

Comparing democracies: Indonesia and the Philippines

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2 archipelagos: SEA neighbors

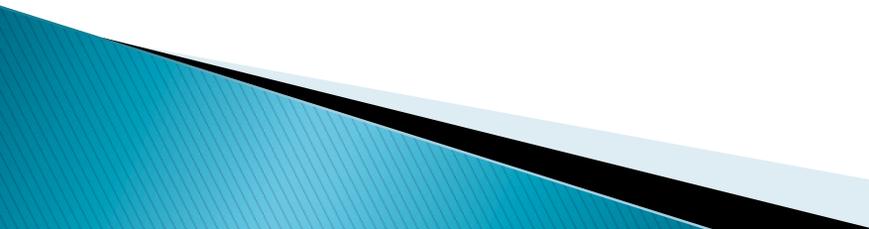


Flag of Indonesia



Flag of the Philippines

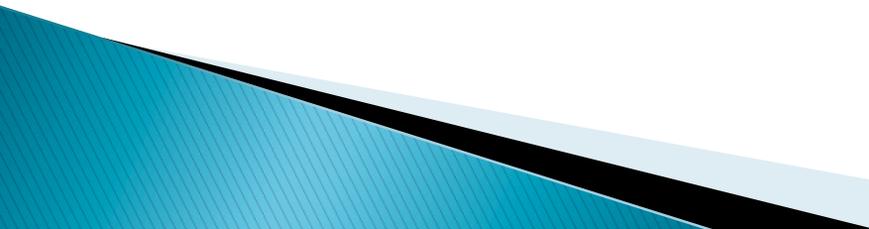
Outline of presentation

- ▶ Assessing and comparing democracies
 - ▶ Contrasting histories of IN and PH democracies
 - ▶ Head-to-head comparison
 - State of procedural democracy
 - State of substantive democracy
 - Governance
 - Performance
 - ▶ Future prospects for 2 democracies
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Assessing & comparing democracies

- ▶ Democracy as selection procedures
- ▶ Democracy as substance
 - Governance
 - Performance

Procedural democracy

- ▶ Who constitutes the polity, i.e., who are its citizens?
 - ▶ Process is crucial in representative democracies; more opaque than direct democracies
 - ▶ Key process: (s)election of leaders
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Essence of procedural democracy

- ▶ Widest and most permissible franchise
 - ▶ Elections
 - Freely contested (nuisance candidates?)
 - Generally peaceful or non-violent
 - Fair (each contender, including incumbents, has a good chance of losing)
 - Results are credible and generally accepted; elected leaders considered legitimate
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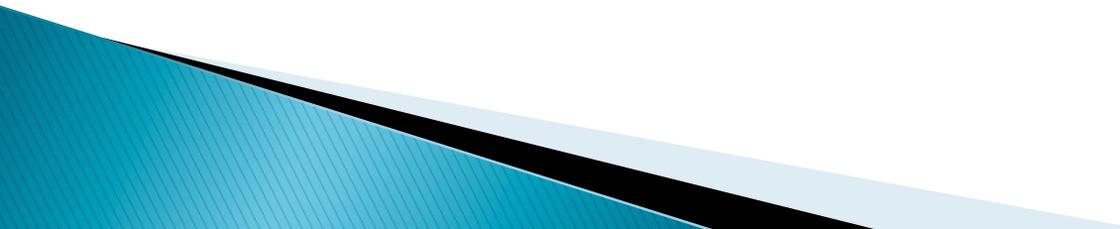
Substantive democracy I

- ▶ Limited government
 - ▶ Inalienable human rights
 - ▶ Fulfilment of government's contractual obligations, i.e., delivery of adequate and high quality public goods
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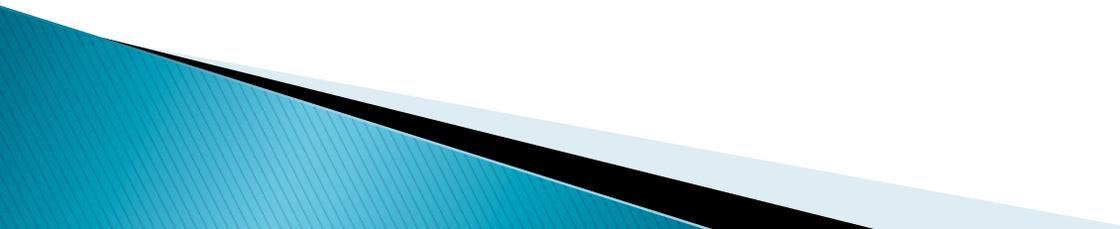
Substantive representative democracy II: the principal–agent problem

