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Proliferation of Local Governments in Indonesia: Indentity Politics Within A Troubled Nation State[⊕]

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Abstract

The number of district and municipality in Indonesia has been doubled within six years. The local government is proliferated in the sense that they are multiplying in such a short period. They were “only” bit more than 200 units when Suharto step down in 1998, and doubled into 466 units in 2006. Interestingly, this took place in an absence of definite plan, as the state shows its enthusiasm in decentralization and bottom-up process of decision-making. This article aims to scrutinize this phenomenon in order to understand the way identity politics evolve within the process of decentralization, and the extent it responsible in explaining the proliferation. In doing so, there are several point to make.

First, the state can no longer maintain its hegemonic role. During Sukarno and Suharto leadership, state equipped itself with technocracy and bureaucracy to ensure that it has effective control over its people as well as its agenda. Through technocratically-equipped bureaucracy the state mobilized certain kind of discourse, which in turn defining what is deemed proper to be done within the banner of ethnic as well as religious solidarity. The state lost much of its coercive capacity and ethnic and religious solidarity-making were virtually unconstrained in shaping political landscape, not only at the local but also at the national level. Discursive engagement presented in this study will figure out why that process takes place.

Second, local elite plays critical role in the process of proliferation. Moreover, they are in many cases even reverse their role. They previously are co-opted by the state; but the they are co-opting back the state. Why is that so? The state are well aware, and even too sensitive to, the potential of ethnic-based, race-motivated conflict as well as secession potential (Wellman, 2005). Indeed, conflict did take place quite extensively in Indonesia for that reason. The state chooses to accommodate the interest of local elite, instead of confronting them which also mean allowing the state to ruin. In other words, proliferation of local government serves as strategy for preventing political disintegration. Local autonomy is the best solution to ethnic conflict in Indonesia. (Bertrand, 2004).

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Third, the proliferation of local government confirms the importance of territoriality or territorial attachment (Kahler and Walter, 2006). Territory serve as basis for identity politic. By establishing new set of local governments, the central government still retains territorial control and at the same time local activists also have opportunity to do so.

Up to recently, the idea of nation state—namely one state contains one nationhood—was intensely inspiring institutional design state all over the world. Term ‘national’ typically implies coverage as extensive as the territory of a particular state. There are various kind of nationalism: ethno-nationalism, religio-nationalism and so on. Nonetheless, only one type of nationhood really fit to the need of the state, that is the statewide nationhood. Mismatch of national sentiment of the authority of state generates problem of either secession or demand for integrating partial territory of two separate states.

The salience of identity politics poses difficulty in sustaining the idea of nation state. More over, we can no longer expect state keep trying to manage if not manipulate changing in of nationhood. State is deemed necessary to engage in a process of self-transformation to contain the prevail of identity politics. In line with this necessity, Indonesia witnesses the proliferation of the local governments in response to the rising demand for recognition of local interests and identities.

Prior to examine Indonesian case, it is important to note that what at stake here is institutional design of a state. In order to avoid misjudge what happening in Indonesia it is worthwhile to make a close look at the fundamental design: nation state. Uncovering the flaw of nation state would lead to a careful analysis on Indonesian affairs.

Coming to Terms With Nation State

In order proportionally comprehend extent Indonesia is in trouble to perform as a nation state, we need to set a clear idea of the feature what a nation state really is. There two separate idea: ‘state’ and ‘nation’. We need to clarify these two concepts.

Let be clear what a state really means. Since agreement on exact definition of state has not been possible,² the easiest way to grasp the idea is by identifying formal characteristic intrinsic to the state. Andrew Vincent description is worthy to quote despite a bit too long.

It has a geographically identifiable territory with a body of citizens. It claims authority over all citizens and groups within its boundaries and embodies more comprehensive aims than other association. The authority of the state is legal in character and is usually seen as the source of law. It is

²Andrew Vincent, “Conceptions of the State” in Mary Hawkesworth and Maurice Kogan (eds.), *Encyclopedia of Government and Politics*, Routledge, London 1992. See also John Hoffman, *Beyond the State*, Polity Press, Oxford, 1995.

based on procedural rules which have more general recognition in society than other rules. The procedure of the states are operated by trained bureaucraies of office holders. The state also embodies the maximum control of resourcess and force within a territory. Its monopoly is not simply premised on force: most states try to claim legitimacy for such monopoly, namely, they seek recognition and acceptance from the population. In consequence, to be member of state implies a civil disposition. Further, the state is seen as sovereign, both in internal sense within territory, and in an external sense, namely, the state is recognized by other state as an equal member on international society. It should be note, however, that the idea of the state change with different sense of sovereignty. Finally, the state as a continuous public power distinct from rulers and ruled.³

In describing state, Vincent does not implies nationhood or nationalisme as a pre-requirement of the existence of a state. He, however, mention ‘citizen’, ‘population,’ ‘group,’ ‘society’ or ‘other association’, as the subject of a state. How can we differentiate them from the state ? The striking different is that the state has a legitimate monopoly in the use of force. What make ‘citizen’, ‘population,’ ‘group,’ ‘society’ or ‘other association’ unite together ? There many uniting factors at work to allow a state be more comprehensivise than any other association. They are set of procedure, law, bureaucracy and so on.

What is nation then ? A nation is a kind of uniting sentiment. It could “merely” a shared imagination of being a community. The uniting capacity of nationhood could lead to various process: territorial integration, freedom of political association, cultural survival, popular sovereignth under a liberal dan democratic constitution or even ethnic segregation.⁴ The idea of nation does not presuppose the existence of a state. Max Weber, however, suggest that the idea of nation tend to be associated with the idea of state. By quoting Weber, Gilber suggests that “A nation is a community of sentiment which would adequately manifest itself in a state of its own: hence a nation is a community which normally tends to produce a state of its own”⁵. He even treats “a nation as a group of people wishing to associate *in the same state*.”⁶ The mobilization of sentiment for enhancing nationhood is called nationalism.

