Governance and New Mode of Governing:
Indonesia as a Metaphor

Luqman nul Hakim

Universitas Gadjah Mada, Jl Sosio Yustisia Yogyakarta
e-mail: aim.hakim@gmail.com

Abstract

Changes in global development policy orientation that put the community (society) rather than the state as its main target has been raised various debates about how to create a better society for development processes. This paper critically discuss the discourse of governance as an instrument of regulation in the new development model through some conceptual apparatus such as social capital, participation and deliberative democracy. Through a post-foundationalist approaches and studies of post-Suharto Indonesia, this paper examined the operation of governance discourse. The main thesis is that the absence of the dimension of power in governance has ignored the political configuration and even failed to notice the various interests in society.

Key Words:
governance, new development; social capital; participation; deliberative democracy; power

Abstrak

Perubahan orientasi kebijakan pembangunan global yang menempatkan masyarakat (society), bukan lagi negara, sebagai target utamanya telah memunculkan berbagai perdebatan tentang bagaimana menciptakan masyarakat yang lebih baik bagi proses-proses pembangunan. Paper ini secara kritis mendiskusikan wacana governance sebagai sebuah instrumen pengaturan dan pendisiplinan masyarakat dalam model pembangunan baru melalui beberapa aparatus konseptual seperti social capital, partisipasi, dan demokrasi deliberatif. Melalui pendekatan post-fondasionalis dan studi-studi Indonesia pasca-Suharto, paper ini memeriksa beroperasinya wacana governance. Tesis utamanya adalah bahwa absennya dimensi kekuasaan dalam governance telah mengabaikan konfigurasi politik dan bahkan gagal memperhatikan pelbagai kepentingan dalam masyarakat.

Kata Kunci:
pemerintahan, pembangunan baru; modal sosial; partisipasi; demokrasi deliberatif; kekuasaan

> To say that 'everything is political' is to recognize
> the omnipresence of relations of force and their immanence to a political field.
> Michel Foucault, *The Archeology of Knowledge*

It is an "anti-politics machine, depoliticizing everything it touches,
everywhere whisking political realities out of sight,
all the while performing, almost unnoticed…
James Ferguson, *The Anti-Politics Machine*

Introduction

Since the programs of deregulation, privatization and market reform—frequently labeled as neo-liberalism— faced any significant resistances and failures in most of developing countries, the international development agencies immediately changed their orientations in the 1990s. The World Bank, as a leading developmental institution, initiated a new wave of policy that acknowledged the state as no longer a leviathan, but an enabler of networks and relationships that foster economic competitiveness (World Bank, 1991: 3). The society was consequently perceived as active participants, instead of beneficaries, in the current development programs. Such orientation, known as governance, leads to be a newly political strategy to run sustainable development and to build democracy worldwide.

Governance has become the latest stage in development discourses (Abrahamsen, 2004; Hyden, 2006). The perspectives on development which previously focus on the programs of structural adjustment—or neoliberal—need to be reconsidered. According to the World Bank, the efforts to reduce the state's roles in economic fields are not solely an urgent agenda, but "that the political legitimacy and consensus is the prerequisite for the sustainable development" (World Bank, 1989: 60). Within this new discourse, democratization is not exclusively called for by the perspectives on human rights, but it also supposed to be an essential foundation for economic growth and sustainable welfare. In developing countries, the rise of governance signals the apparent rupture with the previous development strategy that highly put economic growth as its target and eventually subordinate democracy.

Unlike the classical perspectives on development that situate individual and social groups as objects or beneficiaries of development, the new orientation conceives them as the active forces to support development processes (Hadiz, 2010; Hadiz, 2003: 3). Governance, therefore, leads to be an essential framework to manage society and social groups in order to ensure the operation of development and liberal markets. In result, not only has governance changed the architecture of political institutions, but it has effectively become a political discourse to discipline society.

This paper seeks to provide a critical understanding on governance as a new perspective in ordering contemporary politics and society. It is not an empirical study on Indonesian politics, but an effort to reframe the various paradigms by which the post-Suharto Indonesian politics were explained. The fall of the New Order has been widely celebrated as the so-called "democratic transition", and governance then became a mainstream perspective to insist any reforms through democratization labels. Such optimism in establishing the more stable democracy, however, has been eroded when the newly democracy arrangements were unable to create accountable and effective institutions and even failed to be the foundation of stable democracy and social welfare (Harris, et.al. 2004; Robison and Hadiz, 2004; Norholt and Klinken, 2007; McLeod and MacIntyre, 2007).