- ▶ Are the people truly sovereign?
 - ▶ Are their interests truly and fully represented and promoted?
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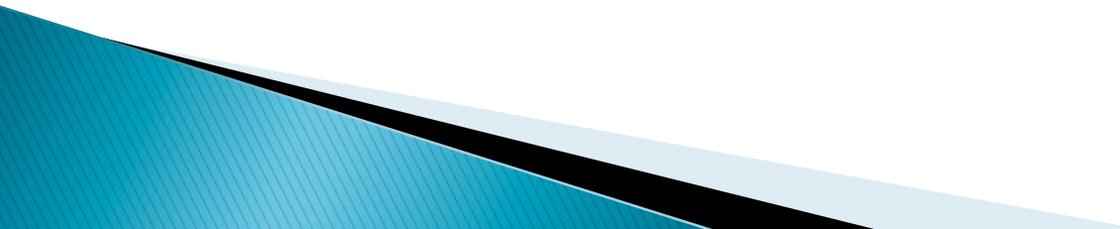
Appropriate technology?

- ▶ Rule-of-few-over-many is the more-developed technology of governance
 - ▶ Inherently conservative governments tend to rely on inappropriate governance technology
 - ▶ Technology of self-rule by majorities is weakly institutionalized
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Democratic deficits: procedural and substantive

- ▶ Are the sitting leaders really the people's choices?
 - ▶ Are the public goods provided adequate and of high-quality?
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Democratic perversion

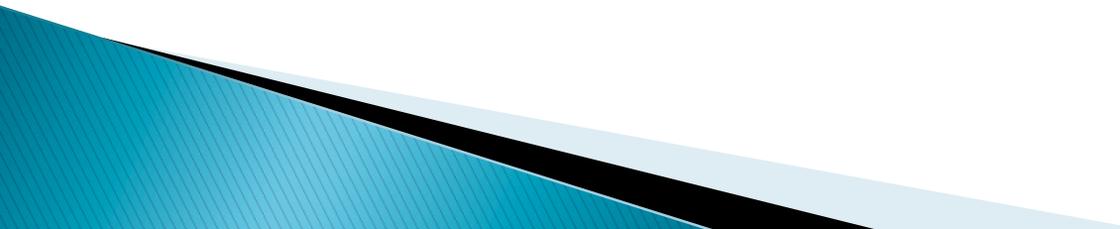
- ▶ ‘Electoral oligarchy’
 - ▶ Rule of the apparently–elected few in pursuit of narrow interests
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Contrasting histories and trajectories

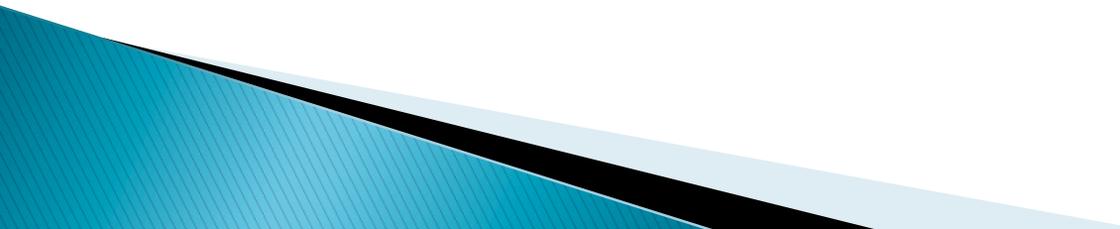
Milestones of Philippine 'democracy'

- ▶ Aborted revolution aka national liberation movement (late 19th century to early 20th century)
 - ▶ 'Electoral colony' or 'colonized democracy'? : an obvious oxymoron (early 20th century to 1935)
 - ▶ Procedure trumped substance
 - ▶ Commonwealth period as tutelage to 'independent' and democratic neo-colony (1935-45)
 - ▶ Electoral oligarchy I (1946-72)
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Philippine milestones II