Nation state essentially is the meeting point between nationhood and statehood. The idea of nation state implies optimism that they both compatible and even mutually enforcing. Nationalism, for those who are sympatethic the nation state, would enhance state building. The idea of nation state implies that state is the best set up to contain nationhood. It even

³*Ibid.* p. 44.

⁴Paul Gilbert, *The Philosophy of Nationalism*, Westview Press, Boulder Corolado, 1998, p. 8.

⁵*Ibid.* p. 14-15.

⁶*Ibid.* p. 90. *Italic from its original.*

makes nationhood functional by the way easing state in performing its normative duties. This is not always the case.

In some other case, nation-state is an awkward mixture. This means, the existence and the functioning of nation state entails a number of prerequisites. Its existence is either supported by a strong sense of citizenship or effective state control. The prevailing civic culture allows not only the flourishing of strong sense of citizenship. It in fact supersedes ethno-nationalistic sentiment. Citizenship, which essentially is a pillar for liberal democracy, allows Western Europe to survive liberal political system democratically. Otherwise, they have to follow the path of their fellow counterpart in Eastern Europe: leaving national sentiment to the state.

In this regard it is important to note that, despite the diversity of the meaning of democracy, Indonesia bound follow suit institutional set up the former colonial state: liberal democracy.⁷ The notion state, within the framework of liberal democracy, presupposes the existence of citizen within strong sense of citizenship.

State is an institutional set up, within which daily politics is shaped. As an institutional set up, the idea of national state was not easily institutionalized. This implies that decision making and institutional building within the country is bound to fail as its foundation—the idea of nation state—happened to be shaky and slippery. Indonesia as a nation state is in trouble because of the difficulty in—if it was serious enough to bringing it about—the whole idea nation state. Unfinished process of nation building, namely process of creating new and uniting various facet of collective identities, exacerbates problem sharing and distributive justice. Instead of performing its normative role, namely to allocate value before its people in authoritative way⁸, the state is conquered by its people on the name of democracy, and severely obstruct in performing policy-making process on the name of representing collective identity.

The idea of nation state is rooted in European history. Nationalism is important ingredient in mobilizing popular support for winning conflict among social layers and factions.⁹ It actually has dual faces: externally fragmenting and internally uniting. By establishing a nation state, nationwide nationhood then become the most important uniting power. The

⁷Immediately after its Independence, Indonesia engage in an experiment to put into practice the idea of liberal democracy. Unable to take this seriously, President Sukarno decided to replace with the so-called Guided Democracy. The basic idea of Guided Democracy was retained by President Suharto. The basic idea is that the president take a full control of the political process and even the political system in rest on the leaders' decision as oppose to dialectic of various force. Even though the term 'guided democracy' was invested by Sukarno, it was President Suharto who manage to practice in the real term. Unlike Sukarno who was very limited room for asserting leadership, Suharto enjoyed much more room for establishing control. Why is what so? Sukarno was stuck in between, and hence bound to balance the two opposing major forces—the communist and the military. Suharto secure effective control because he successful in eradicating communist power.

⁸David Easton, *Framework for Political Analysis*, Prentice-Hall, Englewood Clift, New Jersey, 1965.

⁹Mikuláš Teich and Roy Porter (eds.), *The National Question in Europe In Historical Context*, Cambridge University Press, Cambridge, 1993.

idea of democratic state, in this regard implies the nationwide nationhood as the fix size of the state.

Even in West Europe country itself, establishing democracy has not been easy. Blending various kind of religious and ethnic-based nationalis into new short of nationalism which is known as civil nationalism is an ambitious project. This especially so in plural society, whithin which there are more than one deeprooted nationhood to exist as functional in asserting public power. Developing democracy within the frame of nation state face severly difficulty. For this reason Arend Lijphart offers consociational democracy,¹⁰ which takes nationalism seriously, as oppose to procedural democracy which assume that national sentiment is replaceble by citizenship. Political representation is build along national divide, as oppose to political parties affiliation. Apart from difficulties entails in the idea, it nonetheless was chosen as institutional template of virtually any state in Europe. This was true up until a number of states in that region agree to blend their nation state in to a “new kind” of state: European Union.

In response to akward mixture of statehood and nationhood a number of states in European countries engage in a process of self-transformation. It is certainly also those due to the akward those mixture other state like Indonesia seeks to transform itself, despite into different direction. For European, one state was not big enough to containe their nationhood. They are longing for larger state, and for that reason they unite the territories of each state into through an extensive territorial integration.

For Indonesian, on the other hand, one state has been too difficult to govern. Indonesia, as a country which endowed extremely high cultural diversity, is prone to conflict. Each socio-cultural and religious bond asserts its identity and at previously predominating governement engaging in administrative reform to preserve the authority of the nation state. In the pluralist society like Indonesia, there are surely numeros facet of nationalism to exist. They exist much-much earlier than the state itself, and hence the post colonial like Indonesia face a huge task to deal with.¹¹

Parallel to what we are witnessing in Europe, Indonesia unable to sustain the existing form of nation state. It has been engaging in the process of self-transformation with one condition: keeping the state as one entity. For most Indonesian, letting the state to break up is unbearable. The state transform itself by engaging in dramatic process of decentralization. The state, which was highly centralized during many decades of the New Order’s authoritarian rule, suddently engage in massive scale of decentralized. Authoritarian cum centralised rule has been responsible massive conflict and violent in

¹⁰Arend Lijphart, *Democracy in Plural Societies: A Comparative Exploration*, Yale University Press, New Haven, 1977.

