

Ensuring Peace Environment in Post Conflict Society Through Institutional Engineering; An Indonesian Case Study

Andi Ahmad Yani

*Lecturer in Department of Administrative Science, Hasanuddin University, Indonesia and PhD
candidate in Institute of Political Science, Leiden University, the Netherlands
aayani@unhas.ac.id*

Abstract

Most studies examine post conflict society based in security and aid management approach for conflict-management. However, some scholars in conflict studies also suggest an institutional design approach to accommodate conflict parties in aftermath regions, which focuses on seeking an appropriate and acceptable “formula” to resolve conflicts. Based on Indonesia’s case, this study proposes a political compromise approach among different parties, at least for core conflict groups, to formulate an institutional framework in ensuring sustainable peace. This study discusses the feasibility of institutional design in order to mitigate dispute escalation in conflict-prone areas in Indonesia through applying theories of centripetalism (Lijphart,1969) and consociationalism (Horowitz, 1985). This paper utilizes the analysis tool of Ilievski and Wolff (2011) to analyze the institutional design of conflict resolution

Keywords: Post Conflict Governance, Peace Study, Institutional Theory, Indonesian Study

A. INTRODUCTION

Regarding mitigating conflict escalation, Barron and colleagues point out that institutions play pivotal role in mediating potential conflict at local level (2004). They found a strong correlation between institutions and conflict (Ibid). Informal institutions, such as religious organizations and local culture institutions are, in some areas, involved in conflict resolution but in

other cases they also tend to provoke conflict. Similarly, formal institutions, in some degree, significantly contribute to diminish and solve conflict through their security and public service authorities. However, most public institutions do not have a decent capacity to manage the conflict, especially at local level, thus they fail to cope with conflict effectively. Besides the issue of capacity, Wilson

stresses that unequal representation amongst ethnic and religious groups in a local government and a bureaucratic system has been a critical factor in the bottom line of the likelihood of conflict (2005).

By this line, we would agree to say that institutions, both formal and informal, are critical elements in post-conflict areas. They can actively contribute to relieving violent conflict and in the same way they can also revive dispute in affected areas of conflict. The institution becomes a fundamental issue for ensuring a peaceful environment in post-conflict regions in Indonesia. This paper focuses more on formal government organizations which actively engage in this process as a following thesis of Huntington (1968[2006]) and Fukuyama (2011) about the important strong structural state of a civil society for developing stable and effective democracy. Therefore, the aim of this paper is to examine the following question: *What are the alternative institutional designs to mitigate conflict escalation in the post-conflict areas of Indonesia?* In order to answer this question, the next section will explore the concept of institutionalism and institutionalization. This section followed by a discussion of two institutional design theories which offer some possible strategies to

accommodate competing claims of multi ethnic and religious societies. This paper will be concluded by a case discussion based on both institutional design thoughts in Indonesian context.

B. DISCUSSION

Indonesian post conflict society; a brief background

Since Indonesia is in the middle of democratic transition, it has been able to avoid encumbrances that may impede the above progress of economic and democratic development. However, the biggest challenge is the possibility of violent conflicts as a result of political change (Klinken, 2007; Wilson, 2008). The forms of social conflict in Indonesia are similar phenomena which have occurred in countries that have diverse ethnic and religious groups ruled by authoritarian regimes, and they are still in an ongoing process of democratic transition, like post-communist Eastern and Central Europe countries (Barron et.al, 2009a).

Nevertheless, violent communal conflicts in Indonesia, which resulted in a high number of deaths and displacements, have arose at a local level and only in particular areas in Indonesia during 1998-2005. They have occurred in the following regions: East and West Kalimantan, South and

Central Sulawesi, Maluku, North Maluku Aceh, and Papua. These conflicts mainly consist of ethno-religious warfare and political clashes between separatist groups and Indonesian security forces and have occurred at a district and provincial level.

The phenomenon of conflict escalation during a political transition shows an example of violence accompanying political development (Huntington, (1968 [2006]); Kingsbury, 2007a; Fukuyama, 2011). Although most social conflicts have stopped at present it does not mean that such conflicts will not arise again. All the conflict groups are still in the process of reconciliation and there is a possibility of conflict being fueled by certain interests aimed at undermining peaceful interests.

Researchers had identified several key factors that triggered violent communal conflicts in Indonesia. First, economic factors which implies poverty, inequality development, and high rate of unemployment in affected areas of conflict (Klinken, 2000; Wilson, 2005; Barron et.al, 2004; Barron et.al, 2009a). For instance, Klinken found that the high rate of unemployed youth was a bottom-view problem of the violent conflict in Maluku (2000).

Second, diversity of ethnic and religious groups makes Indonesia prone to ethno-

religious conflicts. This factor may refer to some cases in West and Central Kalimantan where migrant groups were reluctant to adjust to local cultures, which created a broad gap among migrant and local communities (Wilson, 2005). Other studies also emphasize economic disparities among ethnic or religious communities in which a particular group has a more dominant role in economic activities than another group. That contributes to an escalation of conflict among those factions. (Barron et.al, 2009a; Mishra, 2009).

