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Jokowi's Sixth Reshuffle: Securing His Legacy?

By Alexander R Arifianto

SYNOPSIS

On 28 April 2021, Indonesian president Joko Widodo announced his latest cabinet reshuffle with the appointment of three new ministers. Is he driven by a desire to secure his legacy?

COMMENTARY

ON 28 April 2021, Indonesian president Joko Widodo ('Jokowi') conducted [the sixth reshuffle of his cabinet](#) since he first assumed the presidency in October 2014. The latest round of reshuffle was triggered driven by the administration's decision to transform the Investment Coordination Board (BKPM) into a cabinet-level Ministry of Investment. It is also motivated by the decision [to merge the Ministry of Research and Technology](#) with the Ministry of Education and Culture.

Probably most key was Jokowi's promotion of the current BKPM head [Bahlil Lahladalia](#) as the new Minister of Investment. Prior to this, Bahlil was an entrepreneur and chair of the Indonesian Young Businesspeople Association (HIPMI). Bahlil is expected to transform the investment ministry as the primary institution to raise funds for the development of Indonesia's new capital, located in the New Paser Regency in East Kalimantan.

New Investment Ministry and Its Importance

The capital project – scheduled to be completed when Jokowi leaves office in 2024 – is estimated [to cost 467 trillion Indonesian Rupiah](#) (S\$42.8 billion), of which 90 percent would be raised from private foreign direct and portfolio investment.

While Jokowi has created several new institutions which would support the

development of the new capital, including the country's newly inaugurated [Sovereign Wealth Fund](#), so far new investment pledges obtained from prospective investors to finance the capital is still far below target.

Hence, in his new ministerial portfolio, Bahlil is tasked to significantly raise new foreign investment commitments to Indonesia over the next few years – much of it would go to financing the construction of the new capital. He is also expected to assist the promotion of the newly enacted Indonesia's [Omnibus Law for Job Creation](#) and on its numerous fiscal and tax incentive schemes offered to firms seeking to invest in Indonesia.

Promoting Education Reform

In the mini-reshuffle, Jokowi reconfirmed the appointment Nadiem Makarim as the Ministry of Education and Culture, despite rumours in the Indonesian media that he was about to be replaced. A technocratic businessman who founded Gojek – one of Indonesia's largest information technology company, Nadiem's tenure as minister over the past two years has been marked by several controversies.

One in particular surrounds Nadiem's proposal to reform the national education curriculum [to fast-track Indonesia](#) to become one of the world's leading high-technology innovation nation by the time Indonesia celebrates its 100th anniversary as an independent nation in 2045.

The reform proposal has come under criticism because it seemingly ignores [the poor performance](#) of Indonesian primary and secondary school students in their reading, writing, and arithmetic scores compared to their international peers, casting doubts on the feasibility of the reform plan.

By letting Nadiem to remain in the education portfolio, Jokowi also reaffirmed his commitment to Nadiem's ambitious reform agenda. However, he also denied the aspiration of some activists from Muhammadiyah – Indonesia's second largest Islamic organisation – and the National Mandate Party (PAN), its affiliated political party, [to have Nadiem replaced](#) by one of their cadres.

Since Indonesia's democratic transition in 1998, the Education and Culture Ministry has traditionally been held by a Muhammadiyah-affiliated minister, while the Religious Affairs Ministry is held by a minister affiliated with Nahdlatul Ulama (NU) – Indonesia's largest Islamic organisation – currently Yaqut Cholil Qoumas, the former head of NU youth wing.

This tradition was broken when Jokowi first assumed the presidency in 2014. Two out of three education ministers under his administration – including Nadiem – are from a non-Muhammadiyah background. By keeping Nadiem in his position, Jokowi signalled that he preferred the ministry to be led by a professional technocrat instead of a political appointee which would unnecessarily increase the size of his already large political coalition.

New Research and Innovation Agency

Finally, Jokowi appointed Laksana Tri Handoko, the current head of the Indonesian Institute of Sciences (LIPI) – the government’s official research think-tank, as the head of the newly created National Research and Innovation Agency (BRIN). This agency [is expected to merge](#) all existing research and technology agencies within the Indonesian civil service.

This includes LIPI, the Agency for the Assessment and Application of Technology (BPPT) – which is responsible to promote the application of new technological innovations, and the in-house research institutes located inside various Indonesian ministries.

Nonetheless, by appointing Laksana as the new BRIN head, Jokowi signalled that LIPI will become the lead government agency which [promote research](#), technological development, and knowledge dissemination in Indonesia. The new agency is also expected to implement [the National Research and Technology Law](#) enacted in August 2019.

This law authorises it to issue regulations and award research grants for scientific research in Indonesia’s higher education institutions. BRIN is also expected to be the agency which will implement a new research permit scheme for international scholars and researchers who wish to do research in Indonesia.

Three Priorities in His Last Three Years

With this latest cabinet reshuffle, Jokowi seems to be settling on the mix of political parties, technocrats, and businesspeople within his cabinet. Given this stability, he sees no need to expand his coalition further to accommodate additional parties or interest groups.

If anything, the reshuffle has strengthened the role of professional technocrats and businesspeople as chief executives of key ministries such as Investment and Education.

The reshuffle also revealed Jokowi’s three priorities during the final three years of his presidency, respectively: to secure investment commitments to develop Indonesia’s new capital – his primary presidential legacy; to reform the nation’s education system; and to encourage more scientific research and innovation to realise Indonesia’s potential as one of the leading economic and information technology powerhouses in the world by the middle of the 21st century.

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