¹¹Greg Barton, “Issues Concerning Democracy and Citizenship in Indonesia” in Andrew Vandenberg (ed.), *Citizenship and Democracy in A Global Era*, MacMillan Press, 2000.

some parts of the country, as well as potential break up of the state.¹² Repressive exercised by the corrupt state has been symptom of its weakness in governing its huge and differs community.¹³ There has been strong hope that despite much more difficult to carry out, decentralized system would prevent the state to break up.¹⁴

In coming to term with the idea of nation state, Indonesian inevitably need to be sensitive to its socio-cultural context. The state evolves in such a way resemble to Lijphart's idea of consociational politics. Primordial affiliation has never been officially declared as a basis for political recruitment, yet bureaucracy and the military has been informally use as a reference in maintaining ethnic distribution within it. In a way bureaucracy serves as representative institution, otherwise the state is prone to conflict. Distribution of cabinet seat always, no matter who is the president, always take ethnic and religious distribution seriously. If bureaucracy serves representative mission, what happen with political parties then ? The power basis of each political party are resemble to primordial affiliation or spatial distribution. Each political parties has its own stronghold. For example, Abdulrahman Wahid's party, namely *Partai Kebangkitan Bangsa*, would always win in east Java, and Amien Rais's party—*Partai Amanat Nasional*—would win in the area where urban-based Islamic Organization (Muhammadiyah) gained local influence. This political party would have limited support from Balinese which mostly are Hindus. Obviously, Indonesia does has political party as a medium for peoples representation. Yet, political party's affiliation is neither based on what the party's platform or commitment. Affiliation, instead, is depend of the identity of the party. Observers on Indonesian politics call this phenomena as *politik aliran*, to suggest that political behaviour is set by affiliation to particular grouping.

Those anecdotal evidents should be sufficient to suggest that, apart from national nationalism, there are sub-national nationalism. The uniting power of the sub-national nationalism could be territorial attachment, ethnic grouping or religious affiliation. The sub-national nationalism unites less than the total of Indonesian population, indeed. It nonetheless is more authentic or natural than the factually nationwide or the "wider" nationalism. The latter, in essence is, made-up by the state within its its desperate attempt to unite the entire population in the country into a new collective identity, to resemble the idea of civic nationalism. The newly constructed collective identity so far has not been able replace the authentic or natural nationalism. People could be nationalist according the state's term, and at the same time also considerate to ethnic or religious nationalism.

¹²Syamsul Hadi et. al. (eds.), *Disintegrasi Pasca Orde Baru: Negara, Konflik Lokal dan Dinamika Internasional*, Centre for International Relation Studies (CIReS) FISIP UI bekerjasama dengan Yayasan Obor Indonesia, Jakarta 2007.

¹³Nono Anwar Makarim, "Pemerintahan yang Lemah dan Konflik", in Dewi Fortuna Anwer et. al. (eds.), *Konflik Kekerasan Internal: Tinjauan Sejarah, Ekonomi-Politik, dan Kebijakan di Asia Pasifik*, Yayasan Obor Indonesia, LIPI. LASEMA-CNRS, KITLV-Jakarta, Jakarta 2005.

¹⁴Indra J. Pilliang et. al (eds.), *Otonomi Daerah: Evaluasi & Proyeksi*, Yayasan Harkat Bangsa bekerjasama dengan Partnership for Governance Reform in Indonesia, Jakarta 2003. See also series of Indonesia Rapid Decentralization Appraisal conducted by The Asia Foundation since 2001.

The new breed of nationalism—or civil nationalism so to speak—is meant to be the basis for governing the state. But there was also the rival idea, religious nationalism is the basis for setting up the state. Since the early period of post-independent, there was strong desire of establishing Islamic state. In response to this desire, the state has been typically troubled. This triggered a number of Islamic leader to promote a breakthrough, namely to accommodate the process of institutionalizing Islamic values in public life (such as banking, schooling and so on) but at the same time retaining the principle that the state is impartial in terms legal rules. In other words, the state let Islam to flourish as practical point of reference for moslems, but at the same time contains it as nationhood or collective identity.

Globalization sweep both Indonesian and the Europe. It allows a dual change to take place. Nation states inevitably have to engage in both convergence as well as divergence changes in response to the mounting intensity of globalization.¹⁵

Indonesia's current history reveals the fact that, from time to time, either statehood or nationhood is bound to change in order to maintain political order.¹⁶ It has been working hard, and yet hardly accomplish its original mission, in transforming itself in to a nation state.¹⁷ The difficulty not only stem the complexity of Indonesian society but also from the very idea of nation state.

A sound foundation and exact recipe for transforming Indonesia as a nation state is unavailable. Indonesia keeps experimenting with itself and in doing so it has great difficulty in learning from its history. The direction for change, to some extent, is shape by the sense of crisis. The point here is that, crisis leave ample space of radical policy changes, but inability to implement fundamental policy eventually self-transforming of the state, leave the country indismay. To make it more complicated, the transformation is overshadowed by liberal thought which typically have no confidence in the instrumentality of the state. The liberal lays down sets of principles such as autonomy, rights, participation and so forth. Transformation process along with this principles would leave Indonesian reconstruct the state in an absent of *blue print*, unless they are competent and committed to some sort of collective designing.

Transforming the state is difficult to imagine, given the contradiction it entails. The very idea of state implies the operation of four vital issue—monopoly, legitimacy, territory and force—which, as Hoffman suggests, entails serious tension, if not contradiction among themselves.¹⁸ In slightly different tone, Paddison (by referring to Binder *et al.*) identifies five

¹⁵Nanang Indra Kurniawan, "Masyarakat Dunia, Globalisasi dan Nation-State", in Nanang Pamuji Mugasejati and Ucu Martanto (eds.), *Kritik Globalisasi & Neoliberalisme*, FISIPOL UGM, Yogyakarta, 2006.

