



## National Leadership Succession and New Hopes for Indonesia's Progress

Issue 15, October 2024

As Indonesia embarks on a new chapter following the 2024 general elections, the nation looks set for a relatively smooth and strong transition under fresh leadership. The General Elections Commission announced the legislative and presidential election results on March 20, 2024, paving the way for a new administration. On October 1, 2024, the members of the House of Representatives (DPR) and the Regional Representative Council (DPD), together forming the People's Consultative Assembly (MPR), were inaugurated for the 2024-2029 period. The next key agenda was the inauguration of the new President and Vice President: Prabowo Subianto Djojohadikusumo and Gibran Rakabuming Raka, on October 20, 2024, at the national parliament complex in Jakarta.

This transition marks a sustainable continuation from the previous administration led by Indonesia's seventh President Joko Widodo, who has completed a maximum of two 5-year terms. Unlike prior transitions, when it could take almost a week to announce a new cabinet, Prabowo unveiled the names in his cabinet just a few hours after his own inauguration. While the list of ministers appeared fixed, one name was changed the following morning when the new cabinet members were inaugurated on October 21, 2024. Luhut Binsar Pandjaitan, a highly influential minister under Joko Widodo, was added to the list and sworn in as head of the National Economic Council.

The promptness in forming the new administration indicates the national leadership transition, dubbed a "synchronization period", had been underway for quite some time. The lengthy preparations facilitated a smooth handover of power and should ensure continuity.

After being inaugurated as the eighth President of the Republic of Indonesia and officially

assuming the roles of head of government and head of state, Prabowo proceeded with the formal swearing-in of his ministers the following morning, with each directly accountable to him, as mandated by the Constitution. The new cabinet, named the 'Red and White Cabinet' (Indonesian: *Kabinet Merah Putih*), consists of 53 members, comprising 7 coordinating minsters, 41 ministers and 5 heads of agencies/institutions/council at the ministerial level. This is a significant increase from the number of 38 cabinet members in the previous administration. This expansion follows the revision of Law No. 39 of 2008 on State Ministries, which removed the cap of 34 ministries. The additional ministries, while reflecting a power-sharing arrangement to accommodate a broad coalition of parties, are also intended to enhance the effectiveness and efficiency of government operations, particularly to accelerate development. The changes in the nomenclature of ministries in the Red and White Cabinet, along with the ministers and heads of agencies/institutions at the ministerial level, are as follows:

## **Cabinet Structure and Leadership**

- 1. Coordinating Minister for Political and Security Affairs: Budi Gunawan
- 2. Coordinating Minister for Legal, Human Rights, Immigration, and Correctional Affairs: Yusril Ihza Mahendra
- 3. Coordinating Minister for Economic Affairs: Airlangga Hartarto
- 4. Coordinating Minister for Food Affairs: Zulkifli Hasan
- 5. Coordinating Minister for People's Empowerment: Muhaimin Iskandar
- 6. Coordinating Minister for Infrastructure and Regional Development: Agus Harimurti Yudhoyono
- 7. Coordinating Minister for Human Development and Cultural Affairs: Pratikno
- 8. Minister of Law: Supratman Andi Agtas
- 9. Minister of Human Rights: Natalius Pigai
- 10. Minister of Immigration and Correctional Affairs: Agus Andrianto
- 11. Minister of Defense: Sjafrie Sjamsoeddin
- 12. Minister of Foreign Affairs: Sugiono
- 13. Minister of State Secretariat: Prasetyo Hadi

- 14. Minister of Finance: Sri Mulyani Indrawati
- 15. Minister of Industry: Agus Gumiwang Kartasasmita
- 16. Minister of Energy and Mineral Resources: Bahlil Lahadalia
- 17. Minister of Investment and Downstreaming / Head of the Investment Coordinating Board: Rosan Roeslani
- 18. Minister of Social Affairs: Saifullah Yusuf
- 19. Minister of Health: Budi Gunadi Sadikin
- 20. Minister of Manpower: Yassierli
- 21. Minister of Agriculture: Andi Amran Sulaiman
- 22. Minister of Primary and Secondary Education: Abdul Mu'ti
- 23. Minister of Higher Education, Science and Technology: Satryo Soemantri Brodjonegoro
- 24. Minister of Culture: Fadli Zon
- 25. Minister of Religious Affairs: Nasaruddin Umar
- 26. Minister of Communication and Digital Affairs: Meutya Hafid
- 27. Minister of Home Affairs: Tito Karnavian
- 28. Minister of State Apparatus Empowerment and Bureaucratic Reform (PAN-RB): Rini Widyantini
- 29. Minister of Agrarian Affairs and Spatial Planning / Head of the National Land Agency (ATR/BPN): Nusron Wahid
- 30. Minister of the Environment / Head of the Environmental Control Agency: Hanif Faisol Nurofiq
- 31. Minister of Forestry: Raja Juli Antoni
- 32. Minister of Marine Affairs and Fisheries: Sakti Wahyu Trenggono
- 33. Minister of Public Works: Dody Hanggodo
- 34. Minister of Housing and Settlement: Maruarar Sirait

