution of corruption perpetrators from the Suharto era; 8) Urge Self-Security for the 1998 MPR Special Session to dissolve itself (O’Rourke, 2002, p. 178); third, radical reformist groups, which mainly rely on student movements and NGOs (Permana, 2017, p. 59).

It shows that there are still remnants of the autocratic elements of the New Order regime after the reformation. They try to maintain the status quo or “survive” in Indonesian politics. In this context, there have been three essential phases of autocratic change in Indonesia since the fall of the robust New Order regime, namely: the phase of adaptation to the political regime; the strengthening phase in the political regime; the deep phase of the political regime. As shown in Table 1 about the phases of authoritarianism post-Suharto in Indonesia.

Table 1: The Phases of Authoritarianism in Indonesia

<table>
<thead>
<tr>
<th>Phase</th>
<th>Indicator</th>
</tr>
</thead>
<tbody>
<tr>
<td>Authoritarianism</td>
<td>Happened to the Old Order and the New Order&lt;br&gt; Oligarchy is dependent on authoritarian rulers (autocrats)&lt;br&gt; The authorities have controlled the oligarchs/political elites and businesspeople (autocrats)&lt;br&gt; Authoritarianism is in one power.</td>
</tr>
<tr>
<td>Adaptation</td>
<td>Occurs during the democratic transition.&lt;br&gt; There is an adjustment of the oligarchs to the new democratic system.&lt;br&gt; The existence of the continuity of authoritarianism through elements of the old authoritarianism and classical oligarchy&lt;br&gt; Elements of authoritarianism and classical oligarchy try to survive and exercise political control in Indonesian politics by creating political parties.&lt;br&gt; The main goal is that the minions of the old autocrats and classical oligarchs can run safely and sustainably in the new political system.</td>
</tr>
<tr>
<td>Strengthening</td>
<td>It happened during the democratic period under the leadership of Susilo Bambang Yudhoyono (SBY).&lt;br&gt; Elements of authoritarianism and classical oligarchy enter the knots of democracy to seek support by making democracy the only way to power.&lt;br&gt; Elements of the old autocrats and classic oligarchs begin to maneuver by mastering many lines.&lt;br&gt; The Development of the Conditional Democrat.</td>
</tr>
<tr>
<td>Deepening</td>
<td>It happened during the decline of democracy under Jokowi’s leadership.&lt;br&gt; Elements of authoritarianism and classical oligarchy, such as political elites and businesspeople, are in various lines of government.&lt;br&gt; Autocrats rely on classic oligarchs: politics (elite) and business</td>
</tr>
</tbody>
</table>
The impact is repression, co-optation, compromise, and manipulation by the authorities to protect entrepreneurs. Elements of the old authoritarianism and classic oligarchy became the backbone of the new autocratic style.

Source: Field Research 2022

Before the political reforms, the Old Order and New Order governments had legitimized the practice of authoritarianism in Indonesia. Sukarno’s Old Order made a significant policy direction in the name of the revolution, eventually leading to structured restrictions and controls for society. Meanwhile, Suharto’s New Order consolidated power to various necessary parties: especially to perpetuate his power. It then oligarchy network centralized under Suharto. It means all elements interested in maintaining their wealth remain submissive and obedient to Suharto’s rule. In other words, what happens is that oligarchs such as the political elite and the business elite, depend on authoritarian rulers who were directly controlled under Suharto. It is in line with the opinion of Winters (2011), which shows that the oligarchy that occurred in Suharto’s New Order era was a sultanic oligarchy, which allowed any interest group to run its business and politics as long as it was in line with the interests of the central Government. So, it is not surprising that this sultan-style oligarchy then spreads to various lines, including the sequence of regional Government, which Golkar and the military strongly support.

However, the oligarchic practice did not necessarily disappear after Suharto’s New Order. What happened was that there was an adjustment of the elites who were once in Suharto’s circle to continue to maneuver dominance in determining the political configuration following the interests of the network or the oligarchic octopus who tried to adapt (adaptive) and who always responded to every change in the system (responsive) (Margiansyah, 2019, p. 52). Furthermore, the behavior of the elite under the “New Order” regime always carried out a process of adjustment or elite adjustment to survive the currents of democratization dynamic and continued to strive to be part of the new regime’s circle of power after the reform (Permana, 2017).

In this context, the oligarchs adjusted the elite to stay afloat and participate in the new regime that was built. So, what happens is that the continuation of authoritarianism is still happening in the reform era brought about the old political elite. According to Permana’s research, this elite adjustment resulted from a dynamic relationship pattern between structural changes, actor actions, and ideas (Permana, 2017). It means the change in institutions from the New Order regime to the reform era encouraged the old political elites to unite and/or compete to create and design political parties as ‘boats’ to participate in election contestations, especially in 1999. It is evidenced by the existence of political parties that were initially only PPP, PDI and Golkar which became 48 political parties. However, many of these parties did not play a significant role in reform and only relied on little support from the community. They were used as political vehicles for specific individuals, not because of ideology. This adjustment elite is even stronger if the strategy implemented is supported by politicians’ (actors) skills and bureaucratic capabilities in political contestation (Margiansyah, 2019, p. 53). Even so, Indonesia’s democratization of institutional reform in the form of constitutional amendments, implementation of decentralization policies, and so on, has become a “fruit choice or difficult to choose”, namely: on the one hand, it can create a more pluralist political elite, more competitive political contestation between elites, and participation. On the other hand, reforms to the existing electoral system have resulted in transactional politics,
money politics, political corruption, and strengthening oligarchs at the central and local levels (Permana, 2017, pp. 260–261).