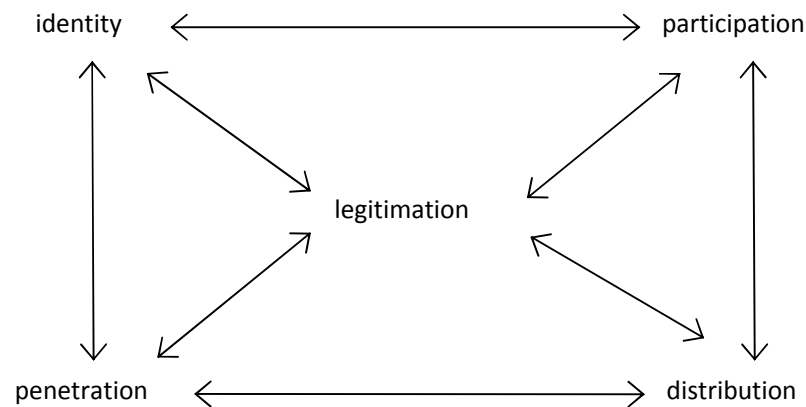
¹⁶Anhar Gonggong, "Bangsa-Negara Indonesia; Bentuk Negara dan Sistem Demokrasi yang Berubah-ubah dalam Krisis", *Jurnal Politika*, Volume 1, No. 3 Desember 2005.

¹⁷Faruk, "Imajinasi, Reimajinasi, dan Deimajinasi: Soal Negara-Bangsa dan Kita", Th Sumartana et. al, (eds.), *Nasionalisme Etnisitas: Pertaruhan Sebuah Wacana Kebangsaan*, Institut DIAN/Interfidei, Yogyakarta, 2001

¹⁸John Hoffman, *Beyond the State*, Polity Press, Oxford, 1995.

problems area each state has to encounter. They are: (1) identity, (2) legitimacy, (3) participation, (4) penetration, dan (5) distribution. They are interrelated, as Figure 1 shows, but the core of the problem is legitimacy.¹⁹

Figure 1:
Interrelation between the problem areas



Source:Paddison, 1983

For Paddison, identity is a matter of mutual sentiments by members of a territorial group towards government. There national as well as sub-national identities. The existence of nation state create problem of national identity, depending on they relate each other. It is problematic when sub-national identity serves more as competitor rather than complementing national identity. For him legitimacy is a matter of acceptance of government decisions because of the ‘rightness’ by which they are derived. State legitimacy if the rightness of its decisions is constantly questioned by its subjects. Participation is about who contributes to decision making process. The absence of participation make the decision either inaccurate and unacceptable. The other problem, namely penetration, refers to effectiveness of government control. The last but not least is the problem of distribution. For Paddison, it is about the extent to which decisions distribute/redistribute material benefits within society.²⁰

Other scholars offer another dimension to look at. In this regard, Stephan Leibfried and Michael Zürn propose an interesting idea. They identify four dimensions which alltogether represent the essential of a state. Those four are: resource, legality, legitimacy and welfare. The salience of resource dimension lead to construction of modern territorial state. The question on legality of state raises the issue of law and sovereignty, meanwhile the sought of legitimacy has been anchored the state at the idea of democratic nation state, and the

¹⁹Ronan Paddison, *The Fragmented State: The Political Geography of Power*, Basil Blackwel, Oxford, 1983.

²⁰*Ibid.* page 9.

quest for the welfare lead to debate on whether the state should be interventionist or leave the matter to the market. The manifestation of those four dimensions brought to the fore four interrelated issues: Territorial State, Rule of Law, Democratic State and Intervention State. They put all the four issues into a simple abbreviation: TRUDI.²¹ For them, the dynamic of state's reform is detectable in their way to deal with territorial issue, rule of law, democracy and state intervention. By combining those four dimensions simultaneously they specify eight potential directions of change. They are, as Table 1 shows: (1) localization, (2) liberalization (deregulation), (3) transnationalization, (4) regionalization, (5) internationalization, (6) fragmentation, (7) socialization and (8) supranationalization.

Table 1: Change in TRUDI

		TERRITORIAL CHANGE		
		<i>Subnationalization</i>	<i>Status Quo Ante</i>	<i>Internationalization</i>
ORGANIZATIONAL CHANGE	<i>Privatization</i>	Localization	Liberalization (Deregulation)	Trans-nationalization
	<i>Status Quo Ante</i>	Regionalization	STATUS QUO ANTE	Inter- nationalization
	<i>State Expansion</i>	Fragmentation	Socialization (National- ization)	Supra-nationalization

Source: Stephan Leibfried and Michael Zürn, 2005.

Where does state transformation in Indonesia lead to? Analytical tools developed by Leibfried and Zürn would be useful in uncovering what has been happening. Unlike the reform in OECD countries which outward looking, transformation process in Indonesia basically is inward looking. Wherever the change leads to, it is neither transnationalization, internationalization nor supranationalization. Special attention to dynamics at sub-national level would direct us to foresee either localization, regionalization or fragmentation.

Proliferation of Local Governments

States, as members of international community, are proliferating. It is responding to structural changes. It is therefore not so surprising to see that local government is

²¹Stephan Leibfried and Michael Zürn (eds.), *Transformation of the State ?*, Cambridge University Press, Cambridge, 2005.

proliferating as well. At issue here is how does it come about? If we agree Leibfried and Zürn, it certainly has to do with the problem of resource, legality, legitimacy and welfare.²² For Paddison, it is a matter of identity, participation, legitimacy, penetration and distribution. While for Hoffman, it is a matter of monopoly, legitimacy, territory and force. These ideas basically refer to the same thing: state as organised power. They all emphasize the importance of securing legitimacy. In this section, we will make the best use of those ideas in uncovering how the proliferation of local governments in Indonesia.

We all know that as Republic of Indonesia, along with many other states, was born during decolonization which took place at the end of World War II. There was a wave of the emergence of new states, thanks to the changing nature of post World War.²³ These new born state practically has nothing. Judging by problems area mapped by the criteria set out by Paddison, Indonesia as the newly-born state encountered severe problems on all the five: identity, participation, legitimacy, penetration and distribution.

The Identity which unites Indonesia as a nation had been sharing misery in the past, sharing experience on living under colonial rule. Well, the territory of the state is the former Dutch colonial empire. At that period, Indonesian were united under the banner of Indonesian citizenship, since the state itself endowed with very limited capacity to penetrate the society. Not only the capacity to distribute was limited, there were not enough good and service to be distributed.

