

Proceeding
the 2nd Indonesia Next Conferences

Building the Blue Print of Indonesia State

...A thought from Canberra

Edited by
HENDRA YUSRAN SIRY



PERHIMPUNAN PELAJAR INDONESIA AUSTRALIA
CANBERRA, AUSTRALIA

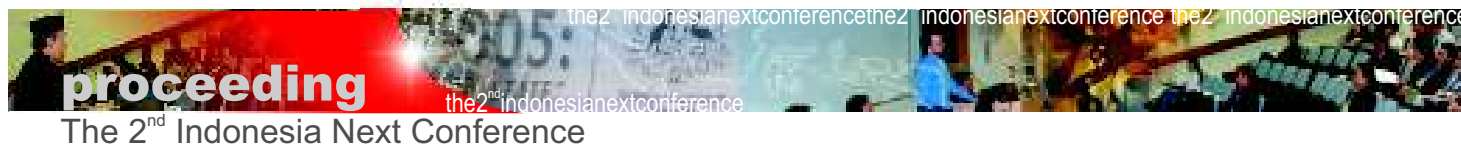
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Acknowledgement

This Digital Video Disk (DVD) and its proceeding are result of the 2nd Indonesia Next Conference on 'Building the Blue Print of Indonesian State', held on 13 – 14 May 2005 at the Australian National University (ANU). We, the PPIA, have interpreted this topic broadly, examining major policy issues on how to build better Indonesia (Indonesia yang lebih baik). Our aim after this conference has been to produce the compilation of all papers and presentations during the conference in electronic and book formats, and make them accessible to general readership.

There are a number of organization and people involved to make the conference and the publications of this DVD and proceeding possible. I wish to place on record my thanks to the conference speakers, and chairs, some of whom have made quite long journey to Canberra from Indonesia and elsewhere to experience Canberra's autumn. I am especially grateful to Bapak Dr. Hidayat Nur Wahid, the Chairman of People Consultative Assembly/MPR, for taking the time off from his demanding schedule to participate in this conference, both to deliver his keynote speech and to conduct a series of discussion at several PPIA chapters and branches including Sydney, Melbourne and Perth. I am also indebted to the speakers and contributors of this proceeding, who have met deadlines for this publication amongst their other challenging responsibilities.

On behalf of the conference committee, I would like to thank to the Australia Indonesia Institute (AII), the Australian Agency for International Development (AusAID), P.T. Bank Mandiri, Tbk, and the Australian National University (ANU), which have kindly supported our conference and being principal financial sponsors. I also thank the Department of Education, Science and Training (DEST) for funding some of in-country speakers travel expenses. I would like to thank the Indonesian Embassy Canberra for its supports and contributions on Dr. Wahid' visit and the Indonesian Night event.

Prof. James Fox, the Director of Research School of Pacific and Asian Studies (RSPAS) at the ANU, has been a major source of encouragement as he provided valuable thoughts, advises, even financial supports to ensure successful delivery of the conference. Mr. Yudhi Wahdi, the Education and Cultural Attaché at the Indonesian Embassy Canberra, was a referee for this conference, and provided moral and material support to the conference.

The conference was supported by dedicated committee members and volunteers that I would like to express my special thanks and highest appreciations. They have hand-in-hand worked together during their demanding tasks and assignments to make the conference possible.

I particularly thank the Conference Steering Committee; Velix Wanggai, Bima Arya Sugiarto, Della Temenggung, Mokhamad Mahdum and Firman Noor for their advice, in depth discussion and support during and after the conference. Last but not least, my appreciation goes to Yopi Fetrian and Zatriawan for their excellent works in media design of this DVD and proceeding.

HENDRA YUSRAN SIRY

Conference Convenor
Canberra, June 2007

Foreword

What of the Indonesian future in post-reformasi era? Perhimpunan Pelajar Indonesia Australia (PPIA) recognizes the complexities surrounding this question, especially because it revolves around expected changes toward a better future of the country. This question was the main focus of the PPIA biennial event, the 2nd Indonesia Next Conference in May, 2005.

The Indonesia Next Conference is a new tradition of the PPIA. It was initially introduced in Adelaide in 2003 as an academic forum to build synthesized thoughts from different perspectives of young Indonesian scholars. We were delighted to have one of our national gurus, the late Dr. Nurcholis Madjid, delivered his keynote speech at our first Indonesia Next Conference, held just before the presidential election in 2003.

At this 2nd Indonesia Next Conference, PPIA aimed to integrate thoughts from young Indonesian scholars in Australia and examine their insights on Indonesia's future. We invited scholars from various disciplines to discuss viable solutions for the future of the Indonesian state. This was intended as our contribution to building a blue print of Indonesian development. We at PPIA compiled these scholars' presentations and presented them in the form of Digital Video Disk (DVD) and copies of proceeding for wider public use, with a hope to ultimately influence Indonesia's future direction of development.

The encouragement and hard work of many people have made this conference possible, the DVD and conference proceeding available. On behalf of the PPIA and the Conference Steering Committee, I am delighted to thank all involved in this collaboration, which have resulted in a successful conference, followed by an outstanding presentation of the DVD and conference proceeding.

My highest appreciation goes to Hendra Siry, the Conference Convenor, for his excellent leadership and managerial skill in successfully conducting the 2nd Indonesia Next Conference and delivering conference outputs in the DVD and book formats. Hendra has worked hard and smart in organising the conference, facilitating me in achieving the mandate as the PPIA Secretary General during

this period. Hendra has carried out ongoing responsibilities after the conference by preparing this DVD and conference proceeding together with Yopi Fetrian.

I would like to thank all sponsors for making this conference possible; the Australia Indonesia Institute, AusAID, Australian National University, Bank Mandiri, and Department of Education, Science and Training. I would also like to acknowledge the contribution of the Indonesian Embassy, valuable references from Prof. James Fox and Mr. Wahdi Yudhi, and hard work from all members of organizing committee in making it feasible.

Finally, I hope the result of the 2nd Indonesia Next Conference, presented to you in this DVD and conference proceeding, can complement sources of information on Indonesian discourses. This is PPIA's contribution for better Indonesia.

