

# What Difference do Presidents Make, and Why?

R. William Liddle  
Ohio State University

## I. INTRODUCTION:

**Short answer:** they can make a **big difference**, as we see in the impact on society of contrasting decisions by former President Yudhoyono (SBY) and current President Jokowi on major issues confronting the country—one about the economy, the other about the KPK, Indonesia's anti-corruption commission. On the economy, Jokowi succeeded in reforming the fuel oil subsidy policy in his first months in office, while SBY failed to do so in ten years. On the KPK, Jokowi has put its authority and future in jeopardy, while SBY gave it support in critical moments that allowed it to play a significant corruption-fighting role for ten years.

What explains these differences? I think it is **conscious choices** on the part of the two presidents, which can be examined in terms of (1) their **goals** as president, including the presence or absence of political will, (2) existing **political resources and constraints** (roughly Machiavelli's *fortuna*), and (3) **strategic and tactical decisions** (Machiavelli's *virtu*).

This means that, as in any democracy, these presidents **can be held accountable** for their choices in the short run by the electorate and in the long run by history. It also means that **we**, as observers and/or players, including voters, **have tools** to assess the current achievements, failures, and prospects of an incumbent like Jokowi. Seems simple and straightforward, but not many political scientists approach the problem in this way.

One who did was **Richard Neustadt**, as it happens one of the founders of the Harvard Kennedy School, author of *Presidential Power: the Power to Persuade*, published in 1960 and famously read or at least carried around by John F. Kennedy between his election and his inauguration. I am sorry to say I never met Neustadt and only came around slowly to an understanding of how important his book is.

From his study of American presidents Roosevelt, Truman, and Eisenhower, Neustadt argued that five factors determine the success or failure of a presidential initiative or program. (1) The president himself must be **fully involved** in the process of decision-making. (2) His words must be **unambiguous**. (3) His view must be **publicized widely**. (4) The instruments and resources available for **implementation** must be up to the task. And (5) the **recipients** of his instructions must **accept his authority and legitimacy** in terms of that particular policy or program.

I want to apply Neustadt's framework to the case of Jokowi. **On the subsidy, Jokowi was positive on all five, on the KPK negative on all five.**

A very stark contrast. Why?

## II. FUEL OIL SUBSIDIES:

*Bottom line:* A **success**, in that there was substantial reform, but with some **caveats**. *Bulletin of Indonesian Economic Studies* 51:1, p. 18: “an important step towards a market-based mechanism.” Subsidies for premium gasoline were removed, price now adjusted each month depending on price of crude oil. Also critical: a fixed subsidy of Rp 1,000 per liter for diesel and kerosene replaced a fixed price, so if international prices rise the government will no longer be responsible for maintaining the previous price. **Caveats:** price still subject to manipulation by a long-standing cartel; also the money saved will be invested in state enterprises for infrastructure development, which are highly inefficient and reputed to be notoriously corrupt.

*Goals.* (1) **Political will** on this issue (which SBY didn’t seem to have for anything) and (2) a **specific commitment** to and understanding of economic reform (“from consumption to production, from consumption to investment, from consumption to industry”—interview, *Tempo* 1 November 2015). Recent trip to US seemed to confirm both the political will and the commitment to reform. Plus trips to China and Australia all stressed the same points with the same intensity.

*Political Resources.* (1) An **understanding of how modern economies work** that goes back to Suharto and his professional economists, led by Widjojo Nitisastro. (2) **Functioning government ministries and personnel** in this area, again going back to the Suharto-Widjojo era. (3) **No fear of mass protest**, proved when he was governor of Jakarta. Very different from SBY, who had a fine sense of what would cause mass protest and avoided acting when he calculated that there would be protest.

*Constraints.* (1) **Cultural constraint: pervasive anti-market ideology** throughout the society. (2) **Jokowi’s own populist rhetoric** during the campaign which could at least be interpreted as anti-market. (3) **Political constraint: especially strong in his own party**, PDIP, led by Megawati, daughter of founding father Sukarno, the great anti-imperialist, anti-capitalist. (4) **Another political constraint:** Middle-class motorbicycle owners and even some lower class bus riders’ interests.

*Strategy/tactics.* (1) Saw a **window of opportunity** open at the beginning of his administration because the threat of rising oil prices was so great that it could overwhelm the state budget, including of course his own main initiatives. That’s a term of art. Concept of window of opportunity best developed by John Kingdon (*Agendas, Alternatives, and Public Policies*). It means the moment when recognition of a policy problem, the generation of policy proposals, and political events, meet. Also might call it a **crisis**, as Merilee Grindle and John Thomas famously developed that variable in *Public Choices and Policy Change* or, **my favorite version**, Sadli’s Law, developed by the late Indonesian economist Mohammad Sadli, which was “bad times make good policy.”

(2) Made **effective use of a policy entrepreneur**, State Enterprises Minister Rini Soemarno. The concept of policy entrepreneur as someone who acts creatively when a window of opportunity opens is also best developed by Kingdon.

(3) Figured out a way to make the reform with **minimal involvement from Parliament**.

**Conclusion:** So a success, but lots of caveats. (1) Could still be **undone**. (2) Relying on the state enterprises as his major economic drivers will probably be **very costly** in terms of inefficiency and corruption. (3) Effects of the several economic **reform packages** not clear. (4) Indonesia of course dependent on the **vagaries of the world economy**.