Third, weak public institutions are driven by political change. The fall of military government in 1998 was followed by a process of democratization and political and financial decentralization to district level. The transition government employed liberal democracy with an advancing number of political parties and radical decentralization through local and provincial election (Mishra, 2009; Klinken 2007b). This rapid political change sparked high political competition at a local level where local actors used the identity of ethnic and religious issues to gain support and power. Since Indonesian political parties have not been well institutionalized to manage their organization, members and constituents, this radical political transition has also contributed to the escalation of

conflict (Baron, 2009a; Klinken 2000, 2007b; Wilson, 2005, 2008). Moreover, civil services, legal and security institutions which play an important role to mitigate and resolve conflicts, also have not yet been transformed successfully throughout government levels (Mishra, 2009).

Institutionalism and Institutionalization

This section starts with a discussion of institutional theory as a tool of analysis in this paper to explain the pivotal role of government institutions in defusing violent conflict in postwar areas. Institutional theory is a root of political theory (Peter, 2005) that emphasizes “the process and mechanisms by which structure, schema, rules and routines become established as authoritative guidelines for social behavior” (Scott, 2004; p. 408). To deeply understand institutionalism, we should clearly recognize to what extent social form will be acknowledged as an institution. Accordingly, Peter (2005) characterizes four substantial components of an institution as following (p.18-19). First, the basic feature of an institution is that all societies are formed in a structural system which can be organized in formal or informal patterns. The formal structure refers to bureaucracy, political parties, and social organization; and the informal

structure can be networking and a group based on shared values. The second component would be sustainable stability. An institution should be stable, it does not mean that the institution should be resistant to change but in contrast it needs to be able to adapt over time. The third element implies an institution’s capacity to influence and construct its members upon its rules. The way an institution shapes its followers can be by means of formal or informal methods, which, obviously, depend on the form of the institution itself. The last element is common and shared values among members of an institution. This value bonds members which may be embedded in the institution as part of history and then taken for granted.

The institutional theory consists of diverse assumptions and propositions which unified by “the institutions matter” as the core theses which commonly refers to governance structures (Scott, 2004; p. 408). Scott then differentiates three main approaches of the institutional theory based on governance structures, namely: rational choice, normative, and cultural-cognitive. The rational-choice theorists focus on a regulative institution factor and stress the design of organizational structure to reach public expectations. This perspective frames the institution as a system of rules

which are created by individuals in order to protect their own interests and to gain incentives. One rational-choice paradigm is transaction economic cost which points out that the principal behavior of an individual in an economic system is a transaction which refers to interchange value among individuals. In some extents, exchange values become complicated and the outcomes are unstable. As a result net transactional costs significantly improve. Accordingly, the institutionalists of this paradigm are then concerned with how to configure the framework of governance institutions in order to diminish such transaction costs, such as redesigning market systems, labor outsourcing rules, and property rights law. (Ibid; p. 410).

The institutionalists of a normative approach argue that the institutions are influenced by a normative system which consists of shared norms and values and promotes guidelines, rules and obligatory elements to a social system. They argue that people behave in order to follow normative standards instead of maximize individual incentives. The standards of behavior are accepted through involvement in one or more institutions and that those institutions shape social values. Different from the rational-choice perspective, the normative institutionalist view is that rules should not

be externally imposed but internalized by members of the institution. And the last school of institutionalism is cultural-cognitive theory that emphasizes the shared conception that determines social life. This social system is developed by a social connection amongst individuals upon a shared understanding about reality in micro and macro level. On micro level, members of institutions come and share the interpretation of the social reality (workplace, market) and also share it with all the institutions' members. Equally, on macro level, people create symbols, like languages, and shared perceptions, such as sciences and religions, that determine social reality and construct a cognitive process for the members (Scott, 2005; p. 410-411).

Referring to the above discussion, institutionalism obviously underlines the important role of governance structures to remain and ensure stability in societies through shared value and understanding, rules, and institutional design. In the other words, governance institutions are expected to effectively regulate societies to maintain sustainable stability. Similarly, Huntington, as an institutionalist, also emphasizes the stability of political order as a substantial determinant in the process of institutionalization. He argues that an established political system depends on a

capacity of political parties as a main part of governance institutions to conform and channel the participation of other social groups in an appropriate way without disturbing the system (1968[2006]). In addition, Huntington stresses that failure of an institutionalization process in a political society tends to create a political crisis (Ibid). To understand the institutionalization process, he then characterizes four dimensions of political institutionalization that commonly occur in political development, which are: adaptability vs. rigidity, complexity vs. simplicity, autonomy vs. subordination, and coherence vs. disunity. Firstly, the quality of an organization in exercising an adaptive capacity indicates when it is more able to adapt to environmental change. Likewise, a society with a high level of institutionalization is more likely to have a complex organizational system that employs multiple organizational units and functional organization sub-units. Furthermore, a political institution that has independence in managing its own interests and values indicates a highly developed political system. Lastly, the organizational capacities for effective coordination throughout institutional members of the community imply a highly developed political community. Disunity of

organizations refers to fragmented and uncoordinated organizations due to a lack of planning, coordination, and a capacity for weak leadership, which reflects an unstable political community that results in them being less institutionalized (Ibid; p. 13-22). In summary, a well institutionalized organization is shaped by elements of adaptability, complexity, autonomy and coherence. Thus, the organizations with a high level of institutionalization will have a strong capacity to survive and remain a stable environment.

