

***Indonesia's Changing Political Economy: Governing the Roads.***  
**By Jamie Davidson. Cambridge: Cambridge University Press, 2015.**  
**Hardcover: 292pp.**

When Joko Widodo, aka Jokowi, announced that he would run for president of Indonesia in 2013, he not only promised to weed out corruption and increase transparency, but also that he would pursue a new style of leadership altogether. Focusing on the plight of the masses, Jokowi pledged that he would no longer be beholden to Indonesia's entrenched political interests. He also promised a "mental revolution" and set ambitious targets should he win the presidency, including the construction of 5,000 kilometres of railways, 2,600 kilometres of roads, 1,000 kilometres of toll roads, 49 dams and 24 seaports.

Foreign academics and analysts were ecstatic. "What we're seeing is extraordinary", enthused Douglas Ramage, a consultant based in Jakarta, in a *Wall Street Journal* article on 9 October 2013, entitled, "In Indonesia, a New Breed of Politicians is on the Rise". Providing an assessment of Widodo's campaign, Ramage went on to say that the "compelling logic of popularity is what drives Indonesian politics now, and the perception of a candidate as clean, transparent and authentic is what most drives popularity". Other scholars were equally optimistic about Jokowi's capacity to tackle Indonesia's myriad pressing problems. Probably carried away by campaign dynamics, several foreign academics donned t-shirts with Jokowi's portrait, and gushed in op-eds and blogs about how the former mayor of the city of Solo, through sheer intelligence and imagination, had single-handedly cut through red tape and increased the efficiency of the municipal government. What all these accounts had in common was an almost messianic hope in the capacity and capability of an *individual* to dismantle Indonesia's kleptocracy and initiate long-awaited policy changes.

Jamie Davidson's new book on the politics of infrastructure investment in Indonesia throws cold water on such an understanding of Indonesian politics. Davidson shows that while there is wide agreement among scholars and politicians that the construction of roads, ports and railways is a prerequisite for economic growth — particularly in developing countries such as Indonesia — there is considerable disagreement over how countries should pursue infrastructure development.

While in the 1950s and 1960s a prominent role for the state was deemed important for infrastructure development, this idea was replaced by a belief in the potency of private–public partnerships (PPP). In a PPP, the government collaborates with a private sector entity to deliver a public service. Gaining prominence in the context of the Reagan revolution of the 1980s, the idea of PPP as the key to successful infrastructure development subsequently crept onto the agendas and programmes of multilateral development agencies around the world, and today constitutes the mainstream approach towards infrastructure development.

After Soeharto was deposed in 1998, PPPs also became the main approach to infrastructure development in Indonesia. In his book, Davidson describes in great detail the context in which PPPs are embedded in Indonesia and explains why they have failed to develop the country's infrastructure. Concretely, "the factors bedeviling private sector participation in infrastructure projects" include entrenched rent-seeking networks, conflicts between the national and local governments, and struggles over land between the government and a newly empowered society (p. 230). Examining the politics surrounding the construction of turnpikes, Davidson first shows how toll road concessions during the New Order were driven primarily by pressures on Soeharto to reward as many *pribumi* business cronies as possible as a reaction to mounting criticism about his favouritism towards the Chinese-Indonesian business community, as well as the growing prominence of his children in the country's economy. In subsequent chapters, Davidson shows how, after 1998, the Abdurrahman Wahid, Megawati Sukarnoputri and Susilo Bambang Yudhoyono administrations formally paved the way for the rise of PPPs in Indonesia's infrastructure sector by strengthening the government's eminent domain powers — that is the right of a government to expropriate private property for public use, with payment of compensation — as well as pushing through reforms that theoretically should have facilitated the financing of toll road projects for private sector investors. However, despite these institutional changes and the commitment of individual politicians, particularly Yudhoyono but also local government heads keen to bequeath a legacy in the form of a turnpike in their jurisdiction, the construction of toll roads moved forward at a glacial pace. The government's plan to build thousands of kilometres of roads was obstructed not only by a mix of centre-periphery squabbles and financing issues, but also by an increasingly assertive local

civil society. Eventually, Yudhoyono managed to build a mere 126 kilometres of toll roads during his ten years in office.

While endemic corruption, opacity and rent-seeking in Indonesia's infrastructure development makes it challenging to present conclusive data, the evidence painstakingly collected by Davidson over more than a decade is persuasive enough to make this book an important contribution to the political economy of policymaking in post-Soeharto Indonesia. Overall, Davidson's study shows that the root causes of Indonesia's struggle to build roads and execute infrastructure projects are *political*, and involve a broad network of actors and interests. His study not only exposes the absurdity of Jokowi's promise to build 1,000 kilometres of toll roads during his first term in office, but also provides ample evidence that Indonesia's infrastructure woes can neither be addressed through quick "technical fixes" nor through the sheer will of individual politicians. The possible solutions that follow from such an understanding of the inner workings of service delivery in the world's third largest democracy are altogether different than those suggested by development agencies and academics that understand politics mainly as the result of individual leadership. "Getting the institutions right" is as misplaced a strategy to boost reform in the infrastructure sector as is pinning one's hope on the capacity of individual leaders. Understanding the politics of deal-making during extra-parliamentary lawmaking is as important a factor to take into account when assessing the possibilities for infrastructure development in Indonesia as are the interests of the country's oligarchy and subnational business class. Davidson's book is therefore compulsory reading for academics, investors and practitioners working for multilateral aid agencies alike.

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