Indonesia in Transition: The 1999 Presidential Elections

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The October 1999 meeting of Indonesia's People's Consultative Assembly (MPR) and its selection of the nation's fourth president capped a period of dramatic political transition sparked by the fall of President Suharto and his New Order regime in May 1998. The following report provides an overview of the unpredictable and unprecedented end-game to this historic transition, from the June 1999 popular elections through the October general session of the MPR. In the opening up of Indonesian democracy, a political landscape emerged that pitted parties and political figures identified with the New Order against the forces of "Reformasi" (Reform). At the same time, the alignment of Islamic parties against "nationalists" added a second dimension to this vibrant season of political maneuvering. The surprising outcome of the presidential election within the MPR is in part an outcome of the crosscurrents of these two dimensions of contemporary Indonesian politics. Monumental questions, from national unity to civilian control of the military and freedom of political expression, have yet to be entirely resolved in the wake of the elections. But despite the uncertainties that swirled around the process, the ultimate success of the democratic transition has filled Indonesians with renewed hope for economic recovery and for an increasingly transparent and just political order in the country.

The election of Indonesia’s fourth president by the People’s Consultative Assembly (MPR) in October 1999 concluded a long and chaotic period of political transition that was set into motion in May 1998, when popular protests brought down Suharto’s three-decade old New Order regime. Based on reports in the local press, coverage on Indonesian television, conversations with political observers at the Center for Strategic and International Studies (CSIS) and ordinary Indonesians during the election frenzy, and at the expense of some of the more detailed nuances in the complex political maneuvering going on around the elections, the following commentary provides a brief retrospective overview of the election process from the popular elections in June to the selection of the president in October. It attempts to capture the anxious, uneasy atmosphere that accompanied these halting and largely unprecedented events through which Indonesians have attempted to forge a civilian-led, reform-minded, and democratically based government. The analysis articulates the broad dimensions of the political landscape that emerged out of the election process and the short, medium, and long-term

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Aftermath of the June Popular Elections

The election of Indonesia’s fourth president was not a single event, but a series of events playing out over many months. In June of 1999, the nation held its first openly contested general elections since 1955, with 48 parties competing for seats in national and provincial legislatures. With a slow vote count, a maze of complex and untested rules for assigning parliamentary seats based on the popular vote, and an assortment of grievances, objections, and protests from various parties contesting the elections, the general election commission did not sort out the results until late July. Ultimately, a presidential mandate was necessary to validate the final tally and distribution of 462 seats in the 500-seat Dewan Perwakilan Rakyat (DPR) or House of People’s Representatives. The other 38 seats were reserved for representatives of the military and police. Minor parties struggled to edge their way into the DPR carrying out protests over the interpretation of the popular vote. These battles foreshadowed a fierce season of politicking by the larger parties in the August and September run-up to the October general session of the Majelis Permusyawaratan Rakyat (MPR) or People’s Consultative Assembly. The 500-member DPR plus 200 appointed representatives from various social groups and Indonesia’s 27 provinces constituted the 700-member MPR, which selects the country’s president and vice president, sets out guidelines for administration policy, and is responsible for holding the administration accountable for its activities at the end of every presidential term.

Before the dust had settled on the vote counting and distribution of seats in the DPR, front runners for Indonesia’s powerful presidency emerged. Leader of the Indonesian Democratic Party of Struggle (PDI-P), Megawati Sukarnoputri, seemed the most likely choice for president. Megawati’s PDI-P gained 35.7 million votes or about 34% of 105.7 million votes cast. With 12 million more votes than the next closest rival and a solid plurality, the press and others in Indonesia designated the PDI-P as “winner” of the elections. Megawati is the political heir to her father Sukarno, co-proclaimer of Indonesia’s independence and the country’s first president. For many she embodies Sukarno’s charismatic, populist, and almost magical power. Back in 1993, Megawati emerged as the leader of the Indonesian Democratic Party (PDI), one of three officially sanctioned parties within Suharto’s “New Order” regime, which had wrested power from her father in 1965-1966. In the mid-1990s, the PDI became increasingly restive, pressing for political change within a frustratingly inflexible system. Discomforted by increasingly harsh criticism from Megawati’s PDI, in June 1996 Suharto’s government engineered a PDI party congress in the Sumatran city of Medan. The government and their allies within the PDI managed to exclude Megawati and her supporters from this party congress in order to elect a new, more deferential PDI leadership. In response, Megawati’s supporters occupied PDI headquarters in Jakarta. After a tense standoff, the New Order security apparatus stormed the headquarters, forcibly evicting PDI supporters, and killing many.¹ In the wake of these events, Megawati famously urged her followers to continue their democratic struggle, proclaiming that they had lost this battle, but would win the war. As events in 1997-1998

¹ For a more detailed account of the final years of Suharto’s rule, see Adam Schwarz, A Nation in Waiting: Indonesia in the 1990s, Boulder, CO: Westview Press, 1994.
unfolded, with a combination of pro-democracy protests and the Asian economic crisis bringing down Suharto, Megawati reemerged as the leader of the reincarnated PDI-of-Struggle or PDI-P. The old PDI continued to exist but gained only one seat and less than 1% of the popular vote in the 1999 elections for the DPR.