Several elites founded new parties to participate in the 1999 election contestation, including Megawati Soekarnoputri (daughter of President Sukarno), who founded the Indonesian Democratic Party of Struggle (PDIP),\(^1\) which promoted national unity and campaigned for secular nationalism and took advantage of her father’s fame and popularity; Abdurrahman Wahid founded the National Awakening Party (PKB) in 1998, which promoted tolerant nationalism by relying on traditional Muslim support; and Amin Rais founded the National Mandate Party (PAN), by promoting nationalism with a moderate Muslim mass base.

During the 2004 general election, several parties also began to emerge, up to 150 parties. Still, in the end, only 24 political parties were declared to have passed the verification by the General Elections Commission (KPU) (Ananta et al., 2005, pp. 5–6). One of the exciting things is the emergence of a new party, namely the Democratic Party (PD), which was founded by a group of intellectuals (including from the University) and professionals, chaired by Subur Budhisantoso, a professor at the Department of Anthropology at the University of Indonesia. His deputy is Kristen Herawati (wife of SBY and daughter of the former Commander of Kopassus, Sarwo Edhie Wibowo). This party was formed to encourage SBY by promoting the fight against corruption and nepotism and encouraging the people’s and professional soldiers’ participation (Ananta et al., 2005, pp. 23–24). In this context, it should also be remembered that SBY was an important part of the New Order regime along with Wiranto (founding the Hanura Party), Prabowo (founding Gerindra), and several other figures. In this 2004 election, SBY and the Democratic Party gained high popularity, plus public dissatisfaction with Megawati’s leadership – even though they had succeeded in improving the economic sector. Thus, the campaign “as long as no Mega” emerged because Megawati had failed to communicate her various successes in the political and economic fields. Only during the campaign period did he become close to the people. SBY’s success is also because it is seen that he is an honest person who can clean up the practice of KKN, not too religious and not anti-Muslim (Ananta et al., 2005, pp. 91–92).

In the context of the 2004 election, SBY’s popularity has led several parties to support SBY and join his cabinet. Even so, as long as SBY’s leadership, democracy in Indonesia is considered stagnant (Aspinall et al., 2015). During SBY’s leadership, this was a strengthening phase for elements of authoritarianism. The henchmen of the old autocrats and classical oligarchy enter the knots of democracy in search of support by making democracy the only way to power. They tried to strengthen their position in politics and democracy to gain sympathy from the public and began to maneuver politics by using democratic institutions. Efforts to enhance authoritarian henchmen are divided into two: their political parties remain in opposition positions, and secondly, they support the Government to continue to gain access to power to maintain wealth.

In addition to the emergence of political parties at the beginning of the reformasi, it is also necessary to remember that the oligarchs continued to develop their business octopus, especially Chinese businesspeople. Chua’s (2008) study stated that the New Order bureaucratic politics had subdued the Chinese capitalists. However, when the reforms took place, they gave rise to plutocracy, or power controlled by capitalists in

---

\(^1\) Megawati was expelled from the PDI in 1996 and founded the PDIP.
Indonesia. It makes the plutocracy’s position elevate its position vis-à-vis bureaucratic politics. Electoral political expansion in Indonesia is very costly and has become an important moment for the oligarchs, meaning that political positions cannot be reached without the owners of capital. As a result, Chinese big business has become a patron that everyone always seeks. Instead of being lost in the reform era, what happened was that big Chinese companies effectively controlled society through plutocracy. In addition, it should also be noted that business elites who seek to consolidate their business with government elites require very high costs.

In this context, the involvement of oligarchs and stooges of authoritarianism in the cabinet is a form of conformity to democratic political institutions. Nevertheless, they look like conditional democrats who actively participate in bargaining or transactional politics when democratic elections occur (Gandhi & Ong, 2019) and tend to make political policies based on situations and conditions that benefit themselves or their groups. In this condition, the oligarchs actively participate in Indonesian politics. This condition can be seen from clientelism, in which government supporters are given specific positions as thank in the cabinet or become commissioners in BUMN and various economic development policies that depend on Chinese entrepreneurs.