Designing Institutions for Managing Post-Conflict Societies

Besides employing the security and aid management approach for conflict-management, some scholars in conflict studies also suggest an institutional design approach to accommodate conflict parties in aftermath regions, which focuses on seeking an appropriate and acceptable “formula” to resolve conflicts (Ilievski and Wolff, 2011). This approach works with political compromise among different parties, at least for core conflict groups, to formulate an institutional framework in ensuring sustainable peace. The institutional design perspective is a rational-choice approach towards institution in that the institutions are

redesigned and will be balanced when the actors contribute to the process and expect incentives, such as power, security, and economic gain. Moreover, in the paradigm of transaction of economic cost, redesigning institutions in post-conflict societies aims to reduce high transaction costs whereas conflict obviously triggers the high price of economic transaction costs, such as the labor and markets that have been distracted from economic activities and infrastructures that have been devastated. In other words, the stability of a new form of institutions, from rational-choice perspective, depends on both enhancement of the incentives that are provided and the level of transaction costs that are produced.

The institutional design in ethnic post-conflict areas commonly focuses on a macro level of state structures (Ilievski and Wolff, 2011). An examination of macro level is determined by three dimensions, namely state constructions, composition of power in governmental institutions and legal acknowledgment of individuals, identity groups, and the state (Ibid). The state construction highlights a political area of the state which refers to unitary and federal systems or hybrid political form. Besides that, this dimension also considers institutional design decision which focuses

on a number of governmental levels with decision-making competences. Most states in a stable condition have a structural and functional asymmetry in all political-territorial organizations. The states can manage all political territories in an asymmetric pattern and all territorial entities conform to the exact same degree of functional competences. Those entities also employ functional and structural competences through a consistent form of local political organizations. Nevertheless, the pattern of the decision-making structure in the divided societies may have distinctive manners. Although, states are formed in structural asymmetry, but some territories may have different functional competences by a self-governing system and those specific entities may apply their competences through distinctive approaches of political institutions. For instance, territorial sub-state institutions accommodate ethnic groups which are different from the majority of the population. Those sub-state institutions will exercise additional competences to support the specific interests of their societies (Ibid; p. 7).

The formation for the power of government institutions implies three elements. The first element focuses on a political system which is parliamentary, presidential, and semi-

presidential. And the second element underlines power-sharing and inclusiveness between executive and legislative that affects the election system. In addition, political relations between these institutions can also be extended to judicial institutions which determine the recruitment of judges and prosecutors. The last element refers to political relations among three government institutions which are a separation of power from executive and legislative; and a degree of independency from judicial institutions (Ilievski and Wolff, 2011; p. 8).

The third dimension of macro level of state structure is a relationship between citizens, identity groups and the state that highlights legal acknowledgement and protection of different identity groups by the state. The recognition of minority groups in this dimension relates to human and minority right legislation that guarantees the rights of different identity groups. In addition, the state needs to complement the rights of equality and non-discrimination and emphasize differential treatment and affirmative action which manifest diverse societies and promote sustainable peace. These three dimensions are interrelated and interconnected to redesign institutional structure in post-conflict areas (Ilievski and Wolff, 2011; p. 9).

In the further discussion, this paper exercises consociationalism and centripetalism as theories of institutional design in the conflict affected areas. Both theories apply the above three dimensions in different levels to propose possible types and methods of government institutions in order to defuse violent conflicts culmination.

The discussion is started by the consociational theory which proposes a concept of power-sharing among conflicted groups in fragmented societies. This theory was originally developed by Lijphart - based on his study of experience of the Dutch society in managing conflict between Catholic, Calvinist, liberal and socialist in 1917 – 1967. Lijphart defines consociational democracy as “government by elite cartel designed to turn a democracy with a fragmented political culture into a stable democracy” (1969; p. 216). Further Lijphart states four determinants of a successful consociational democracy. First, the elites have the capacity to facilitate the various interests and demands of all groups. Second, the elites have the capacity to transform the gap interests to an appropriate agreement which is accepted by all the elites of the conflict groups. Third, the elites have a commitment to maintain the system and increase the quality cohesion

and stability. And the last determinant is all elites and actors who are involved in this agreement process should be aware the risks of political fragmentation (Ibid).

This concept has been developed further in the context of the power-sharing mechanism in the multiethnic societies. In line in this issue, Lijphart then examines India as an example of a strong consociational democratic country. He argues that India has violated the thesis of John Stuart Mill (1958), that democracy is not suitable to multiethnic countries and is impossible in linguistically divided societies (1996; p. 258). To criticize Mill's proposition, Lijphart points out that the power-sharing theory acknowledges diverse ethno religious communities that can apply a democratic system but they should achieve four pivotal elements of consociational democracy. They are grand coalition, cultural autonomy, proportionality in the election system, public service officers, and minority veto (Ibid).

The first element concerns grand coalition governments that represent all ethno religious and linguistic groups. The form of government coalition can be a very flexible method which depends on the elite's agreement. For instance, the grand coalition in the Belgian cabinet represents two

linguistic groups, Dutch speakers and French speakers. Yet another example of grand coalition is not in the cabinet form but in the top governmental positions, such as president and vice president, prime minister, or assembly speakers. Cyprus and Lebanon employ this coalition form to represent ethnic and religious groups (Lijphart, 1996; p. 259).

