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Indonesia's 2014 Presidential Election

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On July 22, 2014, Indonesia's Election Commission declared Joko Widodo, 53, the winner of Indonesia's July 9 presidential election. The Election Commission reported that Widodo defeated former General Prabowo Subianto by more than 8 million votes in a bitterly contested election in which 135 million people—70% of registered voters—cast their ballots. Although Prabowo has filed a protest to Indonesia's Constitutional Court alleging electoral fraud, political observers believe Widodo, popularly known as "Jokowi," almost certainly will take office on October 10, becoming Indonesia's second directly elected President.

In a region where some citizens, [notably in Thailand](#), are questioning the benefits of democracy, [public opinion polls](#) show that Indonesians increasingly consider democracy to be both effective and part of their national identity. The nation has developed a vibrant media and civil society, and conducts hundreds of local and provincial elections each year. Nationwide parliamentary elections on April 9 were one of the world's largest democratic exercises, electing thousands of legislators at national, provincial, and sub-provincial levels.

With a population of 248 million, Indonesia is the largest nation in Southeast Asia and the world's most populous Muslim-majority country. Its size and its economic vibrancy have led [some observers to describe Indonesia as a global "swing state"](#) whose voice will be disproportionately influential in global debates over issues such as trade and investment liberalization, non-proliferation, maritime security, and human rights.

But where is the next government likely to take Indonesia? Widodo has little track record on foreign policy, security, or broad macroeconomic policy. Born to a relatively poor family in Central Java, he started a small furniture business, and then served as governor in the medium-sized city of Solo and the capital city of Jakarta. Widodo will become the first Indonesian president who was not politically active during Indonesia's authoritarian period and who has no ties to either the military or to elite business families.

Despite high public approval ratings, Widodo will face a Lower House of Parliament in which nearly two-thirds of the members come from parties that supported his opponent. Many analysts argue that infighting between President Susilo Bambang Yudhoyono's government and parliament constrained Indonesia's ability to pursue major economic reform or combat high-level corruption over the past decade. Unless some part of Prabowo's coalition defects—[a real possibility](#)—Widodo could have an even tougher time than his predecessor.

Will Indonesian Foreign Policy Change?

Over the past 10 years, Indonesia has pursued closer relations with the United States and a broadly active foreign policy, seeking to increase Indonesia's voice in both regional and global fora. It increasingly is a de facto leader of the Association of Southeast Asian Nations (ASEAN) and a key player in Southeast Asian nations' diplomacy with China over maritime disputes in the South China Sea. It also is a member of the G-20 group of nations and the Organization of Islamic Cooperation (OIC).

U.S.-Indonesia relations have deepened considerably since 2010, when the two nations formed a [Comprehensive Partnership](#) and committed to annual meetings of a joint commission chaired by the U.S. Secretary of State and Indonesia's Foreign Minister. [The most recent meeting was held in February 2014](#), and it finalized several developments including MOUs on [wildlife trafficking](#) and an increase in bilateral cooperation on assistance to other developing nations under an arrangement known as [South-South and Triangular Cooperation](#).

Foreign policy played only a small role in the presidential campaign, but Widodo and Vice President-elect Jusuf Kalla issued a [policy platform](#) that called for strengthening Indonesia's security and economic interests in the maritime domain, defending the country's outer islands, protecting natural resources within its exclusive economic zone, and strengthening Asian regional architectures. The statement promised to increase defense spending from 0.8% to 1.5% of GDP and build the Indonesian Armed Forces into a regional maritime power. It further committed to enhancing regional defense diplomacy and maritime cooperation through multilateral entities.

To many, Indonesia's stance toward [tensions in the South China Sea](#) will be one of the key tests of Widodo's foreign policy. Indonesia does not consider itself to have territorial disputes with China, although some Indonesian observers have become concerned about whether China's active assertion of its claims could infringe on Indonesian maritime rights. In one of the three televised presidential debates, Prabowo asked Widodo what he would do about rising tensions in the South China Sea, and Widodo stated that Indonesia was not directly involved in the dispute and would continue to work toward a diplomatic solution. Such a stance, observers argue, suggests continuity.

Is Economic Policy Likely to Change?

Some have called trade and investment ties the [weakest link](#) in U.S.-Indonesia relations. Over recent years, many observers perceive a rise in economic nationalism in Indonesia, which has led to a series of investment and trade concerns. In 2013, the United States sought dispute settlement in the World Trade Organization (WTO) for Indonesian regulations on horticultural products and animal products. Other U.S. concerns include ownership limits in the financial services and mining sectors. In 2013, the World Bank ranked Indonesia 120th out of 189 nations in its "[Ease of Doing Business](#)" rankings, behind regional competitors such as the Philippines and Vietnam.

Widodo has promised a "people-centric" economic policy and has said that foreign investments are welcome "as long as they benefit Indonesians." Observers say that such comments were aimed at popular demands for economic nationalism—voiced by Prabowo as well—but Widodo's economic policies will be clearer by October as he names his cabinet's economic team.

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