In response to those problems, President Sukarno embarked on the process of nation-building. The first thing he did was to construct new identity, namely to a member of newly established state. He was well aware that nationhood was critical issue and therefore deserve a priority. Nationhood, in this regard was the subject to leadership manipulation in order to ensure the newly-born state qualified to be a nation state. Given the importance of the nationalism for uniting all Indonesian in one bond, the state inevitable mobilize national symbols, anthem and as well as mobilize its discursive capacity along that line. At issue here was the existence and the functioning of national identity. In context, the state come up with simple but smart formula: *bhinneka tunggal ika* [unity in diversity]. Each individual and group deserve to have their own identity, but such an identity shall not undermine state-promoted identity.

The territory which was as wide as Europe altogether was divided into several provinces, and dozens of provinces not long after that. By 1957, precisely during the 17th anniversary of Indonesia's independence, President Sukarno launched Central Kalimantan as the 17th province. A number of provinces was established in the 1950s. Within this period, a number of local-level rebellion took place. This indicated that state failed to satisfy the

²²*Ibid.*

²³The founding of new state, from a legal-administrative point of view, was the result of internal struggle. The fact that there was a wave of proliferation indicates that there were structural forces at work to make happen. The fact was that, decolonization was at the top of international agenda. More over, no matter how hostile the newly-born states to their colonial master, their aspiration is to be the same the colonial master, to have a nation state of their own.

local demand a fair distribution of welfare (good and services). At some cases, the rebellion was stem from the central government failure in dealing with religious identity, and hence allowing to mobilization of religious sentiment to challenge the state.

The proliferation of provincial government took place from time to time at a slow pace, and within each province—especially in the outer islands—new regencies and municipality were proliferating. These process marked the attempt improve the penetrating capacity of the state. Presumably, the more the local governments Indonesia has the deeper—in both geographical and sociological senses—the state has a capacity to reach its citizen, as well as its resources.

The number of local government was kept at almost stagnant during the period of New Order government (1967-1998). West Papua joined Indonesia as the 26th province and East Timor was the 27th. In order to improve state's penetrating capacity, West Papua Province was established not long before the New Order period was over.

The process of nation building was far from complete when Suharto took over Presidency from Sukarno. New common identity of Indonesian was not well establish yet, marked by tension between nationalist, religious and the community. Sukarno sought to united them by keeping their political role in balance, and called the three in an interesting acronym: NASAKOM. Yet, President Suharto come up with different idea. Suharto was obsessed with pragmatic approach in governing the country. He assumes that sub-national nationalism which ideological in nature is replaceable to material incentive: economic welfare. He prepared to disregard uniqueness of local context and socio-cultural diversity, and even relied on authoritarian rule which work within a centralistic mode of governance.

Pragmatic approach arguably was important for fulfilling his promises, namely to bring about economic-oriented development. In this regard, the state was presented as rational and unproblematic instrument for achieving predetermined pragmatic goals. Identity politics which gained prominence during Sukarno's period, was replaced with public administration. In response to the prevailing sub-national nationalism, he engineered the society by the way of uprooting organisational bases of political parties which strive to mobilise religious identity and at the same time created Golongan Karya as pragmatic and catch all political party as alternative.

Proliferation of local government was not the on the priority of public agenda during the New Order Period. This does not necessarily imply that the state has already an effective instrument to reach its subject. Indeed, proliferation of local government was legally viable.²⁴ But if was safeguarded by serious arrangement process, not merely by producing written evidence to indicate the feasibility to do so. There were steps to follow, including to upgrade to condition of the would be new entity of local government serving a transitory

²⁴See Act No. 5 of 1974 on Government at the Local Level, as well as Act No. 5 of 1979 on Grassroots Level of Government.

role. Approval to set up new entity of local government was based on real evidence—as oppose to feasibility study. Once the approval is granted, the new unit is ready to function.

The leverage of the state to its subject was sought through bureaucratic reform which incorporate territorial reform within it. This apparent from the way each level of government were set up. Act No. 5 of 1975 specify hierarchy of local governments. There were two layers of autonomous local government: First Level of Autonomous Government (*Daerah Tingkat I*) and the Second Level of Autonomous Government (*Daerah Tingkat II*). At the same time there were four layers of field offices of central government. They were cosecutively lead by Governor and the Regent/Mayor. The two layers of autonomopus government were superimposed by the first two field office of the central government so that, the Governor also the Head of the Fist Level of Local Government and the Regent/Mayor is the Head of /second Level of Autonomous Government. The other two levels of field office of central government were Sub-Distric Government and Hamlet. The Head of Sub-Distric was responsible for the Regent/Mayor, and the Head of Hamlet is responsible to the Head of Sub-District.

What those arrangement tells us ? The New Order state relies of chain of command of its bureaucracy to both delivering public services as well as receiving input from its subject. Local autonomy was marginalised through the the ganting of dual status of Head of the First Level as well as the Head of Second Level of local goernment. They serves more as the agent of the central government rather than as the leader of authonomous local government. This was the institutional set up designed to allow central government to penetrate the entire region. In order to ensure penetration to grassroot level, Act No. 5 of 1979 imposes Java-like bureaucracy throughout the country. The Act appeared to be insensitive to cultural and geographical diversity which so far allowed result in the the disregard to the uniqueness and local-specific nature of rural or grassroots level of government.

For President Suharto, authoritarian rule is prerequisite for allowing the stake take control over resources available for achieving prosperity for the entire Indonesian. He, unfortunately unable to guarantee that state bureaucracy and technocracy are reliable instrument for achieving people's propriety. Regretably, state's capacity to regulate the use of natural resourcess as well as it's capacity to distribute the wealth for the entire Indonesian was poor.²⁵ Massive extraction of natural resourcess has indeed resulted in economic growth, yet the wealh was unevenly distributed.