This paper will be divided into three parts. The first section discusses the convergence of governance and neo-institutionalism perspective as dominant paradigms in the post-Suharto Indonesian politics. There was a general optimism, supported by the donor insti-

tutions foremost, that democratic transition is merely a matter of creating an institutional format that enable to enforce democratization. Not surprisingly, the agenda to design the architecture of political institutions subsequently grows to be the ultimate focus of such reforms. However, as revealed by various studies, the establishment of democratic institutions did not simultaneously go hand in hand with the democratization processes.

Second, to elucidate how the discourse and politics of governance operate effectively for both ordering politics and disciplining society. In order to improve political participation and to open up political arenas, governance has adopted the idea of deliberative democracy—the ideology of an utopian dream on the establishment of public sphere by which common preferences and interests are possibly managed through consensus building. Furthermore, by exploiting civil society empowerment and social capital discourses, the projects of governance tend to build a certain type of society that are able to be technocratically controlled and to make it functional for supporting liberal markets. The last section investigates the fundamental problems of the mainstream perspective in governance and its implications that have extremely neglected the political dimension and power relations in its epistemological foundations.

Governance and Neo-institutionalism

In the seminal publication, *Sub-Saharan Africa: From Crisis to Sustainable Development,* the World Bank had identified "poor governance"— to refer the centrality of power, lack of respect on human rights, endemic corruption, ineffective and unaccountable government institutions—as the ultimate sources of development failure in the Sub-Saharan Africa and developing countries in general (World Bank, 1989: 60). By imposing governance principle as "the manner in which political power is exercised in the management of a country's affairs", the World Bank then adopted "good governance" doctrine as a new strategy for development management, particularly to build transparent and accountable institutions, rule of law, freedom of press, participation, as well as to establish the more pluralistic and legitimate political structures (World Bank, 1989: 61, 192).

Although there was no specific term of democracy, the various reports had obviously shown that liberal democracy was claimed to be the precondition for better economic development. Meanwhile, the governance discourse also emerged at the time when the Communist regimes collapsed that soon exclaimed by Francis Fukuyama (1989) as "the end of history". That is the thesis of "the end point of mankind's ideological evolution and the universalization of western liberal democracy as the final form of human government" (Fukuyama, 1989: 4). Liberal democracy, therefore, is inevitably an assertion of Western values superiority, and governance then becomes the discursive instruments as new mode of interventions and reforms. In the most cited work, *Democracy in Developing Countries*, Diamond, Linz and Lipset (1988: 1) also celebrate the triumph of liberal democracy as the zeitgeist of new global order within which "democracy is the ultimate model of government with the most accepted and appropriate ideological legitimacy for the current world".

The economic development reforms, according to the World Bank, are impossibly achieved without any concern on political reforms (World Bank, 1989: 14). The World Bank henceforth strongly supports the donor institutions to be more selective in delivering their funds to the countries that highly commit to undertake political reforms. Such principles are then widely welcomed and financially supported by the international development agencies. In 1990, for instance, the US Agency for International Development (USAID) launched the program entitled *De-*

JSP

mocracy Initiative "to support and consolidate democracy as the principle to manage political system legitimately in the world" (cited via Abrahamsen, 2004: 56). The commitment of United Kingdom has been obviously stated by the Prime Minister Douglas Hurd on June 1990, that the countries that concern to "pluralism, public accountability, respect to rule of law and human rights, and market principles must be supported".

Besides these bilateral institutions, the support to governance campaign also derived from multilateral organizations. Some prominent organizations, such as the OECD (Organization for Economic Cooperation and Development), decided their financial aids to exclusively support the countries that are willing to undertake various market reforms. The European Union (EU) has also asserted the urgency to assist the countries that are trying to establish the appropriate basis for development, including to set up effective and accountable political institutions and to improve democratic legitimacy (Abrahamsen, 2004: 56-57).

By exploiting governance discourses, the donor institutions introduce any political conditions for aids that link their financial supports with the commitment to undertake reforms at the expense of the more pluralistic system in the recipient countries (Abrahamsen, 2004: 57). This new discourse is mostly typical in development debates, since it narrates the poverty and development failures as a chain of what are absent in the developing countries, namely the lack of democracy and effective institutions. Through such strategies, therefore, they have political legitimacy to effectively intervene and discipline the developing countries (Escobar, 1995). Unlike the previous development approaches at the time of Structural Adjustment Programs (SAPs) which utilized "policies" as an ultimate mechanism for transformation, the governance perspective focused prominently on the architectural change of political institutions (Hyden, 2006; MacIntyre, 2003; Kjaer, 2004; March and Olson, 1995).