During the leadership of President Jokowi, the oligarchs provided a much deeper maneuver. Political and business oligarchs – Chinese and indigenous – began pressing Jokowi for the presidency. They encourage Jokowi, who is considered not to have a clear vision for Indonesia, only to have popularity that is "fried" by the media and shown to the public; for the classic oligarchs, Jokowi is considered a popular figure and can be directed (Informant 1 2022; Informant 2 2022). It is evidenced by Jokowi’s lack of understanding of the national political situation by promising that his cabinet would prioritize professionals. Intellectual ideas are defeated by oligarchy and plutocracy, where oligarchic interests are embedded in various policies, including in making laws, such as the Omnibus law and mineral and coal law (Informant 1 2022). The impact is that there is compromise and manipulation of policies in the name of the people’s interests, even though in the context of the Job Creation Law, the Constitutional Court has said that the law is ‘conditionally unconstitutional’ (Tresna, 2021). In the end, it remains a debate in the public sphere. In addition, the interests of these oligarchs also dwarf the people’s claims, so there is repression, as happened in the case of Wadas village, which rejected the Andesite Stone Mine for the Bener Dam Project.

In this context, the oligarchs who tried to stand on two legs between the rulers and their businesses are no longer strong and must consolidate their interactions with various parties (Informant 3 2022). Finally, businesspeople or elites who have always lived in the Suharto era are competing to create political parties and support the Government’s work program with various political transactions. It shows that the adjustment of the business elite, who have also transformed into a political elite, has become the backbone of the new autocratic style of the Jokowi era (Informant 3 2022; Informant 4 2022). This new style of autocrat was then propagated through the mask of electoral democracy and was widely celebrated. Mietzner (2019) states that the Jokowi government has made authoritarian innovations by trying to narrow electoral political competition. It is done because regulations increasingly increase the political costs of entering politics. In addition, some political elites have been ‘weaponized with identity politics’; for example, those who use the political elite in specific groups, and the primary victims are minorities. Political actors exploit identity politics and turn it into an innovative authoritarian tool. Opposition forces are responsible for the surge in identity politics.
Mietzner (2019) also mentioned that authoritarianism in Indonesia had become a new or innovative style because this authoritarian technique was imposed during the democratization period, eventually eroding Indonesian democracy, and involving an extensive range of actors.

4. Conclusion

This article shows that there has been a democratic and an authoritarian political system throughout the history of modern Indonesia. The democratic system adopted in the 1950s shows that the Indonesian political elite has open-mindedness and diverse political thoughts. Still, this system is considered incompatible with the pluralistic approach of Indonesian society. The experiment of the Parliamentary Democracy system has divided the community, full of political and horizontal social conflicts. The guided democracy introduced by Sukarno was solely to create unity in society by combining all elements of society, including promoting the ideas of nationalism, religion, and communism, which in principle, religious beliefs and communism are quite the opposite. The instability during Sukarno’s Guided Democracy government created much opposition from the military, especially the Army, and some political elites, such as Hatta, considered Sukarno unconstitutional. As a result, instead of carrying out development and maintaining political and economic stability, Sukarno was flooded with criticism and ideological rivalries that forced Sukarno to approach the PKI elite and a coup or transfer of power to Suharto. It is in contrast to the authoritarian system built by Sukarno. Suharto’s New Order attempted to implement the network by conducting political consolidation to run an authoritarian government with a solid political infrastructure and implementing a holistic Pancasila ideology.

Suharto expanded Golkar, which Sukarno established as a political vehicle by perpetuating the military in the political vortex, controlling other political parties (PDI and PPP), controlling parliament, consolidating corporations and business actors, and taking coercive actions against strong opposition groups. As a first step in the New Order government, Suharto used a development narrative in every period of his rule. Thus, in the name of achieving economic growth, political stability must be maintained. Even so, the narrative eventually faltered due to unconstitutional practices, such as harassment, collusion, nepotism, and repression of opposing groups. Conditions like this then revive political and economic reform ideas that are more liberal and freer.

As an initial step in the democratic transition, various political policies and the establishment of democratic institutions were formed, including the implementation of free, honest, and fair elections involving all elements of society, the revitalization of the party system to become multi-party, the separation of the dual functions of ABRI, freedom of the press, until the implementation of decentralization. However, political elites, autocratic elements, and oligarchs try to stay afloat due to system change and democratization until they finally carry out political maneuvers. So, it is unsurprising that the classic autocratic and oligarchic elements adjust by utilizing the democratic system to survive and remain important players in Indonesian politics. In other words, in the democratic transition in Indonesia, the accomplices of the old autocrats and classical oligarchies were involved in the democratic transition to survive “lastingly and safely”.

© 2023 by the authors. Published by Secholian Publication. This article is licensed under a Creative Commons Attribution 4.0 International License (CC BY).
Acknowledgement

Part of this article was extracted from a doctoral thesis submitted to the National University of Malaysia, Bangi, Malaysia.

Funding

The completion of this work is partly supported by the Malaysian Ministry of Higher Education’s Fundamental Research Grant Scheme, FRGS/1/2020/SS0/UKM/02/3.

Conflict of Interest

The authors reported no conflicts of interest for this work and declare that there is no potential conflict of interest with respect to the research, authorship, or publication of this article.

References