Despite the PDI-P’s strong showing in the polls, Megawati was not the only contender for the presidency. Before the June general election, speculation ran rampant as to the fate of Golkar, the political instrument of Suharto’s three decades in power. In New Order elections, Golkar had maintained a consistent popular vote of around 70%. While some expected Golkar to be wiped out in the wake of Suharto’s downfall, it was able to obtain 23.7 million votes in 1999, or 22%, making it the second largest vote-getter among the 48 contesting parties. This gave some hope to the candidacy of the then current President B.J. Habibie. As Suharto’s most recent vice president, Habibie assumed the presidency in May 1998 when mass student protests along with pressure from within the political establishment forced Suharto out of office. Seen as a technocrat and relatively weak president, Habibie guided the country through the transition from the tightly controlled politics of the New Order to the wide-open June elections and was credited with allowing the growth of a free press. But critics assailed Habibie on a range of issues from his close association with the Suharto regime, to his apparent unwillingness to undo the “corruption, collusion, and nepotism” of the New Order, to his decision to allow East Timor to opt for independence in a popular referendum. On top of these and other criticisms, a scandal involving the alleged use of illegal funds from the Bank Bali for Golkar’s 1999 election campaign further damaged Habibie’s standing. Nevertheless, Habibie remained Megawati’s closest rival for the presidency. Golkar’s 22% of the popular vote translated into 120 seats in the DPR compared to PDI-P’s 153 seats. Habibie could also count on the support of the United Development Party (PPP), another holdover from the New Order’s three-party system. The Islamic-oriented PPP gained 11.3 million votes in the June elections. As a beneficiary of the complex electoral system which worked to the advantage of parties drawing support from smaller constituencies outside of Java, the PPP commanded a disproportionately high 58 seats in the DPR.

Given the distribution of the popular vote and seats in the DPR, much depended on the alignment of other reformist parties. The National Awakening Party (PKB) and National Mandate Party (PAN) rounded out the roster of the five major parties emerging out of the June vote. The PKB gained 13.3 million votes but with these concentrated mainly in East and Central Java, it obtained only 51 seats in the DPR, seven fewer than the PPP. PAN received 7.5 million votes and 34 seats in the DPR. Sixteen smaller parties with a range of political orientations controlled the remaining 46 elected seats. While some of these parties leaned toward the New Order status quo, most positioned themselves as reformist. The PKB and PAN both championed reform. But in contrast to Megawati’s PDI-P, seen as a “nationalist” party, the PKB and PAN are “Islamic” in their orientation. The political division between Islam and nationalism is a longstanding dimension of Indonesia’s political landscape. In broad terms, nationalist politicians in Indonesia emphasize the unity of the nation, the national struggle for independence, and national development, while criticizing “Islamic” politicians for engaging in divisive rhetoric.

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Islamic politicians, on the other hand, criticize nationalists for their secular tendencies and for being too close to religious and ethnic minorities (especially Indonesia’s relatively wealthy Chinese population), at the expense of the indigenous Islamic majority. While important, the division is far from absolute. Most “nationalist” politicians, such as Megawati, are Muslim. Most “Islamic” politicians are ardent nationalists and support some degree of religious freedom and tolerance. The differences in perspective are more a matter of emphasis than of sharp ideological conflict. Moreover, divisions within “Islamic” or “nationalist” political forces can often be as large as those between them, as reflected in the political campaigns of the PKB and PAN.

The political emergence of the PKB revolved around the charismatic power of Abdurrahman Wahid, popularly known as Gus Dur. Since the 1980s, Wahid had headed the Nahdlatul Ulama (NU), Indonesia’s largest Islamic organization. The NU is the leading voice of traditionalist Islam in Indonesia, meaning that it tends to champion traditions of Islamic practice indigenous to Java and other parts of Indonesia that have developed somewhat apart from wider trends in the Islamic world. In his many years as a public figure, Wahid managed to cultivate a persona at once highly controversial, highly respected, and widely revered. He has been vehemently criticized for attempts to build fences with Israel and his sometimes accommodative relationship with the Suharto regime. But at the same time, he is seen as an almost saintly figure by many Muslims and is respected by other religious groups for his active ecumenicalism. He was also a frequent critic of Suharto’s New Order, despite the fact that others criticized him for working within that system.

Amien Rais, former head of Muhamadiyah, Indonesia’s second largest and “modernist” Islamic organization, led PAN in the June general elections. Rais rose to be one of the most visible and vocal opponents of Suharto and the New Order in the 1990s when he became a spokesperson for anti-Suharto student activists. As one of the most prominent figures in the 1999 general election campaign and a pre-election presidential candidate, PAN’s 5% showing at the polls initially appeared to be a crushing defeat for Rais and dashed any presidential aspirations he might have held. As leader of the smallest of the five major parties, however, Rais became the most active in building coalitions in the post-election period. With the two largest vote getters in the election at odds, and neither commanding more than one third of the representatives in parliament, Rais engineered a third force dubbed the Poros Tengah or Central Axis, a somewhat loose coalition of Islamic and reform oriented parties. PAN and the smaller Justice Party (PK), with seven seats in the DPR, formed the anchor of this Central Axis. Numerous smaller parties worked together with PAN and PK to strengthen the Central Axis. The PPP and Crescent Star Party (PBB), both vehement opponents of Megawati’s PDI-P, also aligned themselves with the Central Axis.