Despite its overall success in bringing about material welfare to its people, there were structural problem awaiting to explode. The way the state work created problem of legitimacy. Concentration of power produces contrentation of wealth. Most of rupiah in Indonesia is circulated within the capitol city of Jakarta and its surrounding, implying that

²⁵Purwo Santoso, *The Politics of Environmental Policy-making in Indonesia: A Study od State's Capacity, 1967-1994*, Ph.D Thesis, Department of Government, London School of Economics and Political Science, 1999.

the money goes along with the state power. While the local are deprived access to natural resources, the central failed to redistribute.

The New Order well aware of the importance of decentralization. The Act No. 4 of 1974 clearly state that the emphasis in local autonomy shall be developed at the Second Level of Autonomous Government. This indicated the understanding of the importance to give more autonomy to the lowest level of local governments. The problems though laid at its implementation. The central government was too slow and seems even reluctant to decentralize its authority, given its centralistic nature of its institutional arrangement.

The intention to give more autonomy at the second level of local governments, at the same time, revealed reluctance to give autonomy to the First Level of Local Governments. Why is that so? Because The First Level of Local Governments take up territory which was wide enough to set an independent state. Bear in mind, their size were equivalent to that of each state in Europe. Three secession movements took place at provincial level: Aceh, Papua and East Timor.

The way Suharto lead the country, to a large extent, inconsistent with, if not contradictory to, the global trend which inclined to work along with liberal line. Sporadic adaptation to match with such trend was made, yet it was not far enough. Dissatisfaction were eventually transform into explosion of public anger and the state was stuck in crisis of legitimacy. Monetary crisis was transformed into financial and then economic crisis, and it end up with political crisis. President Suharto appeared to have no more legitimacy to rule the country, and hence decided to step down in 1998. This event marked the beginning of massive transformation of the state in the period to come. Low level—if not the absence—of legitimacy on part of the state was exacerbated by the lack of confidence of state-based identity established earlier on. The agenda reform [known in Indonesia as *reformasi*] was threatened to lose its direction as the state was increasingly fragmented. The state no longer take control because, in the mind of the reform-movement activist, the problem is the state itself.

The use of force by the military-dominated government to assert monopoly of resource and discourse was deemed necessary. Authoritarian rule, as oppose to right-based liberal governance, appeared to be as the best choice allowing the state to exist and functioning. Moreover, authoritarian rule was taken as the price that the government have to pay ensuring scenario of state-led process of economic-based development to take place. It was widely assumed that, the legitimacy of the state is primarily rest on its ability to deliver prosperity to its people. The ability of President Suharto to keep in power for a period of more than three decades was explained by its mobilizing a common belief that state is a trouble-free instrument for serving the interest of all Indonesian, and at the same time suppress dissenting view that state in fact is the rulers' instrument.

The change of the state in the aftermath of authoritarian and centralised rule under Suharto is important to scrutinize. This article aims to uncovering what has been on going so far. In doing so, the author Indonesia not as an entirely unique case, due to the fact that it shares

with other country the same external drive for internal change. Suharto's step down represented the Indonesia incapacity to resist the demand for dismantling authoritarianism as well as the necessity for engaging in the process of establishing democratic state.

Massive Proriferation

The absence of the legitimacy of Suharto's leadership leave him no choice but to step down, after more than three decades leading the country. The absence of strong and effective leadership in dealing with deep rooted problem of governance in the country has allowed massive violent to take place.²⁶ This marked the second cycles of bloody sucession in Indonesia. The first took place prior to Sukarno's step down, just before Suharto step in the presidency. The intensity and the scale of conflict and violent since 1998 has resulted in the mounting pressure for institutional transformation.²⁷

In this regard the newly elected member of the House of Representatives and People's Consultative Assembly begun to launch radical process of transformation. The locus of policy making largely shifted from bureaucracy to politician at the parliament. The well-trained bureaucrats or technocrats who usually responsible in policy-making lose their confidence. They no longer insistence on policy ideas they have and chose to adopt 'wait and see' strategy instead. The idea of control, to some extent, has been replace with participation.

Within less than a year newly drafted Act—which aimed at swinging the pendulum format of local government to the other end—was enacted. It was known as Act No. 22 of 1999. In the occasion of Constitution Amandment in the following years, state's obligation the engaged in the widest possible local autonomy was put in place. A number of modification of that Act was made through enactment of Act No. 32 of 2004. The Act and the constitutional mandate specifies the rules to guide transformation toward a more democratic as well as more decentralized governance. There has been widespread belief that decentralization is required to calm local discontent. The granting of special otonomy to two troubled provinces—Aceh and Papua—was meant to end problem of secession.²⁸

With regard to territorial refom, the new Act namely Act No. 22 of 1999 on local government driven a completely different political dynamic. It actually retains old and plain rule in that local government could be spit as well as to beamalgamated. The procedure to grant a status as new entity of local government was eased. *First*, initiatives should came from the local people and government. This rule set up a new frame that local are responsible in designing their own local government. *Second* there is no longer requires

²⁶Gerry Van Klinken, "Pelaku Baru, Identitas Baru: Kekerasan Antar Suku pada Masa Pasca Soeharto di Indonesia" dalam Dewi Fortuna Anwar et. al. (eds.), *Op. cit.* pages 91-116. See also Jaques Bertrand, *Nationalism and Ethnic Conflict in Indonesia*, Cambridge University Press, Cambridge, 2004.

²⁷Bertrand, *ibid.*

²⁸Agus Sumule (ed.), *Mencari Jalan Tengah: Otonomi Khusus Propinsi Papua*, Gramedia, Jakarta, 2003.

actual preparation in the form of transitory status for the would be new entity of local government. As far as the proposal for establishing new entity of local government is provided with adequate feasibility analysis, it could be easily granted. *Third*, the initiator could use either executive or legislature channels. Traditionally This is because central government grants new entity of local government through an Act. This imply that the approval of establishing new entity of government subject to approval from both House of Representative as well as the President. For some reasons, politicians in the House of Representative are more accommodative to the proliferation of local governments, meanwhile the president and its bureaucracy tend to minimize political huzzle made by politician. Eventually, more and more proposal for establishing new local government proceeds through legislature channel.²⁹

Act No. 22 of 1999 was replaced by Act No. 32 of 2004. In term of the split and amalgamation of local government it retained the point mention in Act of 22 of 1999. Hence it did not change the existing trend. Judging from the logic lays behind the scheme of establishing new local government, it appears that they both oriented both at pleasing the local. The way the policy-making works is practically the same to lincensing scheme. Policy-making process within this scheme apparently has been reduce to procedure for obtaining license, namely license to have a new set of local government. It this regard, there has been neither grand strategy nor maximun number of local governments that Indonesia ought to have.