The fundamental consideration upon the institutional designs is a typical approach in governance debates (Hyden, 2006). Such thoughts, widely clustered as neo-institutionalism, which are predominantly adopted by donor institutions, particularly the World Bank, grew to be a mainstream orientations in the contemporary development policies (Stiglitz, 1998). The main argument is that institutions shall regulate behavior by structuring interaction. Unlike the old-institutionalist which focused solely on the formal institutions, the neo-institutionalists expand the definition of institutions to include their regulative and cognitive dimension.

Although the proponents of neo-institutionalist have different orientations, they generaly focus on the way interests, preferences, capacities and identities of those who participate in governance processes are conditioned by the institutions they are embedded. The rational choice neo-institutionalists, Fritz Scharpf (1994) for instance, defines governance institutions as merely game structures that govern behavior through the framing of utilitarian rational choices. Meanwhile, the constructivist or sociological neo-isntitutionalists, as James G. March and Johan P. Olson (1995: 7), conceptualize governance institutions as relatively fixed universe of meaning that condition the way actors perceive themselves, other people and the rule-governed situations in which they are placed.

The domination of neo-institutionalist tradition led by the World Bank and donor institutions has strongly determined the efforts to structure political institutions in developing countries. The influences of the neo-institutionalists are easily traced on the evolution of how the World Bank defines governance. In 1989, the World Bank defined governance as "the manner in which power is exercised in the management of a country's

and social resource for development" (World Bank, 1989: 60). In the 2000 World Bank report, however, governance was apparently identified as "the institutional capacity for public organization to provide the public and other goods demanded by a country's citizens or their representatives in an effective, transparent, impartial, and accountable manner, subject to resource constrains" (World Bank, 2000: 48).

In the case of Indonesian politics, the convergence of neo-institutionalism and governance are deeply rooted in the context of devastating political economic structures in the aftermath of Asian crisis and the post-New Order authoritarianism. The fragile structures of Indonesian economic was primarily considered as an inevitable consequences of the developmental state model that extremely ignored market rationality and failed to create effective and transparent roles of the state in economic fields, ultimately in its inability to prevent the predatory characters of rent seeking (Robison and Hadiz, 2004). Meanwhile, the post-New Order has been optimistically greeted as the so-called "democratic transition" (Kingsbury and Budiman 2001; Liddle, 2001). Political corporatism and authoritarian rule, the prominent modes of governing during the Suharto regime, were convincingly acknowledged as the ultimate sources of the death of democracy and the absence of vibrant civil society.

Economic reforms, according to the neo-instiutionalists, therefore, shall be oriented mainly "to liberate the natural efficiency of markets from the 'irrationality' of politics and to neutralize those predatory coalitions whose raids on the state preserved and entrenched resistance to market capitalism" (Robison and Hadiz, 2004: 19). Within this new scheme, the idea of privatization and deregulation, as the major prescription in the development policies since 1980s, shall be useless without any support of the adequate

institutional capacity (World Bank, 1991: 3). To search for the appropriate design of institutional arrangements and to cope with the problems of governability then become the prominent and unfinished agenda in the post-Suharto Indonesia.

In the political realm, the dominant perspective in "democratic transitions" debates was also highly technocratic—they strongly focus on how to create an institutional framework within which the democratization processes are able to bring about (Liddle, 2001). Besides the implementation of free election and multi-party system, the democratization project in Indonesia was also supposed to be parallel with decentralization and the emergence of civil society (Aspinal and Fealy, 2003). In general, neo-institutionlist literatures optimistically argue that the shift of centralistic model into the more decentralize government would simultaneously go hand in hand with the stable democracy and public participation (Cheema and Rondinelli, eds., 2007).

Governing through the Social, Depoliticising the Political

The shift in political architectures to be more pluralistic, as supported by neo-institutionalists, was exclaimed by Mark Warren (1992) as a phenomenon of 'expansive democracy'. This, according to Warren, is mainly characterized by the "increased participation, either by means of small-scale direct democracy or through strong linkages between citizens and broad-scale institutions and by pushing democracy beyond traditional political spheres" (Hajer and Wagenaar, 2003: 3). In other words, through the doctrine of governance the political landscape has been apparently transformed from the state as an ultimate focus in the previous development debates to the more society-based explanations.