- 35. Minister of Transportation: Dody Purwagandhi
- 36. Minister of Villages and Development of Disadvantaged Regions: Yandri Susanto
- 37. Minister of Transmigration: M. Iftitah Sulaiman Suryanegara
- 38. Minister of Trade: Budi Santoso
- 39. Minister of Cooperatives: Budi Arie Setiadi
- 40. Minister of Tourism: Widiyanti Putri Wardhana
- 41. Minister of Creative Economy / Head of the Creative Economy Agency: Teuku Riefky Harsya
- 42. Minister of Micro, Small and Medium Enterprises: Maman Abdurrahman
- 43. Minister of Women's Empowerment and Child Protection: Arifatul Choiri Fauzi
- 44. Minister of Youth Affairs and Sports: Ario Bimo Nandito Ariotedjo
- 45. Minister for the Protection of Indonesian Migrant Workers / Head of the Indonesian Migrant Worker Protection Agency: Abdul Kadir Karding
- 46. Minister of Population and Family Development / Head of the National Population and Family Planning Agency (BKKBN): Wihaji
- 47. Minister of National Development / Head of the National Development Planning Agency: Rachmat Pambudy
- 48. Minister of State-Owned Enterprises: Erick Thohir
- 49. Attorney General: Sanitiar Burhanuddin
- 50. Chief of Presidential Staff: A.M. Putranto
- 51. Head of the Presidential Communication Office: Hasan Nasbi
- 52. Head of the State Intelligence Agency: Muhammad Herindra
- 53. Head of the National Economic Council: Luhut Binsar Pandjaitan

The list above shows that some former ministries have been split into two or even three distinct ministries and agencies/institutions. This restructuring aims to address challenges in increasingly complex sectors, while also serving the new president's vision and mission.

Prabowo's long-term political agenda, known as "Eight Visions" or *Asta Cita*, provides a comprehensive strategy to address Indonesia's socio-economic challenges. However, there are concerns that the restructuring could hinder effective coordination within the cabinet. Furthermore, while the new or restructured state institutions have been officially named, it will take considerable time for them to become fully established and functional. Given these possibilities, President Prabowo is likely to focus more on his list of "quick wins", with his team expected to prioritize economic self-sufficiency and reindustrialization, including the development of downstream industries, building on Joko Widodo's legacy in this area.

In line with his ambitious target of achieving economic growth of seven to eight percent by the end of his first term in 2029, Prabowo is likely to revive centralization. This would mean restoring power to the central government and more assertive state intervention to ensure growth while addressing unemployment and reducing inequality. Social protection programs will support this effort, including plans to provide free meals for students and children, as well as expanding social assistance. To operationalize his approach, Prabowo will need to have effective governance. His presidency will be defined by his ability to successfully guide Indonesia's complex political economy for the betterment of his fellow citizens in midst of geopolitical uncertainty.

----

## Click the "download file" button to read the PDF version.

If you have any questions, please contact:

- 1. Rahayu Ningsih Hoed, Partner rahayu.hoed@makarim.com
- 2. Vincent Ariesta Lie, Partner vincent.lie@makarim.com
- 3. Dang Perkasa Alam Panjaitan, Associate alam.panjaitan@makarim.com
- 4. M. Alfitras Tavares, Associate alfitras.tavares@makarim.com

MilifoTedAletikinsplegikinetæblikjejujdallæbeibolikarðintnierppædjealetele þepirtaætvieð iorrekaltæroPedpidirorny;hldin ketlaikinsfoTravieæt@selntryfenterræilgæbesedæbjosiorttære us at