

Young Indonesians Challenge the Old Order

By Stanley A. Weiss

JAKARTA—Sitting down with Indonesia's rising business stars gives a sense of the progress and perils that define the country as it and heads into parliamentary and presidential elections next year.

"Indonesia is now an economic powerhouse, the biggest in Southeast Asia," said Fauzi Ichsan, chief economist at Standard Chartered Bank. "Our middle class is the size of Malaysia's entire population and growing."

Rozan Anwar, director of a human resources company, compares Indonesia to the so-called BRIC [Brazil, Russia, India, China] countries lauded for rapid economic development since the turn of the millennium. "We say iBRIC—it makes it sound cooler," said Sandiaga Uno, a leader with the country's young entrepreneurs association.

But ask the same analysts about the country's political health and the responses are not as positive. "I have no confidence in the political system," said Arif Arryman of telecommunications giant Telkom.

According to Sandiaga, corruption and nepotism are key impediments to progress. "We need to invest in infrastructure and education, but where's the leadership?"

Economist Ichsan puts the political malaise down to coalition politics and a weak central government. "Jakarta has the funds but is unable or unwilling to spend [them]," he said.

Discussions with political, military, media and academic leaders in Jakarta reveal that patience with the government is indeed wearing thin. The economy is growing, thanks to exports of commodities like coal and copper, but joblessness and a dysfunctional educational system are leaving tens of millions unemployed, impoverished and restless.

"[We] still lack the social-economic underpinnings for a functioning democracy," said Juwono Sudarsono, a former education minister and now minister of defense, noting that just 1% of Indonesians have access to proper sanitation and sewage.

Indonesia is awash in elections and political parties, but no party or politician has been strong enough to break the political sclerosis. With campaigning already underway for next summer's presidential election, unpopular President Susilo Bambang Yudhoyono is being challenged by nearly a dozen potential candidates, mostly old political veterans.

"It's the Four L's of politics - *lu lagi, lu lagi* -'you again, you again'," said Rizal Ramli, a former economic minister.

Where, then, is the new generation of leaders who will deliver the change Indonesia seeks?

Within the government, Finance Minister Sri Mulyani, 46, has won praise for her efforts to reform the bureaucracy and stamp out corruption. A former International Monetary Fund official and United States Agency for International Development consultant, her recent appointment as head of the president's economic team has reassured political and business leaders alike. "Economic programs," she has said, must be "directly related to the people".

Beyond Jakarta, newly empowered regional leaders - governors, mayors, and regents (*bupatis*) - are proving to be political and

marks a decade since the downfall of authoritarian president Suharto

economic innovators. And, as mining executive George Tahija puts it, "For the first time they have money and power."

The difference in leadership is apparent in tangible improvements to roads and infrastructure, one Asian diplomat told me. "The future leaders of Indonesia will emerge from the regions," the diplomat said.

Beyond the entrenched nationalist, secular parties, the fast-growing Islamist Prosperous Justice Party (PKS) has won a string of regional elections by fielding younger candidates calling for clean government and job creation. "We appeal to Muslims and non-Muslims alike," said 36-year-old PKS deputy Zulkieflimansyah.

Others, such as PKS member Arief Surowidjojo, draw parallels with US senator and presidential candidate Barack Obama. "We're grassroots, stay clean and use the Internet for fundraising," Arief Surowidjojo said.

Obama's appeal to Indonesians—many of whom take pride in his years in Indonesia as a child—is not lost on other would-be leaders. Rizal Mallarangeng, 43, a political analyst making an unlikely run for president, also cites Obama as an inspiration and has replicated Obama's use of Facebook, the social networking website. So, too, has a rival candidate, 44-year-old anti-corruption activist Fadjoel Rachman.

Beyond politics, the next generation of business leaders will have to reduce the insidious corruption which is stifling economic growth. As head of the young entrepreneurs association, Sandiaga Uno has urged members—most of whom are from small and medium companies—to stop paying bribes to bureaucrats. "It's difficult," he has admitted. "But somebody has to start somewhere."

Within the education system, change could come from young educators like Dr Anies Baswedan, a 39-year-old political analyst and activist who last year became the youngest Indonesian to head a university. Warning of the perils presented by millions of "angry" uneducated and unemployed Indonesians, Anies has championed scholarships for deserving students. To fight corruption, he has instituted courses in ethics and accountability.

"There's no such thing as an underdeveloped country, only an undermanaged country," said Anies, who was recently named one of the world's top 100 intellectuals, by Foreign Policy magazine.

Indonesia's challenge was summed up recently by US ambassador Cameron Hume: "The younger generation has to decide how Indonesia should be attached to the rest of the world. Do they want an education that enables them to compete with their neighbors, or will they rely on coal exports and a reputation for exotic food?"

The young leaders I met seem determined to answer that question correctly. Let's hope they do. Because a prosperous, stable Indonesia—with the world's largest Muslim population—won't only be good for Indonesians, it will be good for the world.