Meanwhile, in the months preceding the October general session of the People’s Assembly (MPR), Megawati failed to reach out to other parties, with the exception of a close working relationship with Wahid’s PKB. Very shortly after the election, Wahid and his party pledged their support and promised to work for the presidential election of Megawati as winner of the popular vote. But this coalition still left Megawati short of the support she needed to assure her presidential bid. Her position became even more tenuous when Amien Rais’s Central Axis began an active campaign to promote the presidential candidacy of Wahid, as an alternative to either Habibie or Megawati. Wahid, living up to his reputation, responded ambiguously and
enigmatically to Rais’s efforts. He did not reject the possibility of his own nomination for the presidency, but in public gave it a grudging, tepid reception. Up to and throughout the general session of the MPR, many believed that Wahid was allowing his nomination to go forward only to weaken Habibie and would withdraw at the last minute to support Megawati. Wahid’s candidacy also spurred dissension within the PKB. While Wahid was the figurehead of the PKB, and seen as its candidate for president prior to the popular elections, PKB chairman, Matori Abdul Djalil continued to actively promote the candidacy of Megawati, while the PKB rank-and-file seemed torn between Megawati and Wahid.

With the political maneuvering of various parties and coalitions, two dimensions of Indonesian politics emerged in the run-up to the general session of the MPR (See Appendix I: Dimensions of Indonesian Politics in 1999). One dimension pits the reformist PDI-P and its PKB allies against the New Order status quo forces of Golkar and the PPP. In 1999, a year after Suharto’s downfall and with the explosion of popular political and economic discontent surrounding his fall from power, this dimension of politics dominated the political landscape. It was within this dimension of politics that Amien Rais was able to position himself and his Poros Tengah at the center. While Rais had secured solid reformist credentials with his strident criticisms of Suharto’s regime in its waning years, in the aftermath of the June elections, he showed himself more willing than the PDI-P to negotiate strategic alliances with reform-minded elements within Golkar. These elements, led by figures such as Akbar Tanjung, who became head of Golkar in 1998, had been on the rise within the party since Suharto’s downfall. Nevertheless, in the popular and political imagination, Golkar as a whole still represented Suharto’s New Order.

Differences between Islamic and nationalist political orientations constituted a second important, though less prominent dimension of the 1999 political landscape. Of the large political parties, the PPP positioned itself as the most stridently Islamic, and on these grounds the most ardently opposed to a Megawati presidency. On the streets around Jakarta, the youth wing of the PPP hung banners opposing Megawati on religious grounds, with slogans such as “A Woman President? - No Way!” and quotations from the Qur’an proclaiming men’s dominion over women. In its opposition to Megawati, the PPP also positioned itself as the most radical supporter of Habibie’s reelection, even more so than Golkar itself. With respect to this Islamic-nationalist dimension of politics, Golkar is ideologically closer to the PDI-P as a nationalist party than any of the other major parties in the elections. But the clash between Golkar and the PDI-P on questions of status quo versus reform seemed to overshadow any possible common ground they shared as nationalist parties. The Central Axis displayed a distinctly modernist Islamic orientation while the PKB, with its ties to NU, represented an Islamic force with strong ecumenical leanings.

These crosscutting dimensions of political alignments, along with the existence of numerous political parties of which none held a clearly dominant position, set the stage for a very uncertain session of the MPR leading up to the selection of the country’s next president. Several other factors also heightened the uncertainty, including the turbulent secession of East Timor, the passage of a widely unpopular internal security bill by the outgoing DPR leading to police-student clashes in which several student protesters were killed, questions about the role and stance of the military in the political process, and the unresolved Bank Bali scandal as well
as ongoing corruption investigations against Suharto, his family, and close associates. Adding further to the uncertainty and suspense accompanying the MPR’s general session, the circumstances of the session itself were extraordinary. The MPR would be meeting for the first time in its history in open session, closely monitored by a critical free press, electronic media, and a keenly interested public. Moreover, the MPR had given itself the tasks of extensively amending the 1945 constitution on which Indonesian law had been based for most of the nation’s history as well as tackling the thorny issue of East Timor’s sovereignty and openly debating the record of B.J. Habibie’s government.

The October General Session of the MPR

The MPR came into session on the first of October. Within the MPR, the main functional units are “factions” (fraksi) formed primarily along party lines. Of the 200 appointed members, who in addition to the 500 members of the DPR make up the MPR, 135 are known as Utusan Daerah (Regional Delegates) and are appointed by provincial level governments—5 from each of Indonesia’s 27 provinces (though 5 of the 135 lost their standing in the MPR when East Timor seceded from the republic). These regional delegates share party affiliations with national level representatives and join the latter to add to the size of party factions within the MPR. Another 65 representatives in the MPR come from the Utusan Gologan (Group Delegates), appointed by designated social groups, including officially recognized religions, ethnic minorities, women, and the disabled. These representatives, along with 8 regional delegates, formed their own 73-member faction within the MPR. Again because the distribution of regional delegates favored parties with strong showings in smaller constituencies, especially Golkar and the PPP, those parties were able to significantly strengthen their representation in the MPR compared to the DPR. While the PDI-P faction, with 185 members, still maintained the largest faction in the MPR, Golkar was able to nearly match the PDI-P’s strength with its own 181-member faction, which adopted the name “Golkar Reformasi” to emphasize a break from its New Order past. The PPP boasted the third largest faction with 70 members. PAN and PK joined forces to form the Reform Faction (Fraksi Reformasi) with 48 members, controlling only nine fewer votes than PKB’s 57-member faction. The 38 military and police representatives from the DPR formed an independent TNI/Polri (military/police) faction within the MPR. And smaller parties formed four additional factions, each with 5 to 14 votes. (See Appendix II: Facts and Figures on Indonesia’s 1999 Elections and Appendix III: Abbreviations of Parties, Groups, and Multi-Party Factions.)

