Indonesia's 2024 elections and the future foreign policy trajectory

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The first month of 2024 has already seen three elections in Asian countries--Bangladesh, Bhutan, and Taiwan. February will witness elections in at least two more Asian countries--Pakistan and Indonesia. In all these countries, the effects of great power competition--between the United States and China have been important issues for consideration. Indonesia, the world's fourth largest democracy, goes to polls on February 14. The election is unique and will have an impact on geopolitics given the role China has in international politics, which, in turn, affects national politics.



Bali, Indonesia(Unsplash)

In Indonesia, the presidential election is a three-way race between Prabowo Subianto who is an exspecial forces commander and current president Joko 'Jokowi' Widodo's two-time election opponent-turned-defence minister; Ganjar Pranowo--the former Central Java governor and Anies Baswedan--the former governor of Jakarta. Joko Widodo, the popular incumbent, cannot contest elections as his second and last possible term ends this year. Jokowi has shown support for Prabowo Subianto and Jokowi's eldest son Gibran Rakabuming Raka is Subianto's running mate.

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The winner of the presidential election will shape foreign policy choices for over 270 million Indonesians. To understand the directions Indonesian foreign policy may take under either of the three contestants, it is pertinent to understand the existing foreign policy outlook of Indonesia under Jokowi. Since he took office in 2014, Jokowi has put forth a domestic-centred, economy-first foreign policy, to develop Indonesia into one of the world's top five economies by 2045. In 2022, with a nominal gross domestic product (GDP) of \$1.3 trillion, Indonesia ranked at the 16th place.

To bolster the Indonesian economy, Jokowi strengthened economic diplomacy and reinforced Indonesia's status as a commodity giant through onshoring production and started big infrastructure projects, of which the plan to build the city of Nusantra as Indonesia's capital is a major one. Two noteworthy examples of Indonesia's leadership in geopolitics were its presidency of the G20 in 2022 and of the Association of Southeast Asian Nations (ASEAN) in 2023.

In 2023, the long-delayed, China-backed Jakarta- Bandung high-speed railway became operational, with the journey of its first bullet train in October hailed as a conclusion to the fraught process of building high-speed rail in Indonesia. China provided financial backing for the project through its policy banks and State-owned enterprises. Construction began in 2016 with a bumper budget which started off at \$4.5 billion, in concessional financing through Indonesia-China joint ventures. The project ran overtime due to various reasons including Covid-19 and other logistical delays. The project ran overtime and ran over the budget by \$1.2 billion. To cover the overrun, China wanted Indonesia to put up its State budget as collateral. Questions loomed large over China's debt trap diplomacy in Indonesia. However, Indonesia firmly held its ground and did not put up its State budget as collateral which would have implications for its sovereignty. Nevertheless, questions remain about the pressure on Indonesia to repay the gigantic loan, with China pushing a repayment rate of 3.4%, while Indonesia insists on a much lower 2%.

It is against this backdrop that the three contestants go to the polls on February 14. The election promises made by each of the three candidates are also worthy of analysis to understand the plausible direction Indonesia may take post the elections.

Subianto Prabowo, who comes from an elite family and has considerable support has promised to continue Jokowi's programme to build Nusantra as the new capital. He has also promised the development of the maritime sector and has announced his intention to raise state revenue-to-GDP ratio to 23% along with the establishment of a State revenue agency. He plans to gradually increase the defence budget and modernise the military. He has also promised achievement of food, energy and water security. He represents the Great Indonesia Movement (Gerindra) Party.

His competitor, Ganjar Pranowo from the ruling Indonesian Democratic Party of Struggle has immense support from ordinary Indonesians as he is not part of any political or military elite and comes from a humble background. Mahfud MD, Indonesia's widely respected coordinating security affairs minister, is Ganjar's running mate. Ganjar is also popular with younger voters and is active on social media. Ganjar also has stated that he will continue programmes by President Widodo, he has kept a targeted growth rate of 7% for the Indonesian economy and has promised to create 17 million jobs. He has also promised modernisation of military hardware, along with the expansion of social welfare coverage.

The third contender, academic Anies Baswedan is an immensely popular figure. He does not belong to any political party but enjoys backing from three. He has announced a targeted growth rate of 5.5%-6.5% for Indonesia, the creation of 15 million jobs, and raising the tax-to-GDP ratio from 10.4% in 2022 to 13-16% by 2029. He has also promised to keep inflation between 2-3%, along with the creation of two million new affordable units.

As is clear from the manifestos of the three candidates, the domestic economy's development is to continue. For that, China could be looked upon favourably if other donor countries do not come up with offers to fill in the gap. Indonesia's experience with the debt it already owns should make it cautious of further such arrangements with China. However, given the fact that infrastructure is a need and has been pointed out by all three candidates, China will try to leverage the infrastructural gap and will come up with more lucrative offers. At least two of the candidates have promised upgrades of the military which means that sovereignty, especially in the South China Sea will be a continued foreign policy concern. The archipelagic nation and its election results have major implications for great power rivalry in Asia and need to be closely watched.

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