In the element of cultural autonomy, Lijphart characterizes them into three models. The first is a federal system in which a state territory is separated based on linguistic boundaries, which also has a linguistic anatomy. Belgium, Switzerland, Czech Republic, and Slovakia are examples of this autonomous model. The second are the rights of religious or linguistic groups to have and manage their own autonomous schools which are financially supported by the state. Belgium and the Netherlands apply this autonomous education system. The last form of autonomy is a legal acknowledgement of specific laws that upon ethnic and religious costume which commonly concern marriage, divorce, child adoption, burial or custody issues. This autonomy system is applied in Lebanon, Cyprus and India as examples (Lijphart, 1996; p. 260).

The consociational element of proportionality refers to two domains

namely election system and public service employment (Lijphart, 1996; p. 259). A proportional electoral system encourages a low threshold for small parties and an arrangement of grand coalition with the parliament members whom have reserved seats for minority groups. Proportionality should also be considered in government resources allocation and within a public services recruitment process. In the public administration field, this issue is extensively examined in representative government theories (Kingsley, 1944) which emphasize proportional public bureaucracy through selecting and pointing public officials based on social representation, such as ethnic, religion and gender.

The last dimension of a consociational democracy is a minority veto with appreciation to minority rights and autonomy. This dimension refers to public acknowledgment that minority groups have rights to conserve their autonomy from any attempts to eradicate it. The minority veto in some societies is recognized as an informal understanding. However, the right of a minority veto can also be formally confirmed in a constitution, especially in the communities that have a few minority groups and face solid majority groups, like

Belgium and Cyprus (Lijphart, 1996; p. 261).

From the above four elements, Lijphart highlights two of them as essential factors of a consociational democracy, namely sharing executive power and group autonomy. Power-sharing refers to equal participation in all core politically representative groups and political policy-making systems, most notably at the executive institutions. Group autonomy implies that those ethno religious and linguistic groups have the authority to manage their internal community systems, especially in education and cultural sectors (2002; p. 39).

In the practical level, consociational scholars distinguish liberal and corporate consociationalism perspectives (Ilievski and Wolff, 2011; p. 11). The liberal consociation concerns various political identities in a democratic process and facilitates all kinds of group identities, such as minority groups, sub-groups, or trans-group identities (Ibid). This perspective supports self-governing territory is which has defined itself from the bottom up process. Accordingly, the liberal consociationalist accommodate more than three self-governing entities and regards the possibility of some entities to have more (or fewer) political and economic advantages

than another, which depends on some determinants, i.e. population and natural resources (Ibid). On the other hand, the corporate consociation selectively accommodates groups based on the assumption that group identities are internally identical and externally united (Ibid). This perspective criticizes Lijphart's original idea, which argues that if power is widely shared then it will be difficult to make a decision. The accommodation process often leads to deadlock and tends to decline the legitimacy of power. Therefore, selecting a group is a suitable method to effectively manage power-sharing and support equal political representatives.

Let's turn to another thought of institutional design which is centripetalism. This theory is apparently initiated by Donald Horowitz in his seminal book "Ethnic Group in Conflict" (1985). Horowitz examines some possible structural engineering to retard conflict in deeply divided societies through an electoral system. The first alternate method is the rotating of presidency which represents different core groups in the multiethnic societies. However, Horowitz warns that this method is difficult in post-war societies and tends to fail. He then mentions an unsuccessful experience of presidency rotated between three groups in Benin after the civil war in Colombia in

1960s. The second possibility is a "national government" which is mainly formed based on a majoritarian coalition. This method is associated with the consociationalism school in which Horowitz has been criticized. Horowitz argues that grand coalition is sufficient in stable political systems when group elites have more willingness to mutually compromise after the election. From this line, Horowitz emphasizes the important process of group integration in a pre-electoral rather than in a post-electoral (Caluwaerts, 2010). This perspective suggests that all candidates gather electoral support from different groups – either major or minor ethnic groups- through promoting a reciprocal cooperation. In summary, Horowitz offers the ethnic accommodation prior to the election as the third alternative of electoral engineering in multiethnic societies (Horowitz, 1985, 2004).

Based on Horowitz's work, some scholars who confront consociationalism draw an alternative concept of institutional design in the multiethnic societies which is centripetalism. Benjamin Reilly defines this concept as "a continual process of conflict management, a recurring cycle of dispute resolution in which contentious issues must ultimately be solved via negotiation and reciprocal cooperation,

rather than simple majority rule” (2001; p. 7). As a form of conflict management, this theory underlines the desire to create incentives for integration amongst competing sub-groups in multi ethnic and religious. In the political view, a political system creates incentives to political parties and candidates that collaborate beyond ethnic and religious borders prior to election to encourage such inter-group accommodation (Ibid).