Following the rules and procedures of the MPR, factions held certain parliamentary rights and privileges. Factions could nominate candidates for the presidency and other elected positions. Faction leaders conferred to set the agenda for the general assembly and to negotiate votes on key legislative issues. Although selection of the president was originally not scheduled until early November, the body soon decided to move the date up to October 20th in order to shorten the period of growing uncertainty and unrest in the country focusing on the question of who would be the next leader of the nation. The factions also held the controversial power to make decisions by consensus rather than bring them to a vote of the entire Assembly. The method of consensus or acclamation had been consistently used throughout the New Order years to reappoint Suharto president every five years. According to Indonesia’s constitution, only if the Assembly cannot reach consensus are decisions made by a majority vote of members present.
The first crucial test of voting, and of the power and alignment of various factions, came with the selection of Speaker of the MPR, who chairs the Assembly’s sessions. At the beginning of the day scheduled for selection of Assembly Speaker, Matori, the chairman of the PKB and backed also by the PDI-P, appeared to be the leading candidate for the position. But faction heads did not come to a consensus on Matori nor any of the other main candidates for the position, forcing a historic vote on the floor of the MPR and breaking the tradition of acclamation that went back as far as Sukarno’s rule. Moreover, in a heady day of politicking, Amien Rais emerged as a surprise candidate, backed by his own Central Axis and Golkar, even though he had not been under consideration for the position at the beginning of the day. In a close 305 to 279 vote (with remaining votes going to five other candidates), Rais defeated Matori in a stunning loss for the PDI-P - PKB coalition. It was the first public display of the pivotal position of Rais’s Central Axis in the political alignment of Indonesia’s main parties.

The election of Rais to Speaker of the MPR was followed by the selection of head of the DPR, which is also chosen by acclamation or voting. The rise of Golkar’s Akbar Tanjung to this position made apparent the political deal struck between Golkar and the Central Axis parties. This time, the PDI-P and PKB realized that they were in a weak position and belatedly began to negotiate political deals with the Central Axis and Golkar. The PDI-P suggested in the press that they were not particularly interested in the positions of Speakers of the MPR or DPR. Their target was to see Megawati become president, thus they did not oppose Akbar Tanjung’s candidacy for Speaker of the DPR. Despite the capitulation of the PDI-P, Akbar did not become Speaker by acclamation. In fact, at this point, the PDI-P lobbied for Akbar to be acclaimed Speaker through the consensus of the five largest factions (F-PDIP, F-Golkar Reformasi, F-PPP, F-PKB, and F-Reformasi) in the MPR. The tactical maneuver aimed to set a precedent by which Megawati could gain the presidency through consensus, and to undercut some of the support smaller factions gave to the Central Axis. The small but virulently anti-Megawati faction of the PBB protested this idea and forced a vote. With the tacit support of the five largest factions, Akbar won this vote handily, gaining 411 votes with only 54 votes for his next closest rival among 5 candidates. But the vote itself further strengthened the trend toward the use of voting over consensus.

With the agenda set and the key leadership positions decided, the MPR went into recess for several days before opening the next phase of its session during which the most pressing and weighty issues would be addressed: an assessment of Habibie’s presidency, negotiations on extensive amendments to the Constitution, and election of the president and vice president. Meanwhile, the atmosphere outside the MPR/DPR building grew increasingly tense. The display of power by the alliance of the Central Axis and Golkar disturbed many who felt it contradicted the will of the people as expressed in the popular vote. The strong showing of the PDI-P in a crowded field, along with solid vote tallies for the PKB and PAN which ran on reform oriented platforms, had indicated to most observers a deep desire for reform on behalf of the electorate and a turn away from New Order politics. But the Central Axis’s inclination to work with a weakened Golkar at the expense of a less flexible PDI-P threatened to thwart the desire of many to see a significant change of power within the government. The reelection of B.J. Habibie seemed a much greater possibility than it had in the immediate aftermath of the June elections. Megawati’s prospects seemed far more uncertain. And the candidacy of Wahid or even an
unexpected and unknown nominee gained much more credibility in the wake of Amien Rais’s sudden ascension to Speaker of the MPR.

In response to the uncertainty and an underlying distrust of the political process, PDI-P supporters began to flood into Jakarta. Displaying banners declaring “Megawati or Revolution” they occupied key intersections in central Jakarta and areas surrounding the MPR/DPR building. Student protesters, who had played a pivotal part in bringing down Suharto by occupying the MPR/DPR building in 1998, stepped up their activity outside the parliament. The students’ demands aimed at reigning in the power of the military, bringing down Habibie (who they saw as Suharto’s little brother), and pursuing legal action against the corruption, collusion and nepotism of Suharto, his family, and cronies. Students, who had been on the streets protesting the outgoing government’s passage of a new internal security act in the lead-up to the general session of the MPR, came out again in force on the streets and engaged in running battles with the military and police. Largely in response to these pro-Megawati and anti-Habibie populist forces, groups supporting Habibie, particularly the youth-wing of the PPP, mobilized their own masses. As the second phase of the MPR general session came to order, the violence and threat of violence on the streets had all of Jakarta on edge. With bands of PDI-P supporters and PPP supporters circling the capital in bus convoys and marching down the city’s main thoroughfares, observers raised fears that clashes between the groups might occur. Regardless of the outcome of decisions facing the MPR, one side or the other seemed bound to be disappointed. A defeat for the PDI-P was the most worrying scenario. If the MPR chose to accept B.J. Habibie’s accountability speech, a sign that he might be reelected president, or if the body rejected Megawati’s presidential bid, people feared rioting of the sort that had racked the country prior to Suharto’s downfall, or even worse.