President Suharto lived his presidency in 1998 with 27 provinces and some 225 Regencies/Municipalities. By Juli 2007 the number of provincial Indonesia has addition 8 provinces. They are the provinces of Banten, Bangka Belitung, Riau Archipelago, West Irian Jaya, Gorontalo, Souteast Maluku, West Sulawesi. Meanwhile there are 21 proposal awaiting of parliamentary debate, leading to the establishment of yet another provincial government. The feature of the ploriferation of regency and municipalities are even more impressive. The figure has increased from 225 to 570 units within a period of less than a decade. This, nonetheless has not exhaust other proposal fron having additional new regencies and municipalities.

Identity Politics

The previous section revealed the setting in which proliferation of local government took has been taking place. This section offers interpretation as to why it happens in the way it happens. The first part will identify the changing of opportunity structure within which proliferation of local governments appear to be favourable (in not the best option). The second part describes typical ways dan strategy employed by the involving parties to gain a

²⁹This statement was revealed by Dr. Ngadisah, Head of Research and Development, Ministry of Home Affairs, during discussion at Salatiga, 19 Juli 2007.

new entity of local government. The preference to proliferation of local governments and the way to gain the preference, to some extents, are framed by the prevalence of identity politics within the country.

1. *The Changing of Opportunity Structure.*

Description in the previous section indicated the adding up of local government entities as a measure of equipping the state with instrument to govern and serving its subjects. It indeed took place from time to time. It differs only in terms of pace, instead of occurrence.³⁰ The changing of the pace, is supposedly structured by the changing of opportunities left by the dynamic within of state-society relationship. The root of the structural change, in this regard is it the changing nature as well as character of governance, i.e; the way the state interrelate with the society.

There was attempt to construct state-society relationship within a framework of nation state. As the previous section indicated historical changing has lead nation state to transform itself into various direction. This is due to the difference in emphasize, if not competition between, state-building (to enhance statehood) and nation-building (to enhance nationhood). This apparently true in Indonesian case. During its early independence, the state putting emphasize on nation building envisioned by President Sukarno. This, however, does not means that there was no need for state building. Vice President, Muhammad Hatta, actually envisioned state building instead.³¹ There was a strong need to have much more local governments, but the state was severely constrained by the availability of resources. When Tjilik Riwut, the local hero of Central Kalimantan prepare the establishment of the capitol for the Province of Central Kalimantan in the 1950s, the other local leader were laugh at him. Why was that so? Because he start building the capitol in the middle of a jungle, and yet the money was not available. As time goes by, the capitol is now known as the Municipality of Palangkaraya. The point I want to make here is that, systematic measures for state building would be extremely expensive and the money was not there. Yet, the alternative, i.e; nation building, was not only much cheaper but still serve a strategic purpose.

Engaging in national building, in essence, is developing a new identity as citizen of the newly established independent state. For this purpose, the state and particularly President Sukarno, engage in numerous and meticulous social engineering. He sought common denominators which unites various ethnic group and religious affiliation which were scattered thought out a huge territory of the state. The most genius measure was the setting

³⁰Further more, this analysis is not question the total number of local governments, despite the fact it rises public concern already.

³¹Rocky Gerung, "Globalisasi, Etnisitas dan Tantangan Konsep Nasionalisme", in Th. Sumartana et. al. (eds.), *Nasionalisme Etnisitas, op. cit.*, page 15.

up the state's ideology: *Panca Sila* (the Five Principle).³² By doing so he demonstrated that the nation state his venture in national building lead to strengthening the base up which state building process departed.

Adding up more local governments, as Indonesian current history reveals, was a tricky issue. The commitment to efficiency and other considerations has led Sukarno to Achehness Moslem and Batakees Christian into one unit of provincial government: the Province of Northern Sumatra. Achehnesee leader, Daud Beureh, who was granted with unwritten promise from President Sukarno, surely felt betrayed. The province of Northern Sumatra eventually was split into two: the Province of Acheh and the Province of North Sumatra. Yet the conflict was not resolve involuntarily. The distrust to the national government, triggered resentment and even local rebellion, and conflict in Acheh had been prolonged up to recently.

The case of Acheh clearly demonstrate, developing an entity of local government have something to do with local identity. This was particularly so in the case of West Papua or Irian Jaya. Idea lays behind this is that local each government serves as an anchor for the existing the social grouping. In other words, given the fact that organizationally speaking the state set itself in several layers, the group confronts several choices: as many as the state has. The layers of government which relevant in this analysis, however, is the one which granted with autonomy.³³ What is that so? Anchoring collective identity of the local is not merely a matter of differentiate a collectivity from the other, but also a matter of making it functional. Only local government which are granted with autonomy is relevant for making the collectivity functional. There was no demand to have more Sub-District government, despite the fact that this layer of government granted with a particular territory and the Head of Sub-District responsible coordinating various sectoral agencies.

State ideas A state, whether or not it is a nation state, suffer from contradiction within itself. As Hoffman has clearly suggested, whatever institutional design the state chose, it has to bring together peculiar relationship of monopoly, legitimacy, territory and force.³⁴ The New Order state did survive for more than three decades, yet it end the power in such brutal way. The confidence in the power of the state eventually blind it selves with problem of legitimacy. Not only state building was ineffective, its lost legitimacy in territorial control, monopoly of resources (including national resources). The absence of Suharto's rule was perceived as opportunity to reverse the direction of Indonesian history. Fundamental and comprehensive change, known domestically as *reformasi total*, was a popular agenda. It also important to bear in mind though, the post Suharto Indonesia essentially is period of vacuum of predominating power which coincide with the peak of globalization. What Indonesia has been experiencing was not merely state in legitimacy

³²The five principles are: (1) Belief into One God, (2) Just and civilized humanism, (3) The unity of Indonesia, (4) People's deliberation, (5) Social justice for the entire Indonesian.

