The authors' views are their own and do not represent the official position of the Institute of Defence and Strategic Studies of the S. Rajaratnam School of International Studies, NTU. These commentaries may be reproduced with prior permission from RSIS and due recognition to the authors and RSIS. Please email to Editor IDSS Paper at RSISPublications@ntu.edu.sg.

No. 093/2024 dated 11 November 2024

# Political Dynamics and Economic Prospects in the 2024 Riau Islands Election

Syed Huzaifah Bin Othman Alkaff

#### **SYNOPSIS**

In this article, **Syed Huzaifah Bin Othman Alkaff** previews the 2024 Riau Islands gubernatorial election, featuring the incumbent governor, Ansar Ahmad, and Batam mayor Muhammad Rudi. Both candidates advocate economic development for the province, emphasising infrastructure and industrial growth while also acknowledging the untapped potential of the maritime sector in the context of substantial political support and regional opportunities.

### COMMENTARY

The 2024 gubernatorial elections in the Riau Islands (KEPRI) province are a contest between Governor Ansar Ahmad — paired with Nyanyang Haris Pratamura — and Batam mayor Muhammad Rudi, who has teamed up with Karimun regent Aunur Rafiq. While Ansar-Nyanyang has the advantage of incumbency, and the support of political parties affiliated with President Prabowo Subianto's Forward Indonesia Coalition (KIM), their competitors are not to be disregarded. Regardless of the winner, both candidates will have to utilise their respective strengths to boost KEPRI's economic opportunities and navigate the many challenges.

#### Referendum on the Incumbent

There is very little differentiation between the <u>campaign platforms</u> of both candidates. Both seek to elevate KEPRI's economy, improve infrastructure and connectivity, enhance the competitiveness of the workforce, and preserve local cultures of KEPRI. This similarity speaks to the aspirations of the KEPRI electorate, who wish for their province to be prosperous through leaders who can leverage the region's maritime and geographic advantages to foster economic growth. Hence, with campaign

platforms that are almost indistinguishable, this election is a referendum on the electorate's satisfaction towards Ansar's performance as the incumbent governor.

In recent weeks, news articles have begun to highlight Ansar's achievements during his gubernatorial term. These include <a href="championing">championing</a> the operation of Nusantara 1 and 3 — two "roll on/roll off" cargo ships that are crucial to inter-island connectivity, improving telecommunications through the construction of 77 Base Transceiver Stations (BTS), and supporting digitalisation throughout the province. Ansar was also <a href="portrayed">portrayed</a> as a supporter of micro, small, and medium enterprises (UMKM). He channelled IDR 25.7 billion (approximately SGD 2.1 million) worth of interest-free capital assistance to 1,306 UMKMs, and through vocational training and halal certification to 4,600 UMKMs. He was also supportive of social cohesion and equality by providing assistance to construct 861 places of worship — "<a href="from mosques to churches">from mosques to churches</a>" — worth IDR 112 billion (approximately SGD 9.45 million). These reported achievements represent Ansar's <a href="incumbency advantage">incumbency advantage</a> for his re-election. Nevertheless, the results of the upcoming gubernatorial elections will validate whether the KEPRI voters will reward Ansar with their support.



The 2024 Riau Islands gubernatorial election on 27 November 2024 is shaping up to be an important one. Incumbent governor Ansar Ahmad will be competing against Muhammad Rudi, the mayor of Batam. *Image from <u>Riau Islands Province Website Portal.</u>* 

## **Political Support and Dynamics**

In addition to incumbency advantage, Ansar also enjoys robust backing from Prabowo Subianto's KIM, which includes prominent political parties like Golkar Party, Gerindra Party, and National Mandate Party (PAN). This broad coalition provides him with substantial political resources, enhancing his ability to manage regional policies and budgets effectively. Not all KIM coalition members, such as the Indonesian Solidarity Party (PSI) and the Crescent Star Party (PBB), supports Ansar's candidacy. Nonetheless he has secured endorsements from a total of 13 political parties. This has significantly strengthened his campaign infrastructure.

Nyanyang Haris Pratamura, Ansar's running mate, brings fresh perspectives, with legislative experience from his service in the KEPRI Regional House of Representatives with the Gerindra Party. Nyanyang's legislative expertise is expected to be a critical asset for the campaign. His proficiency in legislative matters is likely to align effectively with Ansar's policy agenda, enabling the development and execution of robust governance strategies.

