

Interview with Sri Mulyani on Gender and Women Leadership: "We Never Stop Loving Our Country"

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'n a cafe bookstore near Bethesda, Maryland, USA, I met with Sri Mulyani to talk about women and leadership while she held the position of Minister of Finance in Indonesia. Sri Mulyani looked very relaxed, full of laughter despite our serious discussion. The weather outside was very cold, but we enjoyed our hot coffee. Words flew eloquently from the woman who has several times been named as "the most powerful woman in the world". Recently, the prestigious French newspaper, LeMonde, described her as "An Indonesian Woman who has all qualifications: charisma, high integrity, and deserves to be promoted as a candidate for the position of World Bank Director as well as Indonesian President, to replace Susilo Bambang Yudhoyono."

What is the most important lesson that you learned while serving as Minister of Finance?

Before I served as Minister of Finance, I was the Minister of National Development Planning (BAPPENAS). I think the two ministries are very powerful because they can allocate the whole national budget. Therefore, I understood early on that the power to appropriate the budget was very likely to be abused and could be misused. Within the Ministry of Finance, Law Number 17, 2003 outlines the power given to the minister to manage the finances of the country. If we have power without accountability then corruption and abuse will occur. From the beginning, I realized that the mandate to manage the finances of the country must be transparent in order to remove any temptation of corruption. It intends to further the practice of good governance.

Was there much resistance when you reformed the Ministry of Finance?

Yes, there was. There will always be resistance in various forms. People do not always like change. There is a term in the Ministry of Finance: "to be lost together in the right direction". I just want to make a point that it was not my reformation, but the Ministry's of Finances' reformation. Leadership is very crucial. I disciplined my staff by holding weekly, mandatory meetings.

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They were forced to write reports. If they claimed that something was too difficult, I would ask them about the problems and how we can fix it. My routine meetings were breakfast meetings, every Tuesdays.

My intention was to encourage them to meet, discuss, make observations and make decisions together. I often do things differently than others in the bureaucracy. Sometimes there were difficult problems and my colleagues, feeling the issue was not in their domain, would prefer to call the consultants for solutions. I would say to them, "wait a minute, let's think about this first". If it was a specific technical problem then I would tend to agree. We should use logic. There's logic in everything. I kept reminding them that government officials should be

active in reforming themselves. Our job as leaders is to make sure that we deliver and have measurable results. For example, if a particular public service in the Ministry of Finance requires 30 days to complete, can it be done in 7 days? Can we not do rent seeking? Lets say, in releasing assets, some people wait outside the door and an office boy asked them, "do you want to speed up the process?" These office boys are maintained by both sides, being used both by clients and the public servants. So, just to reform the front office, the clean-up means there is a huge sacrifice because it could remove many people. How many desks must be passed? How long does it take to handle the business? Is the data in order? Those are the questions I asked. Sometimes when I'm not satisfied, I would come to the office "incognito" to watch the way they worked. As a leader, we must show them that we are consistent, that I really mean what I say and that there should be results. Reminding them is something that we have to do over and over again.

Did you use gender perspective in your work?

The concept of gender in governance did not exist yet in Indonesia. They were still stereotyping. For example, they regarded women as more organized, detail-oriented and better at long-term thinking than their male counterparts. In fact, gender in governance is more of a concrete solution. An example is cash transfers designed for low income people. When I was at Bappenas, I insisted that the money transfered to the poor families must be received by wife, and not the husband. Many studies have shown that married women are better at managing the family money than their husbands are, because the women will use the money to care for their children. By understanding this gender approach concept, the program will be more effective. If a Minister doesn't understand the gender perspective, their programs will not accomodate women issues and thus will not help the poor.