³³The layers of central government office which operates at local level is irrelevant.

³⁴Hoffman, *op. cit.* page 47..

deficit but also global agenda for delegitimizing state's predomination. The idea of human right, participation, autonomy and so forth—which represent the prevalence of liberal thought—has been appealing alternative to state-promoted discourse such as serving the nation, collective responsibility, and so on.

The proliferation of local governments signify the participatory nature of policy-making in Indonesia. Participatory policy-making take place not merely of any issue, but on deciding the fate of the state. When we talk about participation, we usually mean the the state in the position to decide whatever policy it is. We are now witnessing a participatory process in within which the state is a subject matter to be decided. The fate of the state, whether to proliferated or not, is decident by central government in response to local initiative or proposal. Obviously, the policy-making at issue here is quite important since it, in turn, affect the fate of participation itself. The proliferation of local government in Indonesia represents the reverse of the political game in response to the crisis of legitimacy of central government in performing in performing a cenralized policy making.

Decentralization manifest in twofold. *First*, local governments are granted with a great deal of autonomy vis a vis the central government, as new law on local government was enacted³⁵ and constitutional mandate was for doing so was made explicite.³⁶ Secondly, allowing process of proliferating local governments to take place. In this regard, there are local nationalism—apart from national nationalism—each of them demand for recognition and effective control over the state. The process has not been toward a new Indonesia within which each unit of local nationality shares a confined territory up on which it capable to exercise control over the state at a local level.

Decentralization creates a form of dispersed power. In a way, it could be seen as part of liberal reform.³⁷ The proliferation of local governments take place simultaneously with other form of liberal reform establishing liberal political order embedded within the process of globalization.

Transforming Nation-State.

Colloquially, the notion of 'state' referes to the idea of 'nation-state'.who refers of organization which monopolize the use of force—usually goes together with the idea of nation or nationhood. Paul Gilbert even characterize nation as “a group which, *ceteris*

³⁵Not long after Suharto's step down from his Presidency, Law No. 22 of 1999 on Local Government was enacted. Albeit retain the agenda of decentralizing the state, the Law was modified in 2004 through the enactment of Law No. 32 of 2004.

³⁶ Second round of Amandment of the Constitution, namely in article 18 specifically state that “Provincial governments, Regencies and Municipalities self managing governmental affairs along with the principle of autonomy...” and “local governmentsare granted with extensive authonomy in managing government affairs, except otherwise specifically stated as responsibility of cenrtal government”.

³⁷B.C. Smith, *Decentralization: The Territorial Dimension of the State*, George Allen & Unwin, London, 1985.

paribus, a right to independent statehood by virtue of being the kind of group it is".³⁸ Then notion of nation-state implies that, state not only capable but also legitimately serve as collective identity of its citizens. Despite the fact that nation-state is problematic in its notion, it was so powerful in blending diverse identity of its individual citizens. It even claims to serve, and capable to gain legitimacy to act, as instrument to serve the interest of the public.

Decolonization process following the World-War II have gave birth to numerous new states, including Indonesia. Institutional (legal, organizational and administrative) set up of the newly born state were not merely inspired by, but also obsessed to reproduce, institutional design prevailing in colonizing countries. Prominent leaders of the newly established state, such as Sukarno took independence seriously, indeed. They even mobilize hostility toward the colonial rule. Being a new state means to have exactly the same institutional design of the state. The design is well-known as nation state; within which one state contains one nation.

In many cases, there more than one kind of nationalism to exist in a particular state territory. For this reason, new form of nationalism—the so-called civic nationalism—was mobilized. Along with the institutionalization of liberal democracy, the idea of citizenship meet the requirement to let the idea of nation-state to prevail. The point I want to make here is that, nationalism was subject to some sort of reconstruction to make sure state to prevail.

Under the leadership of President Sukarno, Indonesia seriously engaged in the process of nation-building. The former territory of Dutch colonial rule was meant to be territory of the state. Aware of the existence of various facets of nationhood to exist within the territory, the unifying jargon—unity in diversity—was put in place.

The nature of the problem is set by the acceptance of incoming wave of democratization, which in fact operationalize the principle of liberal governance.³⁹ Democratization was place at top the agenda of reform. But in this regard, there one thing to bear in mind, the notion of democracy actually refers to the idea of liberal democracy. The fact that the reform was possible only during the state of crisis, and the main spirit of the reform was the end authoritarian rule indicate that the state in fact bound to left the decision to whoever win public support.

Obviously, the question is how do we comprehend process of change? The notion of reform requires careful qualification, as it the state in fact has no control over it selves, let alone over the society. Everyone, basically is in favour to reform; but everyone have their own definition of what the reform really is. For this reason its important to bear in mind that the

³⁸Paul Gilbert, *The Philosophy of Nationalism*, Westview Press, Boulder, 1998, page 19.

³⁹The underlying idea behind the reform has been to minimize the role of the state, including in the main pillar of New Order government—the military and the bureaucracy. In fact, the agenda of reform was to curb military engagement in politics and ensuring that bureaucracy is led by elected officer. For this reason, general election considered as prerequisite for further changing.

notion of reform, in fact is not based on a predetermined design. It is not more than the product or consequence of negotiation among competing groups. Can not treat the the reform as usual notion policy process given the fact the idea of reform itself is not easy to agree on. For the reason it is save to sugest that the direction of the change depends on the way the public undestand the state.

The hart of the problem here is not merely the fate of the rulers. Moreover, at issue here is not merely the fate authoritarianisme in Indonesia. Instead, the very nature of the problem in fact the choice to establish authoritarian rule but also the basic design of the state institution which typically framed as a nation-state.*