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*After Jokowi's First Term*

## **Jokowi and the Millennials: Facing the Digital Economy**

*By Keoni Marzuki*

### **SYNOPSIS**

*One key signature of the first Jokowi administration is its attention towards the Indonesian millennial generation. What could be expected from his second term concerning millennial engagement?*

### **COMMENTARY**

INDONESIAN MILLENNIALS – individuals classified by Pew Research to be born between 1981 and 1996 – form about a quarter of the entire Indonesian population, or roughly 60-70 million individuals according to the Indonesian Bureau of Statistics. Millennials are arguably one of Indonesia's most crucial demographic constituency in terms of politics as well as the economy.

They make up about 30-40 per cent of the entire Indonesian electorate – the single largest voting bloc by age. Given their significant electoral size, politicians have increasingly projected a millennial persona to attract votes by appearing more relatable to this increasingly critical demographic group.

### **IR 4.0 Generation**

Indonesian millennials play an essential role in the country's nascent Industrial Revolution 4.0 and the digital technology industry where digital technology is the zeitgeist and defining characteristic of this generation.

Founders and CEOs of Indonesia's unicorn tech start-up companies (start-up companies valued at more than US\$1 billion) – namely Go-Jek, Tokopedia, Traveloka and Bukalapak – hail from this generation. Indeed, one of them, Go-Jek's young founder, Nadiem Makarim, has even become a minister in the new cabinet of President Joko Widodo (“Jokowi”).

Numerous other millennials take the path of entrepreneurship. Most importantly, they are particularly significant in Indonesia's economy as they replenish the country's productive population and stimulate Indonesia's economic growth given their youth and potential.

### **Millennial-Attuned President?**

Like other Indonesian politicians, President Jokowi is also trying to capture support from millennials, as reflected by his increasing footprint in social media and digital platforms, as well as his frequent use of chic pop-culture references that are designed to capture public attention, specifically the millennials.

More recently, his dramatic appearance in the 2018 Asian Games' opening ceremony in Indonesia, riding a motorcycle, and him creating a vlog channel on Youtube show that he is more attuned towards millennials.

The distinctive quality that separates Jokowi from conventional politicians who rely mostly on gimmickry is reflected in several policies and initiatives targeting millennials introduced during his first tenure. Chief of this is the Making Indonesia 4.0 Roadmap which the Jokowi administration inaugurated as a national priority.

The roadmap envisions how Indonesia's economy should adapt to the introduction of disruptive technology and outline national priorities that would help Indonesia maintain its competitiveness, efficiency and economic growth. The government is investing heavily in digital infrastructure and broadband connectivity via the Palapa Ring project to improve digital connectivity across the archipelago, thereby preparing the country to embrace the digital economy better.

The Jokowi administration has also been supportive of the initiative to broaden the digital technology industrial base by partnering with industry players to incubate 1,000 tech start-up companies by the end of the decade. The initiative also includes, among others, attracting overseas investment to help cultivate and expand fledgling small and medium start-up companies.

### **Beyond Digital Economy and Technology**

The Jokowi government's initiatives and policy priorities show that Indonesia aims to bank on digital technology to boost its future economic growth and subsequently to empower the millennials with the necessary skillsets to remain competitive, particularly given its role as the backbone of the economy.

While the government's embrace of digital technology would be well-received by some millennials, it may leave other segments of this group feeling disenfranchised,

especially those whose concerns are not necessarily addressed by the expansion of the digital technology industry.

In addition, if the large student-led protests concerning the revised anti-corruption bill and the draft new penal code is an indication, millennials are as concerned about democracy and anti-corruption as they are about the economy.

Millennials are a heterogeneous demography, not homogenous as commonly perceived. Dividing them are cleavages such as age groups, social class, domicile, educational background, economic aspirations, political outlook and religiosity, among others.

These sub-groups have different concerns and interests, [as outlined in an edition of \*Inside Indonesia\*](#). The divergence of concerns between urban and rural millennials, for instance, exemplified the heterogeneous nature of millennials. Urban millennials are more concerned about unemployment and underemployment, on top of other pertinent issues such as affordable housing, affordable healthcare and opportunities to further their education.

Rural millennials, on the other hand, are concerned about attaining stable livelihood as agricultural land shrinks due to increasing land conversion; thus, limiting job opportunities in the agriculture sector. Also, rural millennials are generally more interested in jobs that yield better income and provide more opportunities for economic mobility. Not every concern of the millennials sub-groups could be addressed just by embracing digital technology alone.

### **Going Forward: Empowering Millennials**

The second Jokowi administration aims to address these various concerns by complementing the signature policy of infrastructure development and economic policies with investment on human capital, as President Jokowi highlighted during his second inaugural address earlier this month. During the presidential campaign, Jokowi promised to roll out two programmes that would help empower millennials.

The first is expanding the existing Smart Indonesia programme to include select university students and provide them with financial support to further their education. The second is the pre-employment programme, which comprises short-term allowance, access to vocational training and certification to help job seekers find decent employment or establishing SMEs.

The pre-employment programme will cost about US\$ 728 million to cover up to two million recipients, including people who were laid off and those who need to acquire new skills and hone existing skillsets. These programmes have the common objective to develop a skilled workforce and subsequently reduce youth unemployment rate.

In addition, the government plans to continuously increase endowment funds for education and research to US\$7.1 billion and US\$3.5 billion, respectively.

### **Millennials in Politics and Government**

Overall, the millennials' response towards President Jokowi seems to have been quite favourable. In a 2017 survey by the Centre for Strategic and International Studies (CSIS Indonesia), over 70 per cent of the millennial respondents was satisfied with the performance of the government.

Meanwhile, Indikator Politik, Indonesia's exit poll taken following the simultaneous elections, pointed out that President Jokowi fared quite well in terms of attracting votes from millennials, particularly the older millennials. However, in light of recent political developments surrounding the law on the anti-corruption commission, KPK and the draft criminal code, the second Jokowi administration must work hard to maintain the millennials' trust.

The appointment of Nadiem Makarim as Minister of Education and Culture signifies the Jokowi administration's recognition of the millennials and the importance of including them in statecraft. While this is indeed laudable, President Jokowi also appointed the 57-year-old Zainudin Amali as Minister of Youth and Sports. The irony is palpable as millennials question why a person from the baby-boomer generation is appointed to handle youth affairs.

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