VELIX V. WANGGAI

PPIA Secretary General 2004–2006

Canberra, June 2007

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1. Introduction

Hendra Yusran Siry¹

The post-reformasi era in Indonesia that produced radical policy reforms and wide-ranging changes and pressures, provided a momentum to reflect on, and critically assess the pathway to its future. This momentum challenged the Indonesians to explore the way to build a better Indonesia (Indonesia yang lebih baik). In order to facilitate the critical and important thoughts on changes for the better of Indonesia, the Indonesian Student Association of Australia (Perhimpunan Pelajar Indonesia Australia/PPIA) conducted the **2nd Indonesia Next Conference** on 13 – 14 May 2005 in Canberra.

The idea for the conference was to synthesize critical views from young Indonesian scholars in Australia, and examine their insights on Indonesian future. The first Indonesia Next Conference was initiated in Adelaide in 2003 to provide a forum for sharing discourses and thoughts among academics, students, and Indonesianists, with an intention to share the results with the Indonesian government.

The purpose of this chapter is to introduce and produce lessons learned from papers and presentations presented at the **2nd Indonesia Next Conference**. There are ten complete papers and presentations, and ten other compilations consisting of combined abstract and PowerPoint presentation, abstract and paper, and abstract only. All materials presented in this proceeding, however, are in limited editing process, both language and style, due to limited resources available. Furthermore, all papers and presentations in this publication are those of the authors, and are not those of the PPIA. The PPIA believes this proceeding will serve as one of contribution thoughts for achieving better Indonesia.

The Organization of the Proceeding

This proceeding is a compilation of papers and presentations from the conference that incorporates analysis on political parties and parliament, role

of ideology, national identity, political leadership, science and technology and women's status in Indonesian society, as well as trends in economic directions and visions for the future. The purpose of each chapter in this proceeding, although distinctive in style and methodology, is evident. This proceeding therefore houses a myriad of themes. There are four themes presented and they include (i) politics and governance, (ii) economics and business, (iii) science and technology (iv) social and cultural aspects. These divisions also determine the set of this proceeding. If there is a benang merah, an underlying current, it is the Indonesia's post reformasi efforts for the betterment of Indonesia.

The Politics and governance section contains (i) transcripts from the conference keynote speaker, Dr. Hidayat Nur Wahid, and Prof. Andre McIntyre, (ii) papers from Ed Aspinall, Bima Sugiarto and Mangadar Situmorang, and (ii) PowerPoint presentations from Bima Sugiarto and Mangadar Situmorang. **The Economics and business section** consists of (i) abstracts and PowerPoint presentations from all panel members, and (iii) papers from Max Pohan and Ikhsan Modjo. The **Science and technology section** presents a set of complete papers and presentations from all panel members. This section is also a combination of three policy papers and case studies. The **Social and cultural aspects section** consists of a combination of abstract only (2), abstract with PowerPoint presentation (1), complete papers with PowerPoint presentations (2), and two contribution papers from Dr. Iwu Utomo and M. Wayong.

Politics and Governance

Dr. Hidayat Nur Wahid' keynote speech (in Bahasa Indonesia) canvassed on how difficult it is to build the blueprint for a better Indonesia. Dr. Wahid emphasized the importance of strong commitment and optimism in building the pillars of better Indonesia. The reformation of Indonesian political system on executive, legislative and judicative bodies is the key element to achieve this goal.

He then explained that the amendment of the Indonesian Constitution (UUD 1945) provides legal and constitutional supports for *reformasi* efforts. Indeed, he stressed out that it is an integral part of *reformasi* process to achieve what is

wanted for the country. He pointed out some brief amended articles of the constitution that ensure the basic principles for a stronger nation.

For him, the future of a better Indonesia is not a dream. It is an achievable task. There are several pathways to build a better Indonesia, such as ensuring a vital role in the international arena (e.g. Non-Aligned Movement, Sciences Olympic and high-level dialogues). These should be incorporated with our domestic potencies to become a more democratic and stronger nation. He then highlighted that these combination will be meaningless, unless the Indonesian leaders are in the frontline of this process of reformation, and being role models (*teladan*) to the rest of their country men.

Andrew McIntyre in his speech reflected on the prospect of Indonesia's political reform. Andrew' discussion focused on the issue of corruption and pointed out that this is the classic and most fundamental problem in a political and governmental reformation. Corruption is now widely spread into the local levels of government structure that it has become more destructive and discouraging for the business climate. To deter this problem, it requires willingness to change, political commitment and consistent efforts from the key stakeholders within the structure. Missing even one of these factors will discourage public trust and destroy efforts to achieve a better Indonesia. Andrew then proposed two important points for political and governance reform in Indonesia; (i) keeping the government on the right tracks and goals, and (ii) being optimistic on Indonesia's future.

Edward (Ed) Aspinall followed in Chapter 4 with a comparative analysis between the current Indonesian transitions to democracy with Indonesia's past experience. He took a setting of Indonesia under the constitutional democracy in the 1950s with the declaration of martial law in 1957, and compared it with the present time. He pointed out that the key difference between the two periods is that there is now a much lower level of ideological conflict, and only few viable alternatives to the present system. Like Andrew, Ed was also concerned about the level of corruption and government effectiveness to solve it, which is again another similarity that are obvious from these two periods. With efficient public political discourse, and legal and constitutional frameworks to fight against corruption, the resilience of the new

Indonesian democracy will be on the right track.

In Chapter 5, **Bima Sugiarto** presented his analysis on the progress of Indonesia's political change with a focus on the dynamics of internal conflict within the three main parties, Golongan Karya (*Golkar*), the Indonesian Democratic for Struggle (*PDIP*) and the National Mandate Party (*PAN*). He presented each party's structure, culture and actors in the process of party reform in Indonesia. Bima argued that the structures, cultures and actors of the party reform have gone through a transformation. He also outlined paradoxes of political elites during the reform process, those who can promote and at the same time, abuse the process of democratization depending upon their goals and choices.

Mangadar Situmorang drew on the political conflicts that are strongly associated with one, or a combination of issues including the Javanese hegemony, the Islamic dilemma, and the national authoritarian political systems. He asserted that these phenomena occur in the absence of less-established institutions, and lack of understanding of contemporary political conflicts. It has become worse when sets of value systems (cultures, religions, and politics) are translated and implemented into political movements, with lack of practical orientation and comprehensive understanding of the systems themselves.