As spelled out in the Indonesian Constitution, at the end of every five-year term, the president is required to give an accountability speech to the MPR, detailing the accomplishments of the administration and its attempts to fulfill the policy guidelines set out by the Assembly. The MPR then accepts or rejects the president’s accountability speech. This action does not have the same weight as a vote of no confidence, but it does indicate the Assembly’s disposition toward the president’s administration. All past accountability speeches, under both Sukarno and Suharto, had been accepted by acclamation, with the exception of Sukarno’s last accountability speech, which was rejected by acclamation after Suharto had already effectively taken control of the government and was engineering Sukarno’s official removal from office. In 1999, for the first time in the nation’s history, the MPR faced the task of weighing the accomplishments of a widely unpopular president not as a rubber-stamp legislature but as a politically divided body representing diverse political interests.

The violent clashes pitting the security apparatus against students and other groups opposed to Habibie reached a crescendo on Thursday, October 14th, the day scheduled for President Habibie’s speech. In a moment of high drama, attempting to quell the student unrest, Amien Rais, Matori of the PKB, and Kwik Kian Gie, a close advisor to Megawati, left the parliament building to address the students. Standing together atop an automobile they appealed to the students and other demonstrators for calm and invited a contingent of 100 student demonstrators into the building to witness Habibie’s speech. Despite these attempts to appease the demonstrators, clashes between the students, PDI-P supporters, and others with the police
and military continued on into the night after the President’s speech.

On Friday, Saturday, and through the weekend, demonstrations on the streets subsided in intensity, though PDI-P supporters and others continued to arrive in Jakarta. Over these days, each faction in the MPR presented a formal response to the speech. While the PDI-P and PKB factions along with two smaller factions (F-KKI and F-PDKB) categorically rejected the speech, the seven other factions presented more qualified criticisms. By Sunday, after Habibie was given an opportunity to respond to the criticisms, it was clear that acceptance or rejection of the speech could not be reached by consensus or acclamation and so a vote was scheduled for October 19th. This set into motion a rapid series of events in which the votes on Habibie’s accountability, the presidency, and then the vice presidency would occur over a narrow three-day span from Tuesday to Thursday.

On Monday, Golkar officially announced its intention to nominate General Wiranto, chief of the armed forces, as Habibie’s vice presidential running mate. Under Suharto, the vice president had commonly come from among the ranks of the military. Appearing on television that evening, in a speech televised across all channels of Indonesian television and flanked by a contingent of military commanders, General Wiranto rejected his nomination for the vice presidency. Wiranto warned that the military would continue to monitor the situation in the country and guard against tendencies toward anarchy. But in essence his speech took the military one small step back from its long running role in politics. He reasserted the neutral stance that the public face of the military had been maintaining toward the civilian political process during this transition period. It was also a blow to Habibie, implicitly giving a green light from the military to Habibie’s political opposition.

The next night, in a session that crept into the wee hours of the morning, the MPR voted by a narrow 355-322 margin to reject President Habibie’s accountability speech. As with previous votes for Speakers of the MPR and DPR, representatives cast their votes by secret ballot, which officers of the Assembly then tallied on a large white board at the front of the Assembly hall. The secret ballot itself was a contentious issue. Some called for a public vote, so that representatives could vote their conscience rather than being subject to party discipline or beholden to the forces of money politics, rumors of which were widespread throughout the elections and general session of the MPR. In the tally of votes, one-by-one the officials in charge drew ballots out of transparent ballot boxes and called out “Menolak” (reject) or “Menerima” (accept), bringing cheers and jeers from representatives on the floor and spectators in the balcony. The votes tended to come out in large blocks to accept or reject the speech. The tally shifted back and forth dramatically between “Menolak” and “Menerima,” with the outcome very much in doubt until “Menolak” passed the 345-vote mark (of 690 votes cast). Cries of joy and an “Allhu-Akbar” (God is great) burst out from the opposition, while Golkar leaders sat stunned in their seats, in front of a nationwide audience watching attentively on television or listening on radio.

This vote had been a major test to see whether the MPR would reflect the will of the people, which in popular polls prior to the vote preferred rejecting the speech by a 2 to 1 margin. It also set up a scramble over the next phase of the MPR session: the election of the president.
Golkar met throughout the night to plot their next move. By morning, with the rejection of Habibie and reluctance of Akbar Tanjung to run, they had decided not to post a nominee for the presidency. As expected, the PDI-P nominated Megawati and the Central Axis forces nominated Wahid. Then in a surprise move, the PBB, foes of Megawati, nominated their leader Yusril Mahendra as a third candidate. Yusril’s motives were not entirely clear, though the most widespread explanation was that he feared the notoriously fickle Wahid would withdraw at the last minute to leave Megawati unopposed.