In post-ethno-religious war societies people tend cooperate with them who have similar ethno-religious background. Politicians are likely to propose policies to attract voters from their ethnic or religious groups. The voters also do not have a willingness to vote for candidates from their rival groups. In this polarized political society, the group minorities will become victims of an unfair democratic system. As a net result, the likelihood of reemerging violent conflict becomes possible. For coping with this crisis, Horowitz (1985) offers a strategy which is an electoral rules design that can enforce politicians to be mutually dependent on the voters whom are members of different groups. The electoral rules also encourage political parties to develop the formation of a multi-ethnic coalition. In gaining support from other groups, candidates must behave moderately and

engage in intergroup bargains (Horowitz, 1985; p. 632). Another electoral rule in promoting multiethnic parties is the alternative vote which refers to a rank-order electoral system (Reilly, 2012; p. 264). Since most people in segmented societies are not likely to vote the candidates from their rival groups, the centripetalism electoral rule requires voters to declare more than one candidate in the candidate lists. Later, if no one candidate has an absolute majority of vote, then these votes are transferred based on their rankings for seeking the majority supported winner according to the accumulation of votes. This system creates an incentive for the politicians to persuade voters from different ethnic groups to maximize their electoral opportunities through secondary preference votes. Another approach of the electoral rules is a requirement of political parties to have a list of candidates from multiethnic politicians in order to make voters regard policy issues rather than ethnicity (Ibid).

In practice, Reilly encourages three interrelated and distinct elements that should be applied to the divided societies. The first is electoral incentives for promoting politicians to gain voters from different ethnic groups to their own. The political parties are expected to balance their political agenda and broadly open

their policy focus to get more electoral support from extensive multi-groups. The second is politicians from different groups have an incentive to actively get involved in bargaining arenas to negotiate with cross-partisan and cross-ethnic and to further have their vote-pooling deals. During this negotiation process, all entities discuss and bargain substantial issues that go beyond ethnic and other cleavages lines. The last element is a development of centrist and multiethnic political parties. The coalition parties seek multi-ethnic votes and promote flexible policy agendas which address the interests of multi groups. The coalition consists of inter-ethnic affiliation that aim to sustain cross-ethnic bargains upon multi-interest policy platforms (2001; p. 11)

In general both theories propose a conflict resolution through institutional design,

particularly in political parties, cabinet, parliament, and election institution.

Moreover, both perspectives have a common ground of the important role of political parties and election process to defuse conflict mitigation in societies prone to conflict. Both theories can also be combined to strengthen reconciliation and institutionalization processes.

Empirical Analysis of Institutional Design in Indonesia

This section discusses the feasibility of institutional design in order to mitigate dispute escalation in conflict-prone areas in Indonesia through applying theories of centripetalism and consocialism. This paper utilizes the analysis tool of Ilievski and Wolff (2011) to analyze the institutional design of conflict resolution based on three dimensions as previously

Table 1 . Institutional Arrangement for Defusing Violent Conflict in Indonesia

Institutional Design of Conflict Resolution	National level	Regional/Local levels
State construction	Federalism (not based on ethnic and religious groups)	Multi ethno religious local parties
The institutions of government	Multi ethnic and religious coalition government	Proportionality in public services officials appointment
Right and indentities	Recognition and protection of human and minority rights	Ensuring implementation the law of human and minority rights

Source: adapted from Ilievski and Wolff (2011; p. 52)

discussed. Further, the three dimensions of institutional designs will be analyzed in two levels, national and regional/local levels, which are showed in the Table 1 below.

State construction

In the macro level, I would argue that federalism is a sufficient institutional design to decrease tension of violence in the areas of conflict in Indonesia. The federalism which I mean here relates more to Horowitz's concept, which is a federation based on heterogeneous entities (2007). The federalism offers a political recognition of cultural and ethnic pluralism from dominating majority ethnic groups in the multiethnic countries. This state system is compatible to Indonesia as a very diverse society. Indonesia has 2.500 local languages, 1.340 ethnic groups/subgroups which consist of around five major ethnic groups (Javanese 40.2%, Sundanese 15.5%, Batak 3.6%, and others 40.7%) and five major religions (Islam 87.18%, Protestant 6.96%, Catholic 2.91%, Hindu 1.69% and Buddha 0.72%)¹.

In the political perspective, heterogeneous federation creates more opportunities for politicians from different ethnic or religious groups to interact and encounter each other.

As a net result, those regional politicians can learn and share their various backgrounds that can later strengthen their regional communities. From this token, in the regional level, I suggest developing local political parties, which are not affiliated to certain ethnic and religious groups. The local political parties need to concern cutting cross issues in regional and local levels, such as environment, education and health services in remote areas, or infrastructure issues. The existence of local parties focuses on post-conflict areas, like in Aceh, Maluku and Papua. In addition, the election committee can employ Horowitz's "vote alternative" in order to enforce politicians to reciprocally depend on their rival group members.

Actually, there are local parties in Aceh as a result of the Helsinki peace agreement between *Gerakan Aceh Merdeka* or GAM (The Aceh Independence Movement) and the Government of Indonesia to end thirty years of feuding on the 15th of August, 2005. The Aceh local parties accommodate political rights of ex-combatants of the GAM. However, Maluku and Papua peoples do not yet have local political

¹ The data based on Indonesian 2010 Census.
Sources :
<http://sp2010.bps.go.id/files/ebook/kewarganegaraa>

[n%20penduduk%20indonesia/files/search/searchte](http://penduduk%20indonesia/files/search/searchte)
xt.xml

parties to directly encourage their local issues in a policy-making process.