Economic and Business

Max Pohan encapsulated the current legal and formal processes in establishing a national development blue print. He presented the Indonesia's Medium Term Development Strategy (2004-2009), which consists of three important agendas; (i) creating a safe and peaceful Indonesia, (ii) creating a democratic society, and (iii) improving welfare. He emphasized the fact that the strategy adopted the vision, mission, and platform of the president elect, and with reference to the long term development plan.

Reza Siregar in his presentation discussed challenges for the national bank (*Bank Indonesia*) in dealing with high external debt level, and the bank's macro economy policy reforms. He argued that to achieve sustainable economic

growth in the future, Indonesia needs same basic pre-condition of pre-1997 rapid economic growth.

Ikhsan Modjo in his discussion questioned the validity of the rhetoric presented as the real cause of strong market resistance in Indonesia. By examining the nature of the role of the government in the state economy, Ikhsan proposed the adoption of a more direct approach for policies in income distribution and social welfare. He argued that his proposal can avoid huge transaction costs and discretions.

In her presentation on Foreign Direct Investment (FDI), **Della Temenggung** described the presence of technology spillover from FDI is more as a result of the dissemination of modern technology, rather than formal technology transfer arrangement. Della argued that the spillover from FDI is dependent upon local firms and host country specific characteristics, such as: host country absorptive capacity, trade and investment policies. Having examined Indonesian current policies in relation to the FDI, she proposed a strengthening policy planning and coordination of the FDI in order to attract the FDI and gain significant benefits from the presence of FDI.

Science and Technology

Rosmalawati Rusman presented the Medium Term Development Plan of the National Science and Technology Policy 2004-2009 (*RPJM 2004-2009*). She asserted that science and technology in Indonesia considered as one of the most vital driving forces for economic growth. However, the current status of science and technology competitiveness in Indonesia appears to be at its low level. There is a serious agenda and reform needed to be done to enhance science and technology in the country.

Mulyoto Pangestu analysed the problem in Indonesian research arena specifically in science and technology. He was in the opinion that it requires more government involvement and support. The involvement should be more than just a good will. It needs government policy on proportional budget allocation, auditing system for research project and research institutes, and supporting system on research staff recruitment. He proposed a reform on

research regulations, taking the example of custom deregulation for material, chemical and biological supplies.

Marcelinno Pandin discussed the Indonesian absorptive capacity (ACAP) on science and technology. This capacity plays a vital role in recognising the value of new, external information in the form of best practices available in the global market. By assimilating this capacity, a country can benefit through its application in the commercial world. Marcelinno's analysis on the ACAP as a dynamic capability demonstrated that Indonesia is still in its early stage to develop its capability. This situation is rooted back to the fact that quite a long time is spent on the development of the potential ACAP, only without any effective policy implementation. He stressed the fact that Indonesia needs to develop its ACAP without necessarily falls into windows of collapse. Indonesia should reform its budget spending and technological investment from APBN (state budget), or private sector budget to increase the level of the intended national science and technology capability and productivity.

Tjipto Prastowo's case studies in Chapter 14 present the Indonesian Through-Flow (ITF), a system of surface currents flowing from the western Pacific Ocean through numerous straits and sills within Indonesian seas into the Indian Ocean. This currents system plays an important role both at the regional and global scales. By using an experimental laboratory, Tjipto predicted the mixing in the deep overflows, as well as developed an understanding of the dynamics of exchange flows between water bodies such as estuaries, marginal seas and the open ocean. He discussed possible applications of the experimental results to the Indonesian sea settings.

Social and Cultural Aspects

Arsekal Salim discussed the future of the Unitary State of Indonesia (*Negara Kesatuan Republik Indonesia/NKRI*) in light of the increasing efforts to unilaterally confine to the national identity. He pointed out that the Indonesia National Unitary State, however, was soon overshadowed by the rising inclination to have Fragmentary States. His observation on particular legal system that differentiates citizens based on their religions proves to be how the religious blocks endanger the unity and harmony among the Indonesian

citizens. He offered a solution by looking at several possible compromises that may lead to the creation of a consensus among the Indonesian people.

Amrih Widodo sketched the development of consumer culture in Indonesia. His discussion analysed the production, distribution and consumption of popular culture as important sites for identity formation and construction of social imaginary. He argued that the creation, interpretation and representation of national and religious identity in the Indonesian film industry and Moslem fashion, have led the Indonesian society into an imaginary selfhood, community and nation. He continued to portray the implications of these on the state-society relations, cultural policies, and relationships between belief and everyday practices.

John Suprihanto provided his analysis on his vision for Indonesia in Chapter 15. He discussed the cause and effect in constructing a scorecard in order to encourage a more dynamic system in managing individuals within an organization. He proposed a performance management system as part of the Indonesian government management reform.

Wahdi Yudi compiled and analysed the cultural dimension of the Australian and Indonesian values. He presented the cultural differences between the two countries by using data from the 1970's and 2003. He argued from the presented data that the relationship between Australia and Indonesia will continue to stay in an everlasting bond of friendship, since the cultural gap between Indonesia and Australia does appear to be narrowing. He then pointed out that the two nations become more culturally compatible in many ways.

Haidar Bagir discussed the national identity, pluralism, and the development of self reliance-oriented education. He argued that the national identity is a key element for our national integrity, and similarly the strengthening of national integrity is crucial to preserve national unity. He emphasized that the strengthening of national identity is more important for a country with territory, population, as well as ethnic, cultural, linguistic, and religious diversity as big and rich as Indonesia's. With such diversities, Indonesia needs to develop a pluralistic attitude toward other groups of people, mutual

understanding and tolerance, even appreciation and mutual cooperation between people. To achieve this goal, education is a critical factor. Education can be the medium to strengthen national identity and preserve social and cultural richness and diversity.

Muhammad Wayong discussed the Indonesian efforts in addressing issues affecting women in education in Indonesia. He examined (i) the government priorities in educational development chronologically, (ii) the assessment on past and current educational experiences of women in Indonesia, and the comparison between male and female's access to education, and (iii) the educational policy with respect to women's empowerment. He argued that gender disparity in education in Indonesia is still very wide, particularly in rural areas. This situation remains mainly because of patriarchal culture, which has been in many communities for centuries. He pointed out that many government educational programs are culturally male dominated/oriented, which further deepen the gap between the two sexes. He then recommended the non-biased gender in educational system through intensive socialization program for the Indonesian communities and separate literacy target for women, particularly in rural areas.