Neo-institusionalist literatures heavily suggest that a vibrant civil society shall con-

tribute—indeed required as a prior condition—to support development and democratization (Putnam, 1993; Fukuyama, 1999;). Rather than focused on the state reforms as embedded in the previous developmental orientations, the governance doctrine has strongly insisted to deal with society. As clearly affirmed by the World Bank that:

> Eleven years since the fall of the Berlin Wall we now approach economic reforms and the development process in a much more decentralized fashion. Individuals and various social groups are now seen not only as beneficiaries, but also as active forces supporting development (World Bank, cited in Hadiz, 2003: 3).

In line with the World Bank's arguments, decentralization program is not only required to prevent the centrality of power as proposed by pro-democratic groups, but it is also strongly required within the neoliberal model of development. Decentralization in the neo-institutionalist literatures is regarded—or mystified—as an architectural scheme by which democratization, economic development, and public services could be achieved in the local levels (Smith, 1985; Rondinelli and Cheema, 1983).

In Indonesia, however, decentralization programs were also supported by civil-society based organizations, although many of them are generally critical of both government and international organizations, particularly the roles of World Bank and International Monetary Fund (IMF). This, according to Hadiz (2004: 6), partly due to the neoliberal agenda, as massively campaigned by the international development organizations, has "successfully incorporated, indeed appropriated, the idea of civil society" which it is also strongly defended by the pro-democratic groups in Indonesia (Hadiz, 2010).

The paradoxical convergence between the neo-liberal and pro-democratic agenda was prominently demonstrated in utilizing the spurious notion of social capital in promoting civil society (Fine, 2001; Harris,

2002). The social capital has become general norms and values that tightly bind people and other communities. It is generally said that decentralization shall lead to greater orientation of local needs in development policy, since it encourages greater accountability of those who govern close to local people (Aspinal and Fealy, 2003: 4-8). Having profoundly insisted the institutional reforms, the World Bank then put its emphasis on how to work with civil society. The World Bank acknowledged that "while donors and outsiders can contribute resources and ideas to improve governance, for change to be effective, it must be rooted firmly in the societies concerned, and cannot be imposed from outside" (World Bank, 1991: 6).

Defined by Robert Putnam (1993: 167) as "trust, norms, and networks that can improve the efficiency of society by facilitating coordinated action", social capital was subsequently promoted by the World Bank as a mantra to discipline society that enable in supporting the liberal markets. It is technocratically defined as "the norms and social relations embedded in the social structures of societies that enable people to coordinate action to achieve desired goals" (World Bank website, cited in Harris, 2002: 84). Thus social capital is functionally oriented—and widely believed—to moderate political conflict within the democratic processes and to build institutional capacities (Fine, 2001). Moreover, in the provocative paper, *Social Capital and Civil* Society, Fukuyama (1999) insists that social capital is highly imperative "to the efficient running of modern economies, and is the sine qua non of stable liberal democracy". In result, the economic function of social capital in the World Bank perspective is simply to reduce the "transaction costs" in ordering society.

The concept of social capital effectively became a significant basis to technically deal with public participation which is complex in characters. According to the neo-institu-

tionalists, an important element in governing contemporary society is the construction of images of communality and collective identity (March and Olson, 1995: 49). This idea obviously conceives polity as a consensus which is eventually constructed in and through political processes. As a matter of fact, the neo-institutionalists view politics as merely a matter of consensus building, aggregating preferences, and public reason making (March and Olson, 1995: 45-46).

Such images of communality and collective identity that neo-institutionalists proposed strongly relate to the idea of deliberative democracy. The notion of deliberative democracy, argued by Joshua Cohen, "is rooted in the intuitive ideal of a democratic association in which the justification of the terms and conditions of association proceeds through public argument and reasoning among equal citizens" (1997: 2 cited in Cunningham, 2002: 163). Within the deliberative model, as highly advocated by neo-institutionalists, the presence of legitimate institutions as the ones that provide democratic procedures by which participation and discursive will formation pursued is inevitable. As Seyla Benhabib, another deliberative democracy proponent, noticed that:

> It is a necessary condition for attaining legitimacy and rationality with regard to collective decision making processes in a polity, that the institutions of this polity are so arranged that what is considered in the common interest of all result from processes of collective deliberation conducted rationally and fairly among free and equal individuals (Benhabib, 1996: 69).