Instead, immediately after MPR Speaker Rais officially announced the nominations, Yusril interrupted, withdrew his name from the running, and voiced his support for Wahid. The voting proceeded forthwith, leaving little time for Wahid to consider withdrawing. Again, the tally of votes which took place mid-afternoon had people who were watching it unfold on edge as the outcome was very much in doubt. Megawati’s vote count led Wahid’s through the first 400 ballots counted. But this trend reversed itself and in the end Wahid defeated Megawati on a vote of 373 to 313. While Wahid was a far more acceptable candidate than Habibie, some elements of the opposition and hardcore supporters of Megawati who had celebrated Habibie’s rejection were dismayed that the popular PDI-P had once again been blocked from political power by the alliance of the Central Axis and Golkar, even though the MPR had elected a close associate of Megawati in the process. Violence again broke out in Jakarta, though on a smaller scale than some had feared and with relatively minor destruction of property: mobs set one car on fire and ransacked several tollbooths near the parliament building. Earlier during the day two bombs mysteriously went off amongst crowds of PDI-P supporters, with no clear explanation of whether they were aimed at the PDI-P crowd or accidentally set off by some among the PDI-P itself. More severe incidents occurred in Solo, where Amien Rais’s family home was attacked and ransacked by an angry mob, and in Bali, a long-time PDI-P stronghold. Reports also began to come in from South Sulawesi, Habibie’s home province, of mass protests there against the rejection of their native son and calls to break away and form an independent “East Indonesia.”

The defeat clearly distressed the ever quiet and reserved Megawati. Nevertheless, she moved to Wahid’s side immediately after the final vote tally. Wahid, for his part, joined hands with Megawati, declaring that this victory was a victory for all of Indonesia and that Megawati’s supporters must be respected. His victory made the selection of vice president much more significant. In frail health after two recent strokes and nearly blind from a degenerative eye condition, Wahid may well not be able to carry out a full term in office. So once again, the various factions and parties held late-night meetings trying to negotiate their next moves. The PDI-P seemed uncertain whether or not to nominate Megawati for vice president. It had set a goal of making Megawati president. With that objective thwarted, some suggested that the PDI-P should position itself as a strong opposition party in the legislature and opt out of Wahid’s administration. The prospect of another humiliating defeat in the vice presidential race also fueled fears of further anarchy among PDI-P supporters. But the same might occur even if Megawati or another PDI-P candidate did not run and the position went to either Akbar Tanjung of Golkar or General Wiranto, the two most prominent names being floated.

The next morning, the PKB, which had seen itself split between Wahid and Megawati, stepped forward to nominate the PDI-P leader, rather than her own party. Golkar nominated a reluctant Akbar Tanjung. The PPP nominated its own leader Hamzah Haz and called for the
support of the Islamic-oriented Central Axis forces, of which it was a nominal member. And the small PDU faction, a coalition of Islamic-oriented parties, nominated General Wiranto. The TNI/Polri (Military/Police) faction maintained its neutrality. This nomination process once again saw a great deal of gamesmanship, though for the first time it worked in favor of the PDI-P. After making official the nominations, due to the large number and last minute appearance of several candidates, MPR Speaker Rais called a recess for discussion among factions. When the Assembly came back into session, Akbar Tanjung and General Wiranto (in a letter to the Speaker, since he was not in attendance) both withdrew from the race in the name of national unity and in the greater interest of the nation, an implicit backing of Megawati’s candidacy. Another recess was called, apparently to put more pressure on PPP leader Hamzah Haz to withdraw and allow Megawati to assume the vice presidency unopposed.

Perhaps with some hope that the previously effective alliance of Golkar and the Central Axis would support his candidacy, but probably knowing that he had little chance to win, Hamzah Haz nevertheless forced a vote on the vice presidency. Besides being a strong opponent of Megawati, he also argued that a vote would further strengthen the democratic tradition being forged in this general session of the Assembly. Ultimately, Megawati prevailed in the voting by a margin of 396 to 284. Later that evening, at the end of her swearing-in ceremony, she gave a conciliatory speech thanking her opponents for their role in the democratic process. And addressing her supporters, in a phrase which would make headlines in the major newspapers the next day, Megawati proclaimed “to my children across the nation, I ask you to sincerely return to your work and not to engage in emotional acts, because as you can see for yourself your mother now stands on this podium.”

Implications of the Elections and Prospects for a New Indonesia

The extraordinary, unprecedented events of 1998-1999, which saw the first successful, democratic transition of power in Indonesia since its independence, marked the most significant moment in the nation’s history since the events of 1965-1966 that brought Suharto to power. The outcome of the elections of Wahid and Megawati generally bodes well for Indonesia’s future, despite the rocky and unpredictable process leading to their victories. Indonesians, especially in Jakarta, immediately responded with a mixture of relief and exhilaration. With Megawati’s election as vice president, her supporters and the people (the rakyat) were satisfied. The tension mounting throughout the month in the capital dissipated literally overnight. The fears of what might happen dissolved into a calm satisfaction. In the streets, people went about their business, with the occasional PDI-P diehard gleefully raising a fist and shouting, “MEGA!”

For many ordinary Indonesians, the rejection of Habibie and rise of Wahid and Megawati heralds the dawn of a much anticipated economic recovery and brighter future. At the Center for Strategic and International Studies, a friendly and talkative security guard zealously appealed to me to spread the good news of Megawati and Wahid’s election (the emphasis being on Megawati). He and many others were convinced that with the change in government, foreign investment would again flow into Indonesia, almost like manna from heaven. Rumors circulated, both before and after the elections, of millions or billions of U.S. dollars being held in Singapore or elsewhere by the International Monetary Fund and foreign investors that would be released as
soon as Megawati assumed elected office and Habibie was clearly out of office. Others were more cautious, emphasizing as Wahid did in his presidential acceptance speech that hard work and difficulties lay ahead. But even the most cautious whom I talked to, from political observers to ordinary citizens, manifest an underlying optimism about the prospects for the economy under the new government.