Iwu Utomo analyzed the development of Indonesian socio-cultural, religious and political settings of reproductive health education and services for young people. She discussed the failure of the very conservative approach of the Indonesian government on the prevention of the increasing sexual transfer diseases (STDs) and HIV/AIDS. She withdrew some lessons learned from the Australian's programs on reproductive health education. She proposed to change the Indonesian government treatment on these issues as a public concern in order to avoid under-served young people specifically on their reproductive health. By having this paradigm changed, she argued that number of the under-informed, marginalized and disadvantaged young people in this sector can be further reduced.

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2. Tantangan dan Peluang dalam Mengagas Visi dan Cetak Biru Bangsa Indonesia Masa Depan: Sebuah Pemikiran Mengelola Masa Transisi Menuju Masyarakat Madani

Dr. H.M. Hidayat Nur Wahid, M.A ¹

Menggagas sebuah 'blueprint' tidaklah mudah. Sebagai contoh, Bappenas membutuhkan waktu lebih dari dua bulan untuk membangun blueprint bagi pemulihan kembali Aceh dan Nias. Disamping itu, dibutuhkan juga komitmen untuk membuat terobosan dan langkah yang kontributif. Walaupun komitmen tidak menyelesaikan masalah secara langsung, komitmen mewujudkan adanya harapan. Hal ini sejalan dengan pepatah dari Ibnu Kaldun bahwa bangsa akan mati jika tidak mempunyai harapan. Jika bangsa Indonesia tidak mempunyai harapan, bagaimana Indonesia akan berkontribusi baik terhadap warga negaranya maupun terhadap dunia ? Tidak adanya harapan membuat keadaan menjadi lebih sempit dan mencemaskan hingga cara berpikir pun juga menjadi tidak sehat dan mencemaskan. Misalnya, terorisme dan ekstremisme muncul dari pihak-pihak yang berada dalam kecemasan.

Adanya harapan dalam kehidupan bangsa Indonesia digambarkan secara jelas dalam konstitusi Indonesia melalui :

- Pembukaan UUD 1945 yang tak terpisahkan dari konstitusi. Dalam Pembukaan UUD terdapat pernyataan 'Kemerdekaan adalah hak segala bangsa'. Dengan demikian bangsa Indonesia menolak segala bentuk penjajahan. Keberadaan bangsa Indonesia juga tidak untuk mengancam negara lain ataupun menjajah bangsa Indonesia sendiri. Kehadiran bangsa Indonesia dimaksudkan untuk mewujudkan kesejahteraan, kesatuan, dan keadilan bagi seluruh komponen bangsa Indonesia.
- Kemerdekaan Indonesia tidak semata-mata ditujukan untuk kepentingan bangsa Indonesia sendiri dan berkuat dengan permasalahan dalam negeri saja, namun juga ikut aktif berperan serta dalam peradaban dunia. Hal-hal tersebut tentunya memunculkan harapan.

- Pasal 37 yang membuka peluang adanya amandemen terhadap UUD. Kehidupan bangsa yang tidak matematis membutuhkan konstitusi yang memungkinkan dinamika sejalan dengan interaksi di dalam dan ke luar.
- Amandemen penting yang sudah dilakukan antara lain pembatasan terhadap masa jabatan kepala negara. Dimasa Orla dan Orba dimana jabatan presiden tidak dibatasi, kemajuan bangsa menjadi terhambat. Di kawasan ASEAN, Indonesia termasuk negara yang paling lama merdeka, mempunyai sumber daya alam paling kaya, dan sumber daya manusia paling banyak namun masih banyak tertinggal dibandingkan negara ASEAN lainnya.
- Dengan adanya pembatasan terhadap masa jabatan presiden, pergantian pimpinan pun terjadi dan tiap mantan presiden harus mempertanggungjawabkan setiap kebijakan yang diambil selama masa pemerintahannya.
- Pasal 28 yang berkaitan dengan hak asasi manusia. Pasal tersebut bukanlah sebagai respon atas trend dunia namun ini menandakan adanya kesadaran yang mendalam bahwa kita hadir sebagai masyarakat yang bermartabat dan berdaulat. Hal ini sejalan dengan kaidah dalam politik Islam bahwa kualitas rakyat menentukan kualitas pemimpinnya. Rakyat yang bermartabat tentunya akan memilih pemimpin yang bermartabat pula.
- Pasal 31 yang berkaitan dengan pendidikan nasional. Pasal ini ditujukan untuk menghadirkan masyarakat yang bermartabat dan terhormat yang memiliki EQ (emotional quotient), IQ (intelligence quotient), dan SQ (spiritual quotient) yang tinggi.
- Pasal 33 dan 34 yang berkaitan dengan kebijakan ekonomi dan sosial baik untuk warga negara Indonesia dan Pemerintah.
- Prinsip : Indonesia adalah negara hukum. Hukum yang tidak dapat ditegakkan merupakan suatu masalah, namun akan lebih bermasalah lagi jika tidak ada hukum. Hukum memastikan adanya koreksi dan

pengawasan. Harapan akan muncul jika pola hubungan antar warga didasarkan atas hukum.

- Prinsip kedaulatan rakyat dimana hak untuk membuat UU tidak lagi berada di tangan Pemerintah namun di DPR. Rakyat yang berdaulat juga diwujudkan dalam pemilihan presiden secara langsung.

Selanjutnya, masa depan bangsa Indonesia ternyata masih bisa diharapkan melalui berbagai hal:

- Suksesnya penyelenggaraan KTT Asia Afrika. Hal ini menandakan Indonesia masih diharapkan keberadaannya oleh negara-negara lain. Jumlah negara yang hadir mencapai tiga kali lipat jumlah peserta KTT 1955. Malaysia dan Singapura sebagai negara yang lebih maju dari Indonesia pun hadir. Selama penyelenggaraan KTT, terdapat beberapa kesepakatan penting misalnya antara PM Jepang dan Presiden Cina, antara PM India dan Presiden Pakistan berkaitan dengan masalah Kashmir. Mereka dapat berdialog secara terbuka dan nyaman di Indonesia;
- Masih tersedianya potensi sumber daya alam yang memadai untuk dieksploitasi dan dieksplorasi;
- Kualitas sumber daya manusia yang masih bisa bangkit. Misalnya, baru-baru ini beberapa siswa Indonesia memenangkan Olimpiade Matematika;
- Sekalipun masih ada pesimisme terhadap penanganan korupsi, harapan tetap muncul. Memang banyak hal perlu diperbaiki namun beberapa kebijakan mengarah pada kemajuan. Misalnya, Presiden telah menugaskan BPK untuk mengaudit kantor kepresidenan, wakil presiden dan Sekretariat Negara.