However, Ansar and Nyanyang's competitors are not to be disregarded. Muhammad Rudi has established a strong profile during his eight-year tenure as Batam's mayor. He is supported by the National Democrat Party (Nasdem), Indonesia Democratic Party of Struggle (PDI-P), PSI, People's Conscience Party (Hanura), Labour Party (Partai Buruh), PBB, and the Nusantara Awakening Party (PKN). As the two-term mayor of Batam, Rudi attained economic growth of over 7 per cent in 2023 and secured robust growth in foreign direct investment (FDI) for the city. Batam's FDI, significantly increased to IDR 5.73 trillion (approximately SGD 482.77 million) in the first quarter of 2024, up from IDR 2.61 trillion (approximately SGD 219.90 million) the previous year. Such increases further solidify Batam's status as a Free Trade and Free Port Area, and reinforces its role as a critical economic hub in Indonesia. Furthermore, his administration was <u>awarded</u> the "Unqualified Opinion" or Wajar Tanpa Pengecualian (WTP) status from the Audit Board of Indonesia (BPK) for 10 consecutive years, highlighting his commitment to transparent and accountable governance. Aunur Rafig, Rudi's running mate, also has proven leadership record as a two-term regent of Karimun, focusing on enhancing local infrastructure and public services. Given their accomplishments, Rudi and Aunur Rafig's candidacy provide KEPRI voters with a choice to pick a competent alternative.

# **Economic and Industrial Challenges**

Both KEPRI gubernatorial candidates emphasise the need for further industrial growth, focusing on Batam as KEPRI's main economic powerhouse. They advocate sustained investment in infrastructure and industry as crucial to their economic strategies. However, both candidates have to ensure that the economic expansion benefits the entire province. The Riau Islands have the second highest Indonesian provincial unemployment rates at 6.94 per cent as of February 2024. As governor, Ansar has suggested that the high unemployment rate may be partly due to an influx of job seekers from outside the region looking for jobs in the Batam area.

While manufacturing had traditionally been the cornerstone of the province's economy, the KEPRI government is also keen to explore other areas of growth to complement this sector, particularly maritime development. The province is strategically located near the busy sea routes off Singapore and Johor (Malaysia). Hence, KEPRI has significant potential to generate substantial revenue as a transit port for international commercial vessels.

One promising revenue source identified by the KEPRI provincial government is the collection of anchorage tariffs, which could potentially rake in up to <u>IDR 200 billion</u> (approximately SGD 16.87 million) annually. However, there are several challenges for the government to fully realise this revenue, including the need to further reform

regional laws and regulations, improve public services, and provide a competitive tariff rate that attracts international shipping companies to anchor in Batam or Bintan ports.

The absence of maritime issues in the candidates' campaign platforms may be attributed to a perceived voters' preference for manufacturing and industrial jobs instead of those in the maritime sector, despite the frequent mention of KEPRI's maritime character by both candidates. According to <a href="Indonesia's Central Statistics Agency">Indonesia's Central Statistics Agency (BPS)</a>, KEPRI's Gross Regional Domestic Product (GRDP) contributors in 2023 were manufacturing (40.07 per cent), construction (20.33 per cent), mining and quarrying (11.16 per cent), and wholesale and retail trade (9.06 per cent). The minimal focus on maritime issues may also stem from the fact that the authority over Batam and Bintan ports lies with various central government agencies and ministries. The KEPRI government has limited authority and influence over the jurisdiction of these ports. Therefore, it is not surprising that the candidates have not really focused on maritime issues.

## Conclusion

The 2024 KEPRI Gubernatorial Election is shaping up to be an important election. Both candidates offer visions that promise higher economic growth and prosperity. They also promise to transform Batam as a major economic centre for KEPRI. However, the maritime sector remains underexplored in their campaigns — despite its strategic location as a potential transit point for ships. As voters head to the polls on 27 November 2024, they may have aspirations for KEPRI's economic development and how well the islands can capitalise on its unique geographical advantages in the coming years. Yet, the lack of a serious debate over the potential of the maritime sector is a missed opportunity that could have significant long-term implications for the region's development.

Moreover, while economic development is a significant theme of the race, it is likely that the electorate will prioritise candidates who address more immediate concerns such as healthcare, education, and employment. These issues resonate more deeply with voters, as evidenced by the emphasis on improving schooling and healthcare services during past weeks' campaign debates.

This preference underscores a pragmatic orientation among voters: immediate welfare benefits are often favoured over long-term strategic economic initiatives. This indicates that while strategic considerations like maritime development are acknowledged as important, they are likely to be overshadowed by the electorate's urgent daily needs and aspirations. This dynamic highlights the complex interplay between immediate public concerns and broader economic strategies in shaping electoral outcomes.

**Syed Huzaifah Bin Othman Alkaff** is an Associate Research Fellow of the Indonesia Programme at the Institute of Defence and Strategic Studies (IDSS), S. Rajaratnam School of International Studies (RSIS).