Another substantial reason of the importance of local parties is that most political parties in Indonesia are very centralistic in their decision-making process. The direct involvement of a national board of parties in deciding candidates in local and provincial elections is the most important example of centralism and rigidity of Indonesian political parties. The regional and local boards do not have any authority to select the candidates. Only the national boards of parties have an authority to point out who will be the candidates that represent parties in local and regional elections. The rigidity of political parties to select local leader candidates tends to trigger the likelihood of conflict eruption.

The Institutions of Government

The national government should consist of the grand coalition based on multi ethnic and religious groups. This is a very crucial issue in a very diverse society like Indonesia. It is impossible to accommodate a thousand ethnic/sub-ethnic and various interest groups in Indonesia, but at least, the national government shows their political commitment to accommodate all groups, most notably, minority groups,

in appointment of cabinet members or high public officials.

In the practical level, the grand coalition in this issue, not only refers to various ethnic and religious groups but, in the broad sense, the coalition may imply other interest groups, such as: military retired faction, businessmen faction, lawyers, scholars group, and technocrats. The rise of interest groups in some extent is a very positive way to reduce the tension of ethnic and religious segregation. The interest groups have a capacity to manage the competition and bargain with the internal organization which is commonly based on merit preferences (educational and experience background) rather than any identity cleavages (ethnic and religious backgrounds).

In the regional and local level, the proportionality of selecting public officials according to ethnic and religious groups is very critical, most notably in post-dispute areas. This issue affirms Wilson's study which found that unequal representation amongst ethnic and religious groups in the local bureaucratic systems correlates to the likelihood of conflict (2005). Accordingly, the government institutions at regional and local levels should seriously concern on equal access of all ethnic and religious groups in the public officials selection

process. . In public administration perspective, this policy refers to the representative bureaucracy concept of Kingsley (1944) and Krislov (1974) that democratizes public bureaucracy through recruiting officials and pointing high public leaders based on social representation, such as ethnic, religion and gender (Farazmand, 2010;p. 256).

In addition, in order to reduce segregation of ethnic and religious identity at a regional/local levels, the government institutions need to emphasize other identities that cross ethnic and religious lines. There are some possible cross-cutting identity issues in terms of proportionality, namely gender and disability groups. These characteristics are often associated with minority groups – not as ethnic or religious identities - in the appointment of public officers. Most notably, disabled people face many obstacles to access job opportunities in developing countries due to the public misperception that disability is a curse. Highlighting these two minority groups, which are beyond ethnic and religious borders in selecting and appointing public officials, can initially reduce the intention of segregations. Therefore, the government institutions should have a transparent and accountable mechanism in selecting public officers through promoting equal

employment opportunity to the minority groups.

Right and Identities

In the national level, the Indonesian government acknowledges and protects the human-minority rights based on the 1945 Constitution of Republic Indonesia. Indonesia has also passed Law 39/1999 considering Human Rights and Law 26/2000 considering the Indonesian Court of Human Rights. In addition, Indonesia has ratified the International Covenant of Economy, Social, and Culture Rights and has then passed Law 12/2005 concerning ratification International Covenant of Economy, Social, and Culture Rights. In order to ensure the implementation of those laws, the Indonesian government creates the Indonesian National Human Rights Commission as an independent institution. The members of this commission are transparently and independently selected by the independent committee. Besides, the government institutions, Indonesian civil society organizations at national level also get actively involved in advocating, monitoring and promoting the protection of human and minority rights.

However, the Indonesian government institutions in regional and local levels struggle to encounter problems in promoting

and protecting human and minority rights. The main problem is public awareness of human and minority rights and the capacity of security officers to implement the law of human rights. The influence of a military regime for around thirty years still remains in most local and regional government officers, especially the security officers. The police officers often fail to handle conflict due to a lacking capacity for negotiation and conflict management.

For ensuring the implementation of human and minority rights, the local and regional government institutions should persistently apply the form of good governance in all sectors. Good governance is required to encourage respect and enforcement of human rights which promote a peaceful environment in the post-conflict areas. The most important, the military and policy forces, are expected to perform an essential role in the early phase of peace-building and the reformation of rule-of-law. The regional and local government institutions should conduct the trainings of conflict resolution to improve the capability of their public officials, especially the police officers. Moreover, the media, educators, civil society activists, public servants, and politicians should work hand in hand to promote and advocate human and minority rights at regional and local levels.

C. CONCLUSION

A post-conflict area becomes a critical issue due to the fact that most societies that have experienced large-scale violent conflict have the possibility of recurring violent conflicts (Barron et al, 2009b). In order to relieve the escalation of violent conflict, many studies then suggest to strengthen government institutions to effectively rebuild governance in areas affected by conflict (Brinkerhoff, 2007; Bigdon and Hettige, 2003; Romeo, 2002).

In this token, the institutionalists show the essential role of government institutions to maintain sustainable stability and mitigate escalating dispute in conflict prone societies. In a rational-choice perspective, all members of an institution contribute to maintain a stable and peaceful environment in order to earn incentives of power and security. In addition, maintaining a peaceful environment can also significantly reduce the economic transaction cost.