Semua prinsip di atas merupakan dasar untuk mewujudkan '**blueprint**' dalam penyelenggaraan kehidupan bangsa Indonesia.

Tanya Jawab

Pertanyaan:

Harapan akan masa depan Indonesia yang lebih baik diformulasikan juga dalam pemilu. Namun harapan tersebut sedikit terganggu dengan adanya kasus korupsi di KPU, Aburizal Bakrie dan Yusuf Kalla. Apakah harapan tersebut masih bisa dipertahankan ?

Jawaban :

Proses tersebut sesungguhnya manusiawi dan rasional. KPU kita hargai karena telah berperan serta atas penyelenggaraan pemilu yang berjalan dengan baik. Namun jika ada penyimpangan dan kesalahan, kita tidak boleh menutup mata karenanya. Penanganan atas penyimpangan ataupun kesalahan itu kita serahkan sepenuhnya kepada penegak hukum. Hukum sangat penting dalam proses koreksi dan rehabilitasi. Disamping itu, yang bersalah dalam hal ini adalah oknumnya bukan institusinya. Sehingga hasil pemilu tetap kita terima dengan baik dan kita hargai.

Pertanyaan:

Amandemen yang dilakukan selama ini hanya menyentuh pasal-pasal dalam batang tubuh UUD. Apakah ada kemungkinan dilakukannya amandemen terhadap pembukaan ? Hal ini terutama yang berkaitan dengan tujuh kata dalam Piagam Jakarta. Apakah ada kemungkinan penegakan syariat Islam? Bagaimana tanggapan Bapak jika Bapak dicalonkan sebagai presiden pada Pemilu 2009 ?

Jawaban :

Amandemen memang tidak menyentuh pembukaan. Ini sejalan dengan kesepakatan bahwa pembukaan UUD dan bentuk negara kesatuan tidak diubah. Secara tekstual, amandemen terhadap pembukaan dapat dimungkinkan namun jika merujuk kembali kepada kesepakatan tersebut, hampir tidak ada kemungkinan ke arah sana. Hal ini juga untuk merealisasi negara kesatuan.

Memang sempat ada polemik tentang usulan untuk mengubah pasal 29. Sebaiknya kita tidak perlu menyita waktu dan tenaga untuk berpolemik. Masih

banyak problem dan masalah lain yang lebih membutuhkan perhatian seperti sumber daya manusia yang rendah, kemiskinan, korupsi. Jika agama kita laksanakan dengan baik, tentunya ini akan memberikan dasar untuk mencari solusi terhadap masalah-masalah tersebut.

Mengenai jabatan presiden, saya sudah dua kali menjadi mantan presiden yaitu mantan presiden PK dan PKS.

Pertanyaan:

Di Indonesia, management and transparency pada grass root level masih sulit untuk dilakukan. Masih banyak hal yang belum bisa dilaksanakan secara transparan karena adanya gray area. Untuk kasus KPU seharusnya ada aturan jelas tentang sumbangan/donasi terutama identitas penyumbang dan tujuan penggunaan sumbangan tersebut.

Jawaban :

Memang harus kita akui bahwa masih banyak yang belum transparan namun perkembangan tetap ada. Mengenai sumbangan, sudah ada aturan bahwa untuk jumlah di atas Rp 5 juta harus disertai dengan jelas nama penyumbangnya. Demikian juga untuk laporan kekayaan pejabat negara, masing-masing aset harus disertai surat resmi kepemilikan. Bagaimanapun juga proses ini tetap perlu diawasi untuk meningkatkan kualitas penyelenggaraan negara.

Pertanyaan:

1. *Berkaitan dengan wacana pengampunan terhadap mantan presiden Soeharto yang dikemukakan oleh Gus Dur dan penghapusan Tap MPR 11/1989. Bagaimana tanggapan Bapak ?*
2. *Gus Dur juga berpendapat bahwa proses pengampunan itu harus konsisten, tidak hanya berlaku untuk Soeharto saja. Bagaimana sikap MPR terhadap proses rekonsiliasi peristiwa 1965 ?*
3. *Berkaitan dengan peristiwa Ambon, Poso, dst menunjukkan bahwa SQ kita masih rendah. Perangkat apa yang bisa digunakan untuk meningkatkan SQ ?*

Jawaban :

1. Sikap Gus Dur itu bijak. Proses penegakan hukum dijalankan lebih dulu. Jika kemudian ada pertimbangan lain mengingat kondisi beliau, hal ini manusiawi saja. Namun kondisi ini tidak dapat dijadikan model untuk yang lain. Seorang pejabat tidak bisa begitu saja menghindar dari tanggung jawab hukum dan berlindung di balik jasa-jasa yang pernah dia lakukan. Hukum harus tetap ditegakkan.
2. Pada periode kepemimpinan Amin Rais di MPR, belum ada perubahan terkait dengan Tap MPR 1965. Hingga saat ini juga belum ada usulan peninjauan ulang peristiwa 1965.
3. Banyak pihak menginginkan supaya peristiwa Ambon tidak dikaitkan dengan masalah spiritual.

Pertanyaan:

Berkaitan dengan masalah warga negara Indonesia keturunan Cina yang tidak kunjung selesai. Walaupun mereka sudah lama tinggal di Indonesia dan bahkan menjadi warga negara Indonesia namun hak-hak mereka belum sepenuhnya diberikan. Tentunya ada keinginan dari mereka untuk bisa sama dengan warga negara lainnya.

Jawaban :

Presiden Susilo Bambang Yudhoyono telah menginstruksikan untuk meninjau kembali segala UU yang diskriminatif. Proses ini sedang berjalan. Tentunya kita berharap bahwa transparansi ini akan memudahkan kita untuk mencari solusi bukannya menambah kontroversi.