Deliberative democracy theorists, therefore, put the heart of democracy in "the public sphere" that mediate the realm between civil society and the state (Habermas, 1996; Cohen, 1996; Benhabib, 1996). It is the space where citizens talk about their common affairs and the site where public discourse circulate. It consists of civic associations, social movements, interests groups, media and other arenas of public opinion formation. With the same notions, the World Bank, defined civil society ambiguously as "space among family, market and state; it consists of not-for-profit organisations and special interest groups, either formal and informal, working to improve the lives of their constituents" (World Bank, 2000: 10).

Bringing the Power Dimension Back In: The Post-foundationalist Critics

The epistemological basis of neo-institutionalists on governance which deeply rooted in deliberative democracy theory has been extensively criticized by scholars from various traditions. Göran Hydén (2006: 2), for instance, has problematized the absense of power dimension in many governance analysis. The dominance of neo-institutionalism in political sciences that are apparently derived from the New Institutional Economics theories, according to Hydén, has notably shifted the focus on incentive structures and transaction cost rather than power relations (Hydén, 2006: 7). The ultimate belief on the power of institutions that are able to structure human behavior in neo-instituionalists tradition has naively excluded socio-historical context in where such institutions take place (MacIntyre, 2003).

The other critics strongly emphasis on the new modes of governing promoted by neo-institutionalists in the more operational level. Kanishka Jayasuriya (2006; Jayasuriya and Hewison, 2004) identified that there was a precarious reduction of the idea of "citizenship" as merely "customership" in governance principles. In result, the participation is thus required to problem solving or effective of any management of policy and its implementation rather than to the achievement of any legitimate political consensus. In other words, participation is not seen as an end itself. On the contrary, it is utilised as a mechanism for pursuing better technocratic policy outcomes. The notions of par-

ticipation in the World Bank agenda apparently tend to produce forms of depoliticized governance that operate to obscure the contestation and antagonism that are at the core of participatory politics (Jayasuriya and Hewison, 2004: 7).

Equally important to be problematized is the notion of social capital amongst individual and communities that are aggresively promoted by the World Bank. The problem of poverty and inequality in the eyes of the World Bank are often viewed as due to the lack of social capital (Jayasuriya and Hewison, 2004; Robison and Hadiz, 2004). Through the concept of social capital, any social problems are then approached as a technical rather than political problem (Robison and Hadiz, 2004: 25). As a consequence, the social capital has obviously depoliticized the problems of poverty and social justice. Thus social capital, to lend John Harris (2002: 13), is merely "a weapon in the armory of the anti-politics machine", because it is not a civic notion to empower society but to make them technocratically manageable.

In response to deliberative democracy theorists, Ernesto Laclau and Chantal Mouffe (1985)—and others in the post-foundationalist tradition—have persistently questioned the very epistemological basis of its theory building. Mouffe (1989) has critically put into question the objectivism and essentialism which are dominant in democracy theories, particularly as appeared in deliberative democracy. In the influential work, *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics*, Laclau and Mouffe (1985) advanced an approach that asserts that any social objectivity is constituted through acts of power. This means that any social objectivity, such as common goods and ideals as optimistically argued by deliberative theorists, is ultimately and constantly political that are impossibly perceived as aggregation or consensus of their various in-

terests. It is because that there are no fixed interests as they are constatantly constituted with and through other interests. Mouffe (1996) suggests that:

> ...[E]very object has inscribed in its very being something other than itself and that as result, everything is constructed as *différence*, that its being cannot be conceived as pure "presence" or "objectivity". Since the constitutive outside is present within the inside as its always real possibility, every identity becomes purely contingen (Mouffe, 1996: 247).

Following the tradition of post-structuralism, such as Derrida and Foucault, the post-foundationalist scholars locate the heart of politics in the existential struggle to form identities and to advance different ways of life in an environment of contingency, plurality, and power (Laclau and Mouffe, 1985; Mouffe, 1989). Contrary to deliberative theorists who place consensus as an ontological basis of ordering complex society, Laclau and Mouffe put social antagonism and conflict as a nature of politics (cf. Dryzek, 2005; Norris, 2006). They subsequently develop democratic politics from an anti-essentialist and anti-foundational perspective which widely called as agonistic democracy. Mouffe (1996) clearly argues that:

> ...[T]he relations between social agents becomes more democratic only insofar as they accept the particularity and the limitation of their claims; that is only insofar as they recognize their mutual relations as one from which power is ineradicable. The democratic society cannot be conceived as a society that would have realized the dream of a perfect harmony in social relations (Mouffe, 1996: 248).