Another important point to mention is regeneration. We need to place women in decision making positions. When I first came in as the Minister of Finance, there were not any women in the rank of first echelon. During Mr Boediono's Era, there was one woman but she retired and moved to the office of the Vice President. Thus, we didn't have any women in the first echelon and in the second echelon, we had only a few. If I want a woman to be put in the position of the first echelon this year, for example, I cannot get it because there are no women in the pipe line. Why aren't there women in these positions? Is it because of discrimination? Or because women are struggling when they reach mid-career levels, because they are taking care of their children? These are difficult choices faced by women every day. Do they then have to stay at home? With more responsibilities women find themselves in a difficult situation. Working in the Ministry of Finance, especially if they have to be placed in other regions or provinces, means they have to leave their family. This is a big sacrifice. So, to promote women to higher positions, we must start building from the bottom up. The problem must be identified, the institution should be able to ease the burden on women who do not have choices. It means we have to provide daycare centers and other facilities.

What should a leader do if society does not support womens careers?

It is difficult if people do not support women. Sometimes there is support from domestic workers and extended family in Indonesia, but many problems persists. Especially when she has bigger responsibility and travels for her work. As a leader, we must understand these difficulties faced by women and design gender sensitive policies. To this day, I am on Hillary Clinton's team to promote gender equality internationally along with Cherie Blair (wife of former British Prime Minister, Tony Blair). Within this team, we discuss women's issues in socio-cultural context, we think about these issues globally.

So, what have you done to increase awareness of equality in government?

I directly intervened. I made it clear that within every promotion period in the echelon 2, there had to be at least one woman promoted. For example, if there were 10 promotion positions, then there must be at least one woman moved up. So, they were forced to look for female candidates. If there weren't any female candidates, then I did not want to do promotions. This pressure, I think is good. Women sometimes are passive and many of them feel that they cannot compete with their male counterparts to obtain the desired positions. So, I'm in favor of affirmative action. In the case of echelon 1, I could not find women

within the Ministry to fill these positions. I would then have to hire women from outside the Ministry. I once hired a woman from Bogor, Ibu Anny, and she is now a deputy minister. (On July 8, 2008, Anny Ratnawati was appointed by Sri Mulyani as Director General of Budget, Ministry of Finance). We wanted to show that women are as competent and worthy as men are.

Another obvious example that I can cite was when there was a problem in the Ministry of Finance, in the office of Director General of Tax, which was lead by a team of men. At that time there was a problem with the director of this Department who was guilty of allowing or tolerating mistakes. I eventually replaced him with a female Director General, her name is Ibu Catur. She is a clean, straight forward and firm person. Sometimes, people do not like her because she is very strict. But her reputation is good. In Priok, I am disappointed because none of the regional directors is a woman. But when I took charge of Priok (Jakarta seaport-red), I promoted a woman and now she leads Cengkareng (airport-red). Of course, the above examples are still small, because these cases are exceptions and not the norm. But I think we should start with these.

Tonny Sumartono



Are women, when given the opportunity to lead, less corrupt than men?

Not always. Now there are cases of women involved in corruption, and it always blows up in the media. Women in high level positions are still limited. If there are cases of corruption, it's always big news. When I was serving and interacting with the House of Representative, I noticed that the Commission Director was a man, the Budget Chairman was a man, the Faction Chairmen were men, and they were usually very aggressive. But when replaced by a woman, it did not mean she was better, because she did exactly what the men did. So, that means she (the woman Chairman) did not bring change as a leader. Sometimes, I think women can be more vulnerable because they are more visible from their appearance, manner of dress, and so on. Although, I've noticed that men members of the House of Representatives wear brand name clothes, shoes, ties, etc and I'm sure it's not funded solely by their salary. Women as members of House of Representatives are also often the same. If the woman member of the House wears very notable jewelry, this could make the public cynical towards members of the House of Representatives. Thus, Indonesia, in my opinion, in this reform period needs more than just a gender approach. The commitment to good governance requires much more attention and gender equality is only one area. I think the political world is very hard and dominated by men. What I worry about for women is that many feel that in order for them to exist and survive in a professional arena, they must play the game designed by and for men. Does it have to be so? I don't think so. I was able to survive and do my job well, being recognized for my work because I chose to be responsible. So, it is really a matter of choice.

The problem is not about sex or the number of women in the office but rather about gender awareness. Gender awareness means being sensitive to minorities, the needs of the poor, marginalized people, etc. What do you think?