Pertanyaan:

Sejak adanya otonomi daerah, banyak terjadi pemekaran wilayah dan tentunya menambah jumlah pejabat struktural. Sepertinya yang terjadi bukannya pemerataan pembangunan namun pemerataan jabatan. Selain itu, banyak mantan anggota DPRD yang dimejahijaukan.

Jika ada hak asasi manusia, tentunya juga ada kewajiban asasi manusia.

Jawaban :

Konsep dasar otonomi daerah tidaklah untuk pemekaran jabatan dan korupsi namun bagaimana agar daerah bisa 'termekarkan' dengan baik. Tentunya pembagian wilayah harus menciptakan keadilan dan kesejahteraan bagi rakyat di wilayah tersebut. Dengan demikian otonomi daerah menghadirkan tanggung jawab.

Memang secara eksplisit kewajiban asasi tidak pernah disebutkan. Namun hak asasi manusia paralel dengan kewajiban asasi. Misalnya pada pasal 28 UUD, terdapat kewajiban untuk tidak melanggar hukum, tidak melanggar norma, dst. Kewajiban asasi itu terkandung dalam hak asasi itu sendiri.

Pertanyaan:

Label partai Islam atau non Islam tidak penting lagi. Yang lebih penting itu artikulasi politiknya. Apa artinya ? Yang disebut dengan menjaga martabat bangsa itu bagaimana ? Misalnya berkaitan dengan kasus Ambalat, apa yang harus dilakukan ?

Jawaban :

Sejarah partai politik di Indonesia menunjukkan bahwa bukan hanya partai berasaskan agama yang ditinggalkan publik namun juga partai yang tidak berasaskan agama. Partai berasaskan agama yang tidak menjalankan agama dengan baik tentunya akan ditinggalkan publik. Sebaliknya jika ada partai yang tidak berkiblat pada agama tertentu namun mau memperjuangkan nilai-nilai kebenaran yang universal tentunya akan dipercaya publik. Artikulasi politik berkaitan dengan program politik yang diwujudkan nyata oleh partai tersebut.

Martabat berkaitan nilai moral atau akhlak dimana dengan nilai tersebut martabat ditegakkan. Indonesia bukanlah bangsa yang hidup sendirian. Dengan adanya martabat, kita dapat meyakinkan dan menghormati bangsa lain; kita pun dapat mempertahankan kedaulatan dengan cara yang bermartabat.

Sehubungan dengan kasus Ambalat, kita berharap Malaysia dapat berbesar hati untuk mau menyerahkan pulau Ambalat kepada Indonesia. Dengan demikian, Indonesia dapat melunasi hutang luar negerinya sebanyak + Rp 1.400 trilyun karena di pulau Ambalat diperkirakan terdapat sumber daya alam senilai + Rp 5.000 trilyun. Sehingga kita tidak perlu mengirim TKI ke Malaysia dan Malaysia tidak akan direpotkan lagi dengan masalah TKI.

Pertanyaan:

Salah satu sumber konflik adalah penguasaan sumber daya alam baik itu di level pemerintah, di level masyarakat – pemerintah yang melibatkan perusahaan besar, dan di level antar warga masyarakat sendiri. Ini bermuara dari ketidakjelasan atas salah satu pasal di UUD yang menyatakan bahwa sumber kekayaan alam dikuasai negara untuk kesejahteraan bangsa.

Jawaban :

Pasal 33 dan 34 memang dijabarkan ke level implementasi melalui UU yang melibatkan Departemen Kehutanan, Pertanian dan Pertambangan. Dalam hal ini, memang semua pihak terkait harus duduk bersama agar tidak terjadi kontradiksi antara satu dengan lainnya. Tiap UU yang akan dibuat memerlukan masukan dari masing-masing departemen. Kemudian Mahkamah Konstitusi melakukan judicial review. Hasil judicial review tersebut bersifat final dan mengikat sehingga jika ada UU yang digugurkan, keputusan tersebut harus dipatuhi. Bila ada fakta terjadinya pertentangan/kontradiksi antara UU yang satu dengan lainnya, dapat mengajukan peninjauan.

Pertanyaan:

Secara pribadi masih apatis dengan pemberantasan korupsi karena korupsi sepertinya sudah menjadi kebutuhan. Apakah pemerintah benar-benar serius dalm hal ini ? Bagaimana konsep ideal civil society ?

Jawaban :

Sebagai wakil rakyat, saya melihat ada keseriusan pemerintah dalam memberantas korupsi. Memang kondisi tersebut sudah berlarut-larut, seolah-olah tidak mungkin diperbaiki kembali. Namun jika kita melihat pengalaman di negara lain, pemberantasan korupsi membutuhkan waktu lama dan proses yang tidak mudah di negara mana pun. Hong Kong misalnya memerlukan waktu 15 hingga 20 tahun. Tentunya ini harus dimulai dari sekarang dan dari

diri sendiri. Proses yang sedang dilakukan pemerintah tetap membutuhkan kontrol dari publik.

Konsep utama :

- Berbasiskan penegakan hukum atau madani dimana ketaatan terhadap hukum menghadirkan keadilan hukum (tidak diskriminatif).
- Menghargai pluralitas/keberagaman
- Mengutamakan moral seperti mengerti yang baik dan menghindari yang merusak.
- Hal tersebut sejalan dengan konsep masyarakat madani semasa Nabi Muhammad SAW di Medinah yang juga menghormati pluralitas, menegakkan hukum dan etika.

Pertanyaan:

Di Malaysia dimana mayoritas masyarakat Melayu menganut Islam, ada kejelasan dalam kebijakan yang mereka ambil di bidang ekonomi, politik, dst. Sementara di Indonesia, hal ini tidak terjadi. Banyak partai berasaskan Islam yang tidak secara jelas menyatakan apa yang ingin dicapai dan ini menimbulkan ketidakpastian ataupun kekhawatiran dari warga non-Islam. Sebenarnya apa yang diinginkan oleh para politisi Islam ?