Within the agonistic democracy, therefore, plurality and diversity are thus not problems to be overcome. Moreover, the promotion of those differences that do not contradict liberty and equality is the very condition for the expansion of the democratic revolution (Laclau and Mouffe, 1985: 166). The insights of agonistic democracy is highly es-

sential to criticize the apolitical forms of governance which predominantly advocated by neo-institutionalists. It is too naive — and even illusory — to deal with diverse interests and identities as instantly by providing an institutional framework within which such differences are able to be aggregated with the spurious claims of consensus. The neglectfulness of "the political" in governance perspective, as neo-instiutionalists did, is mostly precarious. "To present the institutions of democracy as the outcome of a pure deliberative rationality", Mouffe claims, "is to reify them and to make them impossible to transform" (Mouffe, 1996: 254).

The ample evidences on Indonesian politics also confirm the illusive portraits of neo-institutionalists that treat governance without any appropriate consideration of power relations. The politics of the post-Suharto Indonesia which neo-institutionalists optimistically foresaw that it would bring about a stable democracy and vibrant civil society was unfortunately unproven. Various studies conducted couple of years since the fall of the Suharto regime demonstrate the critical failure of the neo-isntitutionalists in governance reforms. Unlike the "democratic transitions" theorists who see the volatility of Indonesian politics as simply a characteristic of a transitional stage on which the eventual consolidation of democracy shall proceed, Robison and Hadiz (2004) propose an approach to understand Indonesian politics in terms of power relations and interests. Neoliberal reforms which predominantly originated from neo-institutionalist paradigm, therefore, "cannot be understood as an abstraction driven by a collection of technopols acting above vested interests, but as an agenda backed by shifting and fluid coalitions with a concrete interests in the configuration of power and the institutions that allocate it" (Robison and Hadiz, 2004: 5). In other words, reforms or policy making in any case is not simply a question of rationality

choosing the "right" decisions in a technocratic and value-free manner, as embedded in good governance doctrines, but it is fundamentally shaped by eventual contestation of competing interests.

Confronting to the neo-liberal explanations, Robison and Hadiz (2004) critically problematize why deepening integration with global market and democratization in the post-crisis Indonesia did not simultaneously generate a liberal triumph. Rather than put the emphasis on how liberal institutions condition such reforms, Robison and Hadiz (2004: 18) argue "the uncertain and volatile progress of market capitalism and democratic transitions in Indonesia must be understood in the context of larger conflict over power and distribution". The critical inquiry, Robison and Hadiz (2004: 18) subsequently advance, is "how the interests of the state and private oligarchy have been consolidated in an age of rapid economic growth, the spread of global markets and the transition to democracy".

With such lens, they argue that the relationship between decentralization and democracy is somehow problematic. Besides Robison and Hadiz who demonstrate how predatory forces and interests can, to use their provocative term, "hijack" the progress and institutions of decentralization, the recent studies also prove these similar findings (Sidel, 2004; Nordholt and Klinken, 2007). Within such a new architecture of politics, the old-oligarchies with their resources and networks are not only able to adapt the new democratic institutions, but they also successfully capture it to consolidate their own powers (Robison and Hadiz, 2003; 2004: 187-249). In such a case, decentralization and democratization is likely to have very little capacity to impose a governance agenda based on transparency and accountability as it is largely assumed by neo-institutionalists.

Unlike Robison and Hadiz (2003; 2004) who are strongly influenced by the structur-

alism tradition, Henk Schulte Nordholt (2004; cf. Nordholt and Klinken, 2007) confronts neo-institutionalists and democratic transition theorists from the hitorico-anthropological point of view. Nordholt obviously argues that:

> Although the term 'transition' can be used to indicate the current transfer from one authoritarian system to another, it does not capture the complexity of historical processes are creating contemporary Indonesia, nor does it offer the opportunity to trace changing continuities in Indonesian politics (Nordholt, 2004: 29-30).

By the term "changing continuities" Nordholt argues that there are somewhat persistent patterns in Indonesian politics which are not altered by any reforms which massively conducted after the collapse of the Suharto regime. Although the box of Indonesian politics has apparently changed through such institutional reforms, but the patterns of old society are remains. He identifies that there are three evidences how the "changing continuities" are sustained. Those evidences are including (1) the persistence of patrimonial ties and the lack of class in Indonesian politics; (2) the post-colonial nature of Indonesian politics in which the boundaries between state, society, and market never clear; (3) the historical role of local elites and the way they use ethnicity and other primordial basis to articulate their interests.