- ▶ Marcos dictatorship (1972–86)
 - ▶ Electoral oligarchy II (1986–present)
 - ▶ 2016 general elections
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Milestones of Indonesian political history

- ▶ Successful anti-colonial struggle
 - ▶ Co-leadership of non-aligned movement
 - ▶ ‘Guided democracy’ under Sukarno
 - ▶ *Order Baru* authoritarianism
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Indonesian political milestones

- ▶ Ouster of Suharto following economic crisis in 1997–98
 - ▶ Replacement by Jusuf Habibie
 - ▶ Presidencies of ‘Gus Dur’ Wahid (1999–2001) and Megawati Sukarnoputri (2001–2004)
 - ▶ Directly-elected presidency (2 terms) of Susilo Bambang Yudhoyono (SBY) (2004–2014)
 - ▶ Directly elected presidency of Joko Widodo (‘Jokowi’): today–
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Two presidents

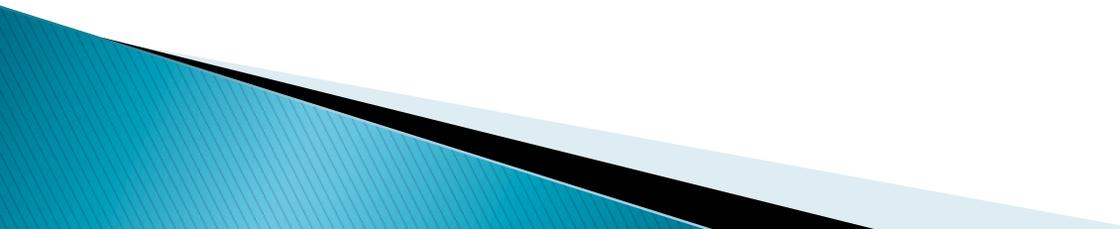


Aquino: outgoing?



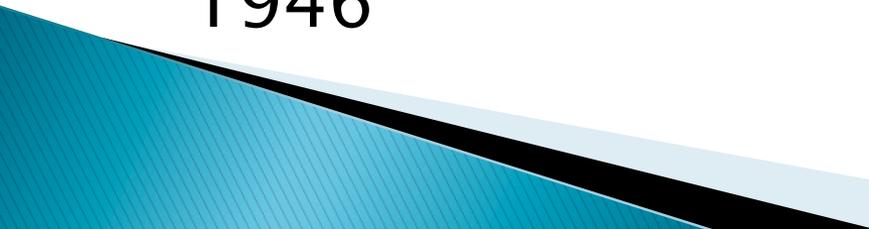
Jokowi: incoming

Similarities in political history

- ▶ Authoritarian periods
 - ▶ Authoritarian leaders ousted through ‘people power’
 - ▶ Decentralization and local autonomy
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Differences in political history

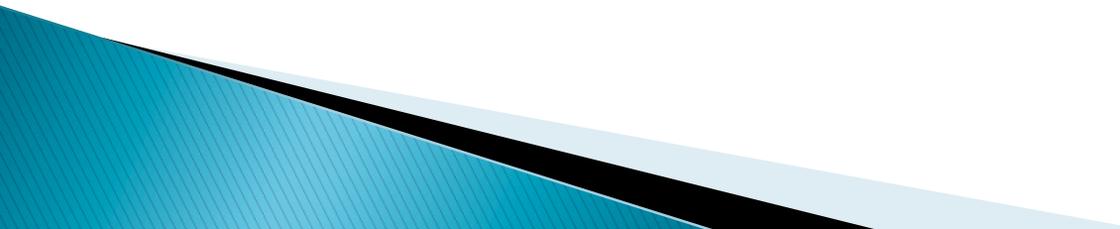
- ▶ Indonesia won national liberation war
 - ▶ Longer authoritarianism in Indonesia
 - ▶ Indonesia: shorter experience with democracy

 - ▶ Indonesia: soft (Guided Democracy) and hard (Order Baru) authoritarianism
 - ▶ Philippines: ‘colonized democracy’; constitutional authoritarianism
 - ▶ Indonesia: better success at poverty reduction
 - ▶ Philippines: direct election of president since 1946
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Procedural democracy: Indonesia