### III. KPK (CORRUPTION ERADICATION COMMISSION):

*Bottom line:* A policy failure until now. KPK a key, highly popular institution in democratic life which Jokowi should have succeeded in defending at least as well as SBY had. Failure because it was a **lower priority goal** for Jokowi and he had **less political will**, but also made **strategic and tactical mistakes**. Rather than weak resources or powerful constraints. **Caveat:** level of failure reduced considering that KPK a small part of what is needed to reduce corruption.

*Goals.* (1) **Problem of low/unclear priority.** In Nawa Cita, Jokowi's campaign platform, there is an unambiguous commitment ("We will prioritize eradicating corruption in a consistent and believable way by strengthening the KPK") but that is only one of 11 sub-promises in the list of nine planks. (2) **After the election more promising.** Jokowi turned to the KPK to vet his potential cabinet appointees, an unprecedented and very positive sign. His trouble began when his nomination to Parliament of a new police head, Budi Gunawan, initiated by PDIP chair Megawati Sukarnoputri, was charged with corruption by the KPK. Jokowi was **forced to choose** between the police and the KPK. What did he do?

*Political Resources.* Three key resources that gave him room to maneuver. (1) **Jokowi's election** by a significant margin (popularity rising for years, really most electable candidate in many minds until early 2014). Of course not as big a victory as SBY previously, but nonetheless substantial. And he was a new president, so had been elected on a wave of support which he could have ridden to get his policies enacted in his first year in office. (2) The **relawan** or volunteers who mobilized on Jokowi's behalf during the election. They constitute a "followership," James MacGregor Burns' useful concept, from his book *Leadership*, in which leaders and followers push each other to new levels of understanding and solidarity on an issue—think of Barack Obama and the gay and lesbian community. One of the key issues for the relawan was opposition to corruption. (3) Strong **public support** (measured by surveys) for the KPK and anti-corruption for many years.

*Constraints.* Admittedly great. (1) **Hostility in three powerful institutions:** his own political party (PDIP); other parties in his coalition, which was a minority coalition in Parliament; and the relevant government institutions, especially the police, where there are few honest officers, certainly not at higher levels. (2) **Uncertainty** about the issues and the power of the players. Newness in power seems to have helped him act in the case of the subsidies, but to have been a constraint here.

*Strategy/Tactics.* **Jokowi's choice was not to choose.** Responding crisis to crisis, until now.

(1) First attempted to **work through Parliament** to build consensus on who should become national police head. Failed. Parliament supported the nomination of Budi Gunawan despite his being charged by the KPK.

(2) Then exercised his formal authority to **cancel the appointment of Budi Gunawan**. A very popular act. Succeeded only temporarily, because Budi was soon appointed deputy police head in a direct slap to presidential authority.

(3) Then appointed a team of prominent **public intellectuals**, led by respected Muslim scholar Syafii Maarif, to prepare a report on the police head nomination and the police's criminalization of KPK commissioners. Team members all pro-KPK, but issued an even-handed report to give Jokowi some cover. The president did not act on the report.

(4) Late in the game, **used his new coordinating minister for defense and security**, Luhut Panjaitan, to exert control over the police by shifting one of the most insubordinate officers, Budi Waseso, out of his key position as head of criminal investigation. Succeeded.

(5) When PDIP members of Parliament promoted a revision to the KPK law clearly meant to weaken it, he **postponed discussion** for a year. Appears to be strong public support for not revising the law.

**Puzzle:** Why didn't Jokowi call directly on the relawan groups which had been supportive of the KPK and anti-corruption throughout the campaign? Especially since similar groups had mobilized against SBY when the KPK was threatened and he backed down as a result. Also strong opinion survey support for KPK. I haven't seen a satisfactory explanation. I note Jokowi's own Javanese-style claim (excuse?) on 25 January 2015 on his Facebook page: "the worst evil will be defeated if met with softness and love ('kelembutan dan kasih sayang')".

#### IV. CONCLUSIONS:

What conclusions can we draw from this?

(1) Role of **counterfactuals** a problem in this type of analysis. Easy to praise a politician for doing something positive, as in the case of the subsidy. On the other hand, difficult to fault him or her for not doing something. Always an alternative explanation.

(2) Nonetheless I want to **fault Jokowi** for not acting to strengthen or maintain the KPK because of its importance as an issue, his campaign promise, and sufficient political resources.

(3) On the other hand, it is also true that **Jokowi has demonstrated political will** in his first year in office (something SBY never did). He has also demonstrated **strategic and tactical skill**, ability to see an open window of opportunity and locate a political entrepreneur (Rini Soemarno) who can achieve his goal. Maybe he was looking for such an entrepreneur with Syafii Maarif.

(4) But we also see the **effect of the constraints**. Institutionally, Jokowi was directly opposed, even mocked, by key subordinates in three institutions. SBY always seemed to have more *wibawa* (personal authority) than that, but that may have been because he so rarely used it.

(5) **An important take away:** Jokowi now has a new political resource, **battle experience**. He is presumably more familiar with the issues and the power of the players with regard to KPK. He also has his own key player, and possibly **political entrepreneur**, Luhut Panjaitan, to seize or create the next window of opportunity. If he wants to act, his chances of success are greater.