Robison and Hadiz (2004) and Nordholt (2004), it seems to me, not only demonstrate the anomaly of the neo-institutionalist governance theorists which exclusively appear in the Indonesian case. They also represent a major critique of the mainstream paradigm, as that paradigm has extremely neglected the power relations within which such reforms embedded and it did not take the certain socio-historical context into consideration. Such efforts clearly confirm what Hydén (2006) asked to drive the research beyond governance in mainstream manner

and to bring the dimension of power—or 'the political' to lend Ernesto Laclau—back into political analysis

Concluding Remarks

Bringing the power dimension back into governance analysis is mostly essential. As Göran Hydén suggest that "not only will such an approach ensure a feedback on how the political system works, but it will also foster a degree of humility that after almost half a century of trying may be badly warranted in the international development community". The contributions of Robison and Hadiz (2004) and Nordholt (2004) to criticize the politics of governance in Indonesia shall be appreciated and immediately advanced, as they convincingly confront the neo-institutionalists orthodoxy and provide a more dynamic snapshot of the post-Suharto Indonesian studies.

This paper has obivously investigated how governance discourse and its apparatuses operate in disciplining society through development policies. Such discourse has sysrmatically produced certain subjects that open up the possibilities of development intervention policies. In Indonesian context, the dominance of such discourse goes hand in hand with the massive project of political reforms in the post-authoritarian regime. Various attempts to transform Indonesian politics, that are highly dominated by the neo-institutionalist optimism, are now facing severe paradoxes.

It is worthy noticing that the recent works on Indonesian politics that focus on the power relations have significantly contributed to the post-Suharto studies by approaching the dynamics of 'domestic' politics resulted from neo-institutional reforms and governance governmentality. Michel Foucault has cautiously warned, as I cited in the front page, that if we consider the immanent productions of power and 'the political' characters within society it would be inevi-

table to recognize and to examine the omnipresence of relations of power and how such relations are embedded. Within this spirit, it is necessary to advance the studies of politics to the more radical ones.

References

Abrahamsen, Rita. (2004, 2000). "Disciplining Democracy: Development Discourse and Good Governance in Africa (2000)", translation. Yogyakarta: Lafadl.

Aspinall, Edward and Greg Fealy. (2003). *Local Power and Politics in Indonesia: Decentralization and Democratization.* Singapore: ISEAS.

Benhabib, Seyla. (eds).(1996). *Democracy and Difference: Contesting Boundaries of the Political.* New Jersey: Princeton University Press.

Cheema, G. Shabeer and Dennis Rondinelli. (eds).(2007). *Decentralising Governance: Emerging Concepts and Practices.* Washington: Brooking Institution Press.

Cohen, Joshua. (1996). "Procedure and Substance in Deliberative Democracy". in Benhabib (eds).(1996). pp. 95-119.

Cunningham, Frank. (2002). *Theories of Democracy: A Critical Introduction.* London: Routledge.

Demmers, Jolle, et.al. (eds).(2004). *Good Governance in the Era of Neoliberalism; Conflict and Depolitization in Latin America, Eastern Europe and Asia Africa.* London: Routledge.

Diamond, L, Juan Linz, Saymor M. Lipset. (eds).(1988). *Democracy in Developing Countries.* Vol.2. London: Adamantine Press.

Dryzek, John S. (2005). "Deliberative Democracy in Devided Societies: Alternative to Agonism and Analgesia". *Political Theory*, no. 2. Vol. 33, pp. 218-242.

Escobar, Arturo. (1995). *Encoutering Development: The Making and Umaking of the Third World.* New Jersey: Princeton University Press.

Fine, Ben. (2001). *Social Capital and Social Theory.* London: Routledge.

Fine, Ben, et.al. (eds).(2003). *Development Policy in the Twenty-first Century: Beyond the Washington Consensus.* London: Routledge.

Fukuyama, Francis. (1989). "The End of History?". *The National Interest,* 16: 3-5, pp. 8-15.

_____ (1999). "Social Capital and Civil Society", paper presented at the International Monetary Fund 'Confrence on Second Generation Reforms', Washington, D.C. 8-9 November.

Habermas, Jurgen. (1996). "Three Normative Models of Democracy", in Benhabib (ed.1996). pp. 21-30.

Hadiz, Vedi R. (2003). "Decentralisation and Democratisation in Indonesia: A Critique of Neo-institutionalist Perspective", *SEARC Working Paper Series,* no. 47. Hong Kong: City University of Hong Kong.

_____ (2004). "Indonesia Local Party: A Site of Resistance to Neoliberal Reform", *SEARC Working Paper Series,* no. 61. Hong Kong: City University of Hong Kong.