Regarding conflict reduction and maintaining a peaceful condition, the institutionalists encourage institutional design through state construction, composition of government institutions, and recognizing identity, human, and minority rights. The consociationalism and centripetalism offers possible mechanisms

that influence the likelihood of success in the process of conflict resolution. However, one should keep in mind, this is not a linear relationship in which there are various possible factors that can directly or indirectly determine those factors. For instance, the process of institutionalization, which is discussed by Huntington, may influence the capacity of organizations. Another factor might be commitments of the leaders or elites of institutions to consistently maintain peace environment.

As discussed above, there are two essential issues in the macro state level of institutional design for reducing conflict escalation in Indonesia, namely federation and local political parties. Although these two alternative methods take a huge amount of effort to be implemented; however, it is not an impossible feat to conduct. I would argue that developing political parties is more possible since Aceh already implemented this mechanism. The Indonesian government can employ the same method in Papua and Ambon. Besides that, as Huntington emphasizes, political parties are the main factor within a democratic system that represent the interests of a society, conciliate conflicting interests, coordinate with government institutions, and promote political stability. Therefore, Indonesian political parties

should take a serious step to elevate their capacity, especially in recruiting and training their members, employing a transparent political organization budget, and strengthening their reciprocal relations with their constituents.

Unfortunately, transforming an Indonesian state system from unitary to federation is easier said than done. There are two main obstacles the application of a federation system as an institutional design method. Firstly Indonesia has experienced a federalism system which was a result of the peace agreement between the Dutch government and the Indonesian government in 1949. However, Sukarno - the President of Republic Indonesia in that period - dissolved the federation and replaced the unitary system in 1950 due to rejection as a part of the Dutch colony. Since that time, the issue of federation has been associated with a bad history of colonization. Second, as part of that history, the military faction strongly disagrees every time the issue of federation rises in political discourses. The military can influence the political decision-making process through politicians who have retired from the military. For example, in 1999 when ethno-religious conflicts and separatist movements significantly erupted after the fall of the authoritarian regime,

President Abdul Rahman Wahid whom, elected by the Indonesian parliament members, suggested the federation system was a possible solution to reduce the violent conflicts. The military faction and some political parties protested the idea and argued that the unitary system is the final option and is unchangeable. Eventually, President Wahid was impeached and succeeded by his Vice President, Megawati Sukarnoputri in 2001, due to his political scandals. Based on these phenomena, I would argue that applying a federation system in Indonesia should be promoted and advocated in a more comprehensive way through developing an open dialog with anti-federation groups. Most importantly, further empirical studies of federation system and local political party as alternative institutional designs to defuse ethno-religious conflict in Indonesia have to be continually conducted.

REFERENCES

- Barron, Patrick, Kai Kaiser, and Menno Pradhan (2004) *Local Conflict in Indonesia; Measuring Incidence and Identifying Patterns*. Policy Research Working Paper 3384, August 2004. World Bank.
- <http://elibrary.worldbank.org/docserver/download/3384.pdf?expires=1350765435&id=id&accname=guest&checksu>
- m=7B733784DBC5B543CB2C6A56634089C0
- Barron, Patrick, Kai Kaiser, and Menno Pradhan (2009a) *Understanding Variations in Local Conflict: Evidence and Implications from Indonesia*. World Development Volume 37, No. 3, pp. 698–713.
- Barron, Patrick, Sana Jaffrey, Blair Palmer and Ashutosh Varshney (2009b) *Understanding Violent Conflict in Indonesia: A Mixed Methods Approach*. Indonesian Social Development Paper No. 15. World Bank. Jakarta.
- <http://siteresources.worldbank.org/EXTSOCIALDEVELOPMENT/Resources/244362-1164107274725/sdp117.pdf>
- Brinkerhoff, Derick W. Eds, (2007) *Governance in Post-Conflict Societies; Rebuilding Fragile States*. Routledge. New York.
- Caluwaerts, Didier How (2010) *Prudence Comes about: a New Institutional Interpretation of Consociationalism*. Paper prepared for the 2010 ECPR Conference in Dublin <http://www.ecprnet.eu/databases/conferences/papers/311.pdf>
- Dixon, Paul (2011) *Is Consociational Theory the Answer to Global Conflict?; From the Netherlands to Northern Ireland and Iraq*. Political Studies Review: 2011 VOL 9, 309–322.
- El Mufti, Karim (2008) Power Sharing Imposed - The Case of Bosnia and Herzegovina in Power Sharing: Concepts and Cases, Theodor Hanf. Eds . p. 55-66 the International Centre for Human Sciences
- Fukuyama, Francis. (2011). *The Origins of Political Order; From Prehuman*