At this very early stage, it is difficult to predict how effective the Wahid-Megawati government will be in carrying out economic reforms. Initially, President Wahid’s cabinet appears to be geared more toward national reconciliation in the wake of the turbulent election season, rather than an aggressive approach to reshaping the economy. Several appointments incorporate high-ranking members of key political parties, rather than bringing in specialists, professionals, and technocrats. Nevertheless, bringing the economy out of the two-year-old crisis is a leading concern of Indonesian elites across the board, and with the elections past and the volcanic political landscape lying dormant for the time being, attention can be constructively directed to the economic situation. President Wahid’s economic programs can be expected to focus on raising wages and living standards for ordinary Indonesians. This may signal a significant shift away from Suharto style crony-capitalism. It is too early to tell whether the system will fundamentally change or merely the cronies will change. But emphasis on transparency, an open press, and the beginnings of a healthy system of checks and balances both among political parties and between the branches of the government are encouraging signs. In addition, Wahid’s government may also expect to benefit from a generally rising tide in Asia, with other countries in the region expected to see growing economies over the next years after having weathered the stormy 1997-1998 financial crisis.

The entrenchment of democratic rights and political reform will be a second major challenge for the Wahid-Megawati government. The successful, albeit turbulent, conclusion of the democratic elections and general session of the MPR is in itself a remarkable achievement. Still, the outcome of the elections has left some questions unanswered, and raised new ones. The result of the MPR’s four key appointments puts into place a solidly reform-oriented government. Habibie, associated with Suharto’s New Order, is out. Megawati, Wahid, and Amien Rais, the leading public faces of reformist politics in the June general elections assumed three of the top four elected positions in the country. The fourth position fell to Akbar Tanjung, a long time proponent of reform from within Golkar. The result, due more to chance than design, displays a broad-based power sharing among major parties. While this may bode well for national unity and consensus, it remains to be seen whether Indonesia’s nascent democratic tradition could withstand a result that produces more definitive winners and losers. If this happens in future elections, based for example on a decline in the number and strength of smaller parties, will one or more of the major political parties be willing to take on the role of a loyal opposition, out of power for at least five years? The encouraging rhetoric in the 1999 elections of accepting defeat and honoring the democratic process has yet to be substantially tested.

A second point that deserves the attention of political observers of Indonesia is the character and type of leadership which both Wahid and Megawati represent. While they are champions of democratic reform, both rely heavily on a charismatic and a particularly Javanese
style of power of a sort described over two decades ago by Ben Anderson. A free press, unleashed in the post-Suharto era, took delight in savaging B.J. Habibie’s administration. A critical issue in the coming months and years will be the press’s attitude and the system’s support for free and open political criticism under Wahid and Megawati. Just days after Wahid took office a small incident occurred which gave some indication of the issue at hand. Late Saturday evening, a major television station interrupted its regularly scheduled program. In its place appeared three members of a popular comedy team seated across from representatives of the NU, the religious organization headed by Wahid. The comedians expressed their sincere apology on the air for a comedy segment from earlier that same evening in which they had made sport of the new president. While Wahid himself was apparently unfazed by the incident, it had infuriated his supporters. Similarly, Megawati’s supporters are not known for accepting criticism of her graciously.

The future political landscape of Indonesia also remains uncertain. The competition between reformists and those associated with the New Order, so dominant in 1999, may be a dimension of politics very specific to the immediate post-Suharto era, and one which will lose its relevance as Suharto’s regime fades in memory. There will be a lot of room in the coming years for major parties to realign and reposition themselves, as was evident in the negotiations which went on throughout this election process. Golkar in particular is racked by internal divisions, while the PDI-P, PKB, and PAN will all have to prove their abilities to rule rather than simply stand in opposition to Suharto’s now defunct political machine.

Finally, the status of the military and ongoing political unrest in several of Indonesia’s outer islands are key issues of concern for the new government. Numerous articles in the English-language foreign press have implied that with a relatively weak government, compared to Suharto’s iron fist, the military is or will be in effective control of the country. The presidency is certainly weaker than it was under Suharto, but a separation of powers does not necessarily mean that the government as a whole will be weak. At present, the current government has far more legitimacy and popular support than Suharto had in his final years. Under Wiranto’s leadership, the military, up to this point, has also shown an inclination to step back from politics and move toward becoming a more professional force. This will be a long and unpredictable process, but so far the indications are positive.

The question of how to deal with Aceh, Irian Jaya, and other trouble spots may be far more difficult for the new civilian government than controlling the military. Unrest in many of these areas is based on long, historical grievances that will not be easily undone. The government has made the settlement of conflicts in these regions a top priority and floated plans for greater regional autonomy and a fairer distribution of revenues between the central and provincial governments. These are positive steps, though the history of Indonesia, both colonial and postcolonial, cautions against too much optimism on this front. On the other hand, threats of national disintegration and a Balkanization of the Indonesian state are likely overblown. The secession of East Timor, forcibly integrated into Indonesia in 1975, is a very special case that cannot be extrapolated to the rest of the country. Only Aceh and Irian Jaya might have some

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reasonable, though slim, chance of following in East Timor’s footsteps. And that would still leave the vast nation of Indonesia largely intact.