_____(2010). *Localising Power in Post-Auhthoritarian Indonesia: A Southeast Asian Perspective.* Stanford: Stanford University Press.

Hajer, Marten and Hendrick Wagenaar. (2003). *Deliberative Policy Analysis: Understanding Governance in the Net-*

work Society. Cambridge: Cambridge University Press.

Harris, John. (2002). *Depolitising Development: The World Bank and Social Capital.* London: Routledge.

_____, Kristian Stokke dan Olle Tornquist (eds).(2004). *Politicising Democracy: The New Local Politics of Democratization.* London: Palgrave.

Hydén, Goran. (2006). "Beyond Governance: Bringing Power into Policy Analysis", paper presented to the Danida/GEPPA Confrence on "Power, Politics and Change in Weak States", Copenhagen, March 1-2.

Jayasuriya, Kanishka and Kevin Hewison. (2004). "The Anti-Politics of Good Governance: From Global Social Policy to a Global Populism?", SEARC *Working Paper Series*, No. 59 January 2004. Hong Kong: City Univerity of Hong Kong.

Kingsbury, Damien and Arief Budiman. (eds).(2001). *Indonesia: The Uncertain Transition,* Adelaide: Crawford House Publishing.

Kjaer, Anne-Mette. *Governance.* London: Polity Press.

Lacalu, Ernesto and Chantall Mouffe. (1985). *Hegemony and Socialist Strategy: Towards a Radical Democratic Politics.* London: Verso.

_____ (1996). *Emancipation(s),* London: Verso.

Liddle, R. William. (2001). "Indonesia's Democratic Transition: Playing by the Rules", in A. Reynolds ed., *The Architecture of Democracy*, London: Oxford University Press.

MacIntyre, Andrew. (2003). *The Power of Institutions: Political Architecture and Governance.* Itacha: Cornell University Press.

March, James G. and Johan P. Olson. (1995). *Democratic Governance.* New York: The Free Press.

McLeod, Ross H. and Andrew MacIntyre. (eds.). *Indonesia: Democracy and the Promise of Good Governance.* Singapore: ISEAS.

Mouffe, Chantal. (1989). "Radical Democracy: Modern or Postmodern?". *Social Text*, no. 21, pp. 31-45.

_____ (1996). "Democracy, Power and the Political". in Seyla Benhabib (1996 ed.). pp. 245-256.

Nordholt, Henk Schulte. (2004). "Decentralisation in Indonesia: Less State, More Democracy?", in John Harris, et.al. eds., pp. 29-50.

_____and Gerry van Klinken. (eds.2007). *Politik Lokal di Indonesia,* trans. Bernard Hidayat, "Renegotiating Boundaries: Local Politics in Post-Suharto Indonesia. Jakarta: Yayasan Obor Indonesia & KITLV Jakarta.

Norris, Andrew. (2006). "Ernesto Laclau and the Logic of the Political", *Philosophy Social Criticism,* no. 32, pp. 111-134.

Putnam, Robert (1993). *Making Democracy Work: Civic Traditions in Modern Italy.* New Jersey: Princeton University Press.

Robison, Richard and Vedi Hadiz. (2004). *Reorganising Power in Indonesia: The Politics of Oligarchy in an Age of Markets.* London: Routledge Curzon.

Rondinelli, Dennis and G. Shabeer Cheema. (eds).(1983). *Decentralization and Development: Policy Impelemtation in Developing Countries.* Beverly Hills: Sage Publication.

Scharpf, Fritz. (1994). "Game Real Actors Could Play: Positive and Negative Coordination in Embedded Negotiations",

Journal of Theoretical Politics, vol.1, no. 6, pp. 27-53.

Smith, Brian. (1985). Decentralization: The Territorial Dimension of the State. London: Allen and Unwin.

Stiglitz, Joseph. (1998). "Towards a New Paradigm for Development Strategies: Policies and Processes", Prebish lecture at UNCTAD, Geneva, 19 October.

Warren, Mark. (1992). "Democratic Theory and Self-Transformation", *American Political Science Review,* no. 86. Vol.I, pp. 8-23.

World Bank. (1989). *Sub-Saharan Africa: From Crisis to Sustainable Growth,* Washington, DC: World Bank.

_____ (1991). *Managing Development: The Governance Dimension,* Discussion Paper. Washington, DC: World Bank.

_____ (2000). *Working Together: The World Bank's Partnership with Civil Society,* Washington, DC: World Bank.