Jawaban :

Sebagai pimpinan PKS, sikap dan keinginan itu jelas diwujudkan melalui

1. Aturan tertulis yang ada yaitu mewujudkan keadilan
2. Perilaku politik

Kami berusaha mendorong terciptanya sistem ekonomi yang berkeadilan yang dapat menghadirkan suasana yang baik bagi para pelaku ekonomi seperti pekerja, pengusaha, ataupun konsumen sehingga semua pihak diuntungkan dan tidak saling merugikan. Misalnya pembinaan kepada para petani. Kami membeli gabah dari petani dengan harga wajar, kemudian menggiling sendiri hingga menjadi beras, dan menjualnya dengan harga lebih rendah dari harga pasar. Dalam hal ini, petani, konsumen, dan kami sendiri pun diuntungkan karena harga yang dipakai tidak terdistorsi oleh mark-up. Dengan demikian, perilaku politik ini sudah sangat jelas dan berangkat dari keinginan.

Partai politik sebenarnya mempunyai program tertentu yang dapat diimplementasikan pada saat para anggota partai politik menjadi pejabat pemerintah ataupun anggota lembaga negara. Namun hal ini belum menjadi tradisi/perilaku di Indonesia.

Pertanyaan:

Selama ini basis otonomi daerah adalah kabupaten bukan propinsi sehingga di beberapa daerah menimbulkan masalah. Banyak kabupaten di Indonesia berpenduduk mayoritas dari suatu etnis tertentu. Hal ini menumbuhkan semangat kedaerahan yang kuat dan seringkali hanya untuk kepentingan etnis tersebut. Jika basis dari otonomi daerah adalah propinsi, tentunya masalah ini akan banyak berkurang.

Jawaban :

Basis otonomi daerah semula memang propinsi. Namun karena adanya pergantian pimpinan di Depdagri dan otonomi daerah sudah disosialisasikan hingga ada desakan dari para kepala daerah, basisnya menjadi kabupaten. Namun masih terbuka kemungkinan untuk mengubahnya.

¹ Chairman of the People Consultative Assembly/Majelis Permusyawaratan Rakyat (MPR) Republik Indonesia.

3. Politic Reform and Disappointment with It

Prof. Andrew Mc.Intyre

Congrats Perhimpunan Pelajar Indonesia Australia (PPIA) for this impressive event. Spirit of Indonesia student asses internationally remarkable. I spoke at counterpart meeting in San Francisco and Miami. Really remarkable spirit of commitment to strengthening Indonesia's future. Remembering, early 1998 meeting talking over coffee with two students at Clint docent- at kin at the time when things pretty scary in Jakarta – but absolutely unwanted to this going home of helping build better individual. I'm not aware of any other country that has all young student association with such passion and commitment. If you'll permit me to say it, and country who's young intellectual elite has such a strong spirit of idealism and commitment, has a bright future.

This panel is about politics and governance. I want to talk about politic reform and your disappointment with it.

My guess is most agree and in spot of idea community agree. And there are good reasons for feeling that way when people in leadership positions trusted with public welfare seem to behave so disappointingly. When politicians seem so divided and concerned only with perpetuating themselves and seem unable to make real program in producing policy reform to lift the country; when DPRD seem even worse than national government and legal institutions seem even worse than political institutions disappoint with democratization reform. When corruption has become an even worse problem, of course widespread under Suharto, now still widespread but more destructive and discouraging Indonesian firms and foreign firms affect institution and then job. All these problems are real and very discouraging to public trust. Further more, not impossible they will actually get worse.

On corruption, for instance, if we look at experiences of democratizing countries around the world – particularly in LA – experience was that democracy did nothing to reduce democracy and often made it actually get worse for and extended period.

So on one hand, I want to say to yes all these problems are real. But on the other hand I also want to say to you : don't despair. Indeed, more than that. If look from history and globally progress I made last 8 years is amazing. None at Intel agencies any where in the world expected post-Suharto to go so well.

You may be asking : - so well? My answer is yes :

Think about it. From a period of great and upheaval come (i) economic stabilization and rehabilitation, and a peaceful and fundamental restructuring of politics. First in entrenching democracy, than restructuring how government works at national and sub national levels. Amazing, and amazingly little bloodshed.

Focus on the political changes. Why do they matter? Democracy – political leaders more accountable on average reduce risk of very bad restructuring politic architect – direct president election, changing relationship between president and parliament. Really important.

Two results in national politics (I) democrating and (ii) reforming further to make work better. Often overlook importance of these thins. Superman.

Now more possible. Of course many problems at national and aspects regional level. What needs to happen? Some further reform, mostly learning and that takes from learning? Parties in coalition learning, cost of splitting parties legislation, cost of vote loyalty bureaucrats.

What can you do? There are two important points, which are (i) keep the pressure on to government so they can keep focusing on their goals, and don't be to pessimistic on Indonesia's future.

4. Indonesian Democracy :

Today and in the 1950s

Edward Aspinall

Abstract

The current transition to democracy in Indonesia merits comparison not only with developments in other nations, but also with Indonesia's past experiences. In particular, seven years after the resignation of President Suharto, it is appropriate to reflect on Indonesia's earlier seven year experiment with constitutional democracy in the 1950s, an experiment brought to an end by the declaration of martial law in 1957. One key difference between the two periods is that there is now a much lower level of ideological conflict, and few viable alternatives to the present system. A similarity is the ubiquity of public concern with corruption and government effectiveness. If in the past, however, public disillusionment with corruption fuelled the ideological conflicts and contributed to the collapse of the system, now the fight against corruption has moved to the centre of public political discourse, even if its eradication will be no easy matter. While public disillusionment and apathy is widespread, there is no acute legitimacy crisis like that experienced in the late 1950s. There are therefore reasons to be optimistic about the resilience of the new Indonesian democracy.

In the early 1990s, on the occasion of the retirement of Professor Herbert Feith, a major conference was held in Melbourne comparing Indonesian politics in the 1950s to politics in the 1990s. The conference was in part intended to look back on Feith's major publication, *The Decline of Constitutional Democracy in Indonesia*. In that book, which remains a widely-cited classic of Indonesian studies, Feith analyzed the successes, the travails and, ultimately, the downfall of Indonesia's first experience of democratic rule in the 1950s. In the 1990s, a time when pressures for democratic reform were once more gathering on the horizon of Indonesia's political landscape, the participants in the conference sought to re-evaluate the democratic experience of the 1950s with the hope of learning useful insights into contemporary political tensions and in the context of anticipating potential future processes of democratic reform.

Some of the contributors specifically sought to rehabilitate the record of democracy in the 1950s, arguing that its failings had been deliberately exaggerated in order to legitimate authoritarian successor governments².