These many challenges to the new government should not detract from the underlying optimism in the fields of both economics and politics that emerged out of the 1999 elections. Indonesia has just maneuvered through one of the most difficult periods in its 54-year history. The electoral process has laid the foundation for stability based not on the strong-arm rule of a single individual and backroom deals, but on transparency and democratic legitimacy. This is only the beginning of a long road in that direction, but so far the signs along that road are encouraging, pointing forward rather than back. Those in the new government will need to make good on the promises of reform they preached while wandering in the political wilderness. The Indonesian people will need to be both vigilant and patient along the long road forward. And the international community will have to remain supportive of Indonesia’s efforts to reform itself.
Appendix I: Dimensions of Indonesian Politics in 1999

Dimension 1: New Order vs. Reformist Politics

“New Order” <<<<<<<<<<<<<<<<
Golkar - PPP - Poros Tengah - PKB - PDI-P
B.J. Habibie - Hamzah Haz - Amien Rais - Abdurrahman Wahid - Megawati
Akbar Tanjung - “Central Axis” - Matori Abdul Djalil (PAN plus other Reformist and Islamic Parties)

“Reformasi” >>>>>>>>>>>>>

Dimension 2: Islamic vs. Nationalist Politics

“Islamic” <<<<<<<<<<<<<<<<
PPP - Poros Tengah - PKB - Golkar - PDI-P

“Nationalist” >>>>>>>>>>

PPP - Poros Tengah - PKB - Golkar - PDI-P
### Appendix II: Facts and Figures on Indonesia’s 1999 Elections

The chart below shows the relative strength of parties and factions in the 500-member Dewan Perwakilan Rakyat (DPR) or House of People’s Representatives and the 700-member Majelis Permusyawaratan Rakyat (MPR) or People’s Consultative Assembly. The 1999 DPR consisted of 462 directly elected representatives from 21 parties and 38 representatives appointed by the Military and Police (TNI/Polri). The MPR consists of all DPR representatives plus 65 representatives of the Utusan Golongan (various “social groups”: religions, ethnic minorities, women, the disabled, etc.) and also 135 District Representatives (Utusan Daerah: 5 from each of Indonesia’s 27 provinces).

<table>
<thead>
<tr>
<th>Party/Group (MPR faction)</th>
<th>Key Figures</th>
<th>Popular Vote (in millions)</th>
<th>Seats (DPR)</th>
<th>Faction (MPR)</th>
<th>Members (MPR)</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDI-P</td>
<td>Megawati</td>
<td>35.7</td>
<td>153</td>
<td>F-PDIP</td>
<td>185</td>
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<tr>
<td>Golkar</td>
<td>B.J. Habibie</td>
<td>23.7</td>
<td>120</td>
<td>F-Golkar Reformasi</td>
<td>181</td>
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<tr>
<td></td>
<td>Akbar Tanjung</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>PPP</td>
<td>Hamzah Haz</td>
<td>11.3</td>
<td>58</td>
<td>F-PPP</td>
<td>70</td>
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<tr>
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<td>A. Wahid Matori A. Djalil</td>
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<td>1.4</td>
<td>7</td>
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<td>F-PBB</td>
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<td>F-KKI</td>
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<tr>
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<td></td>
<td>2.8</td>
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<td>F-PDU</td>
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<tr>
<td></td>
<td></td>
<td>1.6</td>
<td>4</td>
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</tr>
<tr>
<td>PDKB</td>
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<td>0.6</td>
<td>5</td>
<td>F-PDKB</td>
<td>5</td>
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<tr>
<td>TNI/Polri</td>
<td>General Wiranto</td>
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<td>38</td>
<td>F-TNI/Polri</td>
<td>38</td>
</tr>
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<td>Utusan Golongan</td>
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<td>(65)*</td>
<td>F-Utusan Golongan</td>
<td>73</td>
</tr>
<tr>
<td>Utusan Daerah</td>
<td></td>
<td>N/A</td>
<td>(135)*</td>
<td>(distributed among other factions)**</td>
<td>N/A</td>
</tr>
</tbody>
</table>


* This number represents seats in the MPR.

** Representatives of the Utusan Daerah joined various factions, mainly along party lines, accounting for the increases between party seats in the DPR and votes in the MPR (694 real votes: one elected representative and the 5 representatives from East Timor did not attend the MPR reducing Utusan Daerah representatives to 130).
Appendix III: Abbreviations of Parties, Groups, and Multi-Party Factions

PAN: Partai Amanat Nasional (National Mandate Party)
PBB: Partai Bulan Bintang (Crescent Star Party)
PDI-P: Partai Demokrasi Indonesia-Perjuangan (Indonesian Democratic Party of Struggle)
PDKB: Partai Demokrasi Kasih Bangsa (Love the Nation Democratic Party)
PK: Partai Keadilan (Justice Party)
PKB: Partai Kebangkitan Bangsa (National Awakening Party)
PKP: Partai Keadilan Persatuan (Justice and Unity Party)
PNU: Partai Nahdlatul Ummat (Nahdlatul Ummat Party)
PPP: Partai Persatuan Pembangunan (United Development Party)
TNI/Polri: Tentara Nasional Indonesia/Polri (Indonesian Military/National Police)
Utusan Golongan (Social Group Delegates)
Utusan Daerah (Regional Delegates)
F-KKI: Fraksi Kesatuan Kebangsaan Indonesia (Indonesian Nationhood Faction)
F-PDU: Fraksi Perserikatan Daulat Ummat (United Ummat Sovereignty Faction)
F-Reformasi (Reform Faction)