- ▶ Parliamentary followed by presidential systems
 - ▶ Reserved seats for military/police in Parliament
 - ▶ Indirect selection of president from 2001–2004
 - ▶ Only two directly elected presidents (SBY and Jokowi)
 - ▶ Withdrawal of direct election of local leaders after 2014 presidential polls
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Procedural democracy: Philippines

- ▶ Longer experience with elections; local elections before national elections
 - ▶ Direct election of local and national chief executives
 - ▶ Many elections tainted by fraud, bribery and violence
 - ▶ Election body disqualifies 'nuisance' candidates
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Substantive democracy

- ▶ More powerful state (less limited government) in Indonesia
 - ▶ More substantial human rights in Philippines
 - ▶ Governance in both countries tainted by corruption and other pathologies
 - ▶ More substantial public goods in Indonesia (because of oil revenues?)
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Public goods I

- ▶ **Indonesia: 250 million population**

- *Per capita GDP*

- 1986 US\$ 551

- 1999 US\$ 680

- 2013 US\$ 3475

- ▶ **Philippines: 90 million population**

- *Per capita GDP*

- 1986 US\$ 594

- 1999 US\$ 1092

- 2013 US\$ 2765

Source: World Bank

From UN Human Development Report 2014

	Indonesia	Philippines
Rank in 2013	108th	117th
HDI value in 2013	0.684	0.660
Life expectancy at birth, years, 2013	70.8	68.7
Mean years of schooling, 2012	7.5	8.9
GNI per capita, 2011 PPP US dollars	8970	6381

Poverty rates (from ADB)

Poverty rate (% of population)	2005	2008	2010
Southeast Asia	27.9	26.0	22.0
Indonesia	32.9	34.6	28.0
Philippines	30.9	27.9	26.9

Tax effort index, 1994–2009 averages

Tax effort index	High	Low
Vietnam	1.31	
Philippines		0.91
Indonesia		0.90

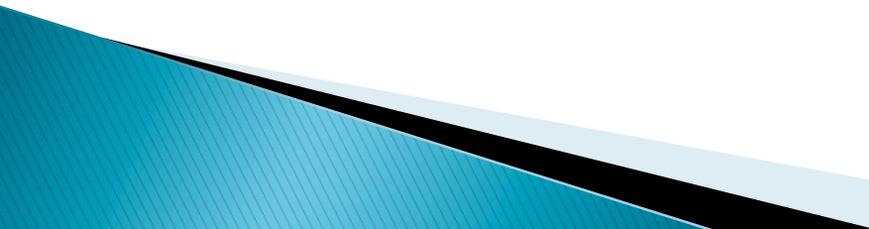
Infrastructure spending

(from Pricewaterhouse Coopers)

- ▶ **Indonesia** has a better record than Malaysia, Thailand and the Philippines
 - Infrastructure spending to reach \$165 bn by 2025
 - Public investment spending will grow 7% per year
- ▶ **Philippines**
 - Infrastructure spending expected to grow by 10% per year
 - Will reach \$27 bn by 2025

It appears that **Indonesia** has a better record of delivering public goods than the **Philippines**. It is not clear though if this was based on the previous performance of a longer-lived authoritarian regime.

Politics of hatred is common to both countries

- ▶ Victors in the Philippines, instead of being magnanimous, engage in a vengeful agenda disguised as an anti-corruption program using tax-payers money
 - ▶ Election losers in Indonesia retaliate with a program designed to frustrate the incoming president and sabotage his reform program
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Revenge disguised as anti-corruption agenda in the Philippines

- ▶ President Aquino avenges family interests against former President Gloria Macapagal Arroyo and former Supreme Court chief justice Renato Corona
 - ▶ Public money used to bribe senators for Corona's impeachment
 - ▶ Arroyo is detained indefinitely and suspended from parliamentary duties
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Revenge masked as anti-corruption and efficiency program in Indonesia