Today, it seems even more relevant to explore the parallels between contemporary politics and Indonesia of the 1950s. By mid-2005, Indonesia was already seven years into its new era of democratic politics. President Suharto resigned in May 1998, bringing to an end his 32 year authoritarian “New Order” regime. The first democratic elections since 1955 were held in mid-1999. The “new politics” still seems a very recent, novel and short-lived phenomenon.

Indonesia's first experiment with democratic government, however, lasted only about the same length of time. The end of the independence struggle proper came with the transfer of sovereignty from the Dutch in December 1949. The resignation of the second Ali Sastroamidjojo cabinet and the proclamation of martial law took place on 14 March 1957, a little over seven years later. These events are usually regarded as marking the end of parliamentary democracy. On 5 July 1959, Sukarno abolished the Constitutional Assembly that was then debating a new constitution and declared a return to the 1945 Constitution, with its presidential rather than parliamentary system. Finally, in 1960 Sukarno dissolved the parliament that had been elected in 1955, replacing it with a “Mutual Cooperation” (Gotong Royong) cabinet.

After only seven years of governing an independent Indonesia, the democratic system was facing a deep crisis and was on the verge of being overthrown. Today, the situation is very different. After seven years of the 'reformasi era', although there is considerable public disillusionment and many serious problems, Indonesia's democratic system appears to be stable and solid. There is no deep crisis of legitimacy. Indeed, Indonesia has successfully passed what some analysts call the 'second election' test of democratic transition, with its second parliamentary election since the downfall of the authoritarian system taking place smoothly and without major disruptions in April 2004.

Other achievements of the new democracy also contrast with deeper problems of the 1950s. For instance, in contrast to the deadlock in the 1950s Constitutional Assembly (which ultimately became Sukarno's excuse for proclaiming a return to the 1945 Constitution), there has been considerable constitutional reconstruction since the fall of Sukarno. Indeed, Indonesia's chief political institutions have been comprehensively re-designed, including by allowing for direct elections of the president and of the heads of government at the province and district level. Major new institutions have come into being, such as the *Dewan Perwakilan Daerah* (Regional Representative Council) and *Mahkamah Konstitusi* (Constitutional Court).

If in the early 1990s, therefore, scholars compared Indonesian politics to the 1950s in order to rediscover Indonesia's democratic heritage, perhaps it is now more appropriate to reconsider the earlier period in order to rediscover the challenges that faced the democratic system then, and even to appreciate the achievements that have been made in the contemporary period.

What then accounts for the apparently more stable and successful democratic politics of the current period when compared to the 1950s? In the following discussion, I focus on two issues: ideological conflict and concerns with corruption.

Decline of ideological contestation

The first point to make is perhaps the most obvious one: the key factor that distinguishes the two periods is the high intensity of ideological conflict in the 1950s compared with its virtual absence today. Discussion of ideological conflict in the 1950s is, of course, a sensitive issue because Suharto's New Order regime pointed to ideological schisms as a means to justify its own imposition of authoritarian rule. Nevertheless, it is obvious that in the 1950s there was often absence of basic consensus about the social and political order that Indonesia should ideally adopt.

The chief factor that accounts for the lesser intensity of ideological conflict today is that politics are no longer overshadowed by the Cold War as they once were. In the 1950s, communism and the left were rising forces in Indonesian

politics. The question of how to respond to them was central to Indonesian political debate, especially after the unexpectedly strong showing for the PKI (Partai Komunis Indonesia) in the 1955 elections. One of the chief schisms that split Indonesian politics was over cooperation with the PKI, with Masjumi in particular condemning the first Ali Sastroamidjojo cabinet (July 1953-July 1955) for its inclusion of two non-party but PKI-inclined cabinet ministers. Anti-communism was also a central feature of the army-led regional movements that culminated with the Permesta and PRRI rebellions, key triggers of the collapse of parliamentary democracy. Conflict over the place of the PKI then became the defining issue of politics under Guided Democracy, even though it was papered over by the president's NASAKOM (Nationalism, Religion, Communism) formula, until this conflict was resolved by the bloody elimination of the PKI in 1965-66. The New Order, however, retained the imprint of its Cold War origins until the end of its life, reproducing anti-communist ideological formulae as part of its attempt to fend off its critics in its dying years during the 1990s³.

But if we compare Indonesia in the 1950s to today we can see that the ideological conflict, or at least the ideological uncertainty, went much deeper than merely the conflict between communism and its opponents. There was also more uncertainty and disagreement in the 1950s about basic questions about national identity. To be sure, in recent times, there has been tremendous public concern about ethnic and communal violence, about the rise of separatist movements, and about the appearance of ethnicity and localism in regional politics. Observers correctly point out that separatist conflicts in places like Aceh reflect a deeper sense of animus toward the idea of Indonesia than in the 1950s, when even at the height of the Darul Islam revolt, no Acehnese leader called for Aceh's separation as an independent state. This is true, but all such conflicts today are primarily local in character. They reflect regionalized concerns and aspirations. They do not feed into fundamental conflicts at the centre about the basic ideological nature or cultural orientation of the state. Indeed, we could argue that one reason why Acehnese separatists advanced their call for separate statehood was that they had given up on the notion of transforming the Indonesian state as a whole in a more Islamic direction. Likewise, the conflict between Christians and Muslims in Maluku between 1999 and 2001 might have mobilized Christians and Muslim

communities elsewhere in the country to support the respective sides, but with a few minor exceptions, it did not trigger widespread questioning about the nature of Indonesia's constitutional order or national identity.

Likewise, the conflict between Christians and Muslims in Maluku between 1999 and 2001 might have mobilized Christians and Muslim communities elsewhere in the country to support the respective sides, but with a few minor exceptions, it did not trigger widespread questioning about the nature of Indonesia's constitutional order or national identity.

The most dramatic shift, of course, is the decline in overt conflict about the place of Islam in the constitutional order, about whether the country should be an Islamic state, and about whether Muslims should be obliged to carry out the shari'ah. In the constitutional debates of the 1950s, these were major issues that caused deep division, with the Constitutional Assembly eventually deadlocking over the issue. The major Muslim parties, including Masjumi and Nahdlatul Ulama were insistent that the "Jakarta Charter" (the