The reality is that many women are blind to gender awareness, minority rights, and those who are in less fortunate situations. It depends on how they are educated and raised. We calculate that women are relatively more receptive because they are more sensitive by design. I think women have significant emotional judgment, which is good, so they can bring real empathy. I think it's a good modality

for affirmative decision to abolish discrimination. The President of the World Bank, Robert Zoellick, is gender aware and has a perspective. He could not accept a promotion proposal if women were not included. He requires his male colleagues to promote women and to have women from developing countries hold important positions. That's because he has gender awareness.

Is there a difference between being a woman leader on the national level as opposed to the international level?

There is. The difference is that at the national level, we can control what we want to strive for. For example, we want to build good schools

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so that there are no sub-standard ones, and decrease maternal mortality rate. So there we have clear targets and we calculate the required budget. We have the control and can affect those who still have traditional ideas. We are able to change and have control of budget implementation. At the international level, where the World Bank operates in more than 130 countries, we can compare countries, which are successful

and which are not. For example, countries like Australia and Korea once also borrowed funds from the World Bank and now they are able to move forward. But there are many other countries that still have to borrow and have difficulty getting out of poverty. The World Bank does not only give loans for development but also provides knowledge and develops knowledge. But it has limitations, it depends on the local government, how they manage the loans, whether there is accountability, and if it is used for the right things. So, once again it depends on how local governments use the loans. Strong leadership at the national and local level is very important in this case.

Is there a difference as a woman leader at the World Bank, and in your own country?

Definitely. When I became the Minister of Finance, it was a political



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appointment. What I noticed most is how they fuss over clothes. (Sri Mulyani laughed out loud). In the government of Indonesia, the business of clothing is very organized. There is a dress code for almost everything. Frankly as a woman it adds to the burden. There are dress codes, when we have to wear batik dress, national dress, official dress, it is annoying. While at the World Bank there is no dress code. It is up to you what to wear. Of course we measure ourselves. For example, my friend who is at the executive level and comes from Nigeria, every day she can wear Nigerian clothes. In essence, the clothes do not become a burden. Also, ethics is highly valued. I am not saying that there is no sexual harassment, but it is recognized as a problem and being discussed. So, people would not be harassed because they dress differently, wear mini skirts, wear sleeveless clothes, it is our right to wear what we choose, without being judged based on our appearance. People should be judged based on their actions and their minds, not their appearance. Now we are not at the level of discussing different sexual orientations, such as gay and lesbians, it is still covered up in our country. We still have a long way to go.

I want to go back to your speech on leadership ethics at P2D, because it's was a phenomenal one. The speech was given when you've just resigned as the minister. You underlined three things, not to betray the truth, to follow your conscience and have integrity. Why did you say that?

The speech must be placed in context. When I resigned, I just wanted to convey the message that I don't and I didn't feel defeated. I didn't lose, because the definition of winning and losing, or staying in the line of struggle, starts from the values that exist within me. I work not to earn praise from the president or the media. I do my job because it's my duty and because of the trust that people have in me. I have pride and dignity and the highest calling of any human being is virtue. We cannot betray our conscience. So that was the context of my decision. And we also know that at the higher level positions, men dominate. All political party leaders are men, except one party led by a woman. The so-called collaboration, collusion or cooperation, are made by men. I meant it as a joke when I said on the night of my speech, that there is a "marriage" between two men (the President and Aburizal Bakrie), a political marriage is just the same.

Can you tell us about your resignation, whom did you save?

Actually, the decision was not to save me, but the reforms which were made in the Ministry of Finance. (Because) At that time I was targeted personally. I was attacked every day, my name, and my images were in the public every day. Things like this would damage the entire effort which was made to improve the Ministry of Finance and its programs. If people were just focusing on me, they would no longer see our work, as in the case of Gayus (Gayus H Tambunan former tax man convicted of fraud crimes-red), and there are things we have to fix and evaluate. There were people who tried defeating or weakening the cause of governance because many only saw this as Sri Mulyani's issue. Thus, the decision to resign was very appropriate because I'm sure there are people who can and will commit to reform at the Ministry of Finance. And also with my resignation, the President was no longer burdened by my presence, because I was constantly attacked and considered the source of problems.

My friends and I at the Department of Finance for the past 5 years