- ▶ Losing Red and White coalition led by Prabowo used parliamentary majority to deprive Indonesians right to elect local chief executives
 - ▶ Through control of most regional parliaments, losing coalition can select Indonesia's local leaders
 - ▶ Move aimed to frustrate Jokowi's program and prevent rise of a similar president who does not come the usual power circles; allegedly for cost-cutting and curbing corruption of directly elected local leaders
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Re-assertion of elite control in Indonesia II

- ▶ Indirect regional elections originally proposed by outgoing SBY's party
 - ▶ SBY enacts emergency decree retaining direct election of regional leaders
 - ▶ Red and White can and will most likely ignore SBY's decree
 - ▶ Opposition threatens to investigate Jokowi for alleged corruption
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Jokowi's moves and intentions

- ▶ Refusal to trade cabinet seats for political support
 - ▶ Waiting for defections from Red and White coalition to secure parliamentary control
 - ▶ Cabinet seats can be given to defectors who are technically competent
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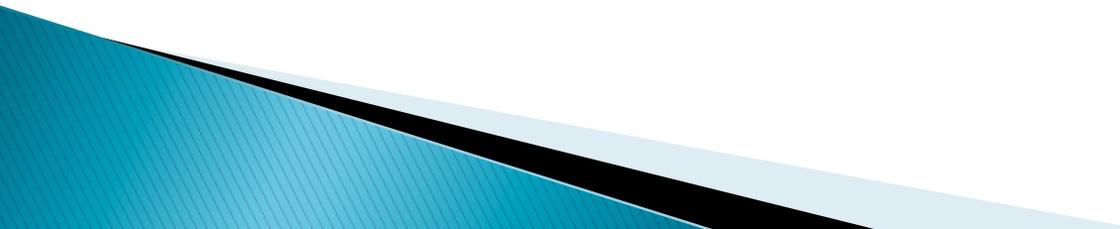
Jokowi's program

- ▶ Reform of costly (>\$20 bn) but popular fuel subsidies through gradually raising gasoline prices
- ▶ Savings from fuel reform to support productive activity among farmers, infrastructure, transport and health care

Populism, Jokowi style?

- ▶ Thaksin-style populism?
 - Support for irrigation and subsidies for seeds, fertilizers, boat engines and refs for fishermen, and micro-credit for village businesses
 - Nationalized ‘smart card’ program for free health care (also done by Arroyo in Philippines)
 - Financial support for basic education of poor Indonesians
- ▶ Jokowi’s populism will bypass and weaken traditional power brokers—elites and generals

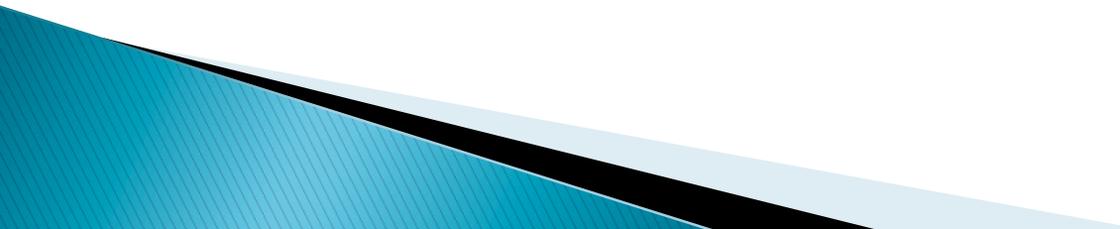
Comparing IN and PH democracies

- ▶ PH has settled into a sub-optimal electoral democracy though elites face biggest political crisis that seeks resolution in 2016 elections
 - ▶ IN democracy still work-in-progress; uncertain outcome; very interesting possibilities for reform; opportune time for change as system is still in flux
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Elections and reforms

- ▶ To initiate comprehensive reform, one needs to get elected
 - ▶ To sustain comprehensive reform, one needs to get re-elected (even beyond current constitutional limits?) since task is gargantuan
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Assessment

- ▶ IN democracy is healthier as comprehensive reform is a distinct possibility
 - ▶ IN democratic deepening faces elite backlash and rollback projects
 - ▶ PH ‘democracy’ in crisis; democratic reform largely dependent on moves of the true sovereign—the citizenry
 - ▶ Change in PH depends on resolution of current public budget scandal
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Thanks for the kind attention!

I welcome and await your
comments and questions