- Times to the French Revolution*, Profile Books. London.
- Farazmand, Ali (2010) *Bureaucracy and Democracy: A Theoretical Analysis*, Public Organization Review, 2010 Vol 10; pp 245–258
- Geiger, Thierry (2011) *The Indonesia Competitiveness Report 2011; Sustaining the Growth Momentum*, the World Economic Forum.
http://www3.weforum.org/docs/WEF_GCR_Indonesia_Report_2011.pdf
- Huntington, Samuel P. (1968[2006]) *Political Order in Changing Society*, Yale University Press. New Haven and London.
- Horowitz, D. L. (1985) *Ethnic Groups in Conflict*. University of California Press. Berkeley, C.
- Horowitz, D. L. (1991) *A democratic South Africa? Constitutional Engineering in a Divided Society*. University of California Press. Berkeley.
- Horowitz, D. L. (2002), *Constitutional Design: Proposals Versus Processes*, in Reynolds, E. (ed.), *The Architecture of Democracy. Constitutional Design, Conflict Management, and Democracy*. Oxford University Press, pp. 15-36. Oxford:
- Horowitz, D. L. (2004) *The Alternative Vote and Interethnic Moderation: A reply to Fraenkel and Grofman*, Public Choice, vol. 121, no: 3-4 (December 2004), 507-17.
- Horowitz, D.L. (2007) The Many Uses of Federalism. *Drake Law Review* 55(4): 953–66.
- Ilievski, Zoran and Wolff, Stefan (2011) *Ethnic Conflict Regulation as Institutional Design: The Case of the Western Balkans*, <http://www.stefanwolff.com>
<http://www.stefanwolff.com/research/ethnic-conflict-resolution-as-institutional-design>
- Kauzya, Jhon-Mary. (2007) *The Role of Political Leadership in Reconstructing Capacities for Public Service after Conflict; Building Capacities for Public Service in Post-Conflict Countries*, United Nation Publication, New York.
- Katorobo, James. (2005) *Governance Breakdown and Post Conflict Reconstruction*, A Paper in Ad Hoc Group of Experts meeting on Anchoring Peace: Reconstructing Governance and Public Administration, Yaounde, Cameroon.
- Kingsbury, Damien (2007a) *Political Development*, Routledge. New York.
- Klinken, Gerry van (2000) *The Maluku Wars: Bringing Society Back In*. Indonesia, Volume 71, April 2001, pp. 1-26
- Klinken, Gerry van (2007a) *Communal Violence and Democratization in Indonesia: Small Town Wars*. Routledge. London.
- Klinken, Gerry van (2007b) *Communal Conflict and Decentralization in Indonesia*. Occasional Papers Series Number 7, July 2007. The Australian Centre for Peace and Conflict Studies (ACPACS), the University of Queensland, Brisbane
- Lijphart, Arend (1969) Consociational Democracy. *World Politics*, Vol. 21, No. 2 (Jan., 1969), pp. 207-225.
- Lijphart, Arend (1996) *The Puzzle of Indian Democracy: A Consociational Interpretation*. *The American Political Science Review*, Vol. 90, No. 2 (Jun., 1996), pp. 258-268.

- Lijphart, Arend (2002) *The Wave of Power sharing Democracy in The Architecture of Democracy: Constitutional Design, Conflict Management and Democracy*, ed. by A. Reynolds. Oxford University Press. Oxford.
- Mishra, Satish Chandra (2009) *Is Indonesia Vulnerable to Conflict?; An Assessment*. Strategic Asia Indonesia and commissioned by United States Agency for International Development.
- <http://www.google.nl/url?sa=t&rct=j&q=&esrc=s&source=web&cd=4&cad=rja&ved=0CCsQFjAD&url=http%3A%2F%2FIndonesia.usaid.gov%2Fdocuments%2Fdocument%2Fdocument%2F323&ei=EzaDUL77Lemq0AWfo4DgBA&usg=AFQjCNGI4qyXVINP19Yw5-VO2csgqJeFUw>
- Peter, B. Guy (2005) *The Institutional Theory in Political Science; The New Institutionalism*, Continuum. New York.
- Powell, Andrea (2010) *The Mindanao Conflict: Ethnic Tensions in the Southern Philippines*. May 17, 2010. www.usfca.edu/WorkArea/DownloadAsset.aspx?id=4294973608
- Reilly, B. (2001) *Democracy in Divided Societies: Electoral Engineering for Conflict Management*. Cambridge: Cambridge University Press.
- Reilly, Benjamin (2012) *Institutional Designs for Diverse Democracies: Consociationalism, Centripetalism and Communalism Compared*. *European Political Science*: Jun 2012, Vol. 11 Issue 2, p259-270
- Scott, W. Richard (2004). *Institutional theory* in *Encyclopedia of Social Theory* by George Ritzer, ed. Pp: 408-414. Thousand Oaks, CA: Sage.
- The Asia Foundation (2007) *Elections and Good Governance in Indonesia*, <http://asiafoundation.org/resources/pdfs/IDelectionseng.pdf>.
- Varshney, Ashutosh, Rizal Panggabean, Mohammad Zulfan Tadjoeuddin (2004) *Patterns of Collective Violence in Indonesia (1990-2003)*. United Nations Support Facility for Indonesian Recovery (UNSFIR). Jakarta.
- Wilson, Christopher (2005) *Overcoming Violent Conflict Peace And Development Analysis in Indonesia*, Crisis Prevention and Recovery Unit (CPRU). United Nations Development Program (UNDP). Jakarta.
- Wilson, Christopher (2008) *Ethno-religious Violence in Indonesia; From soil to God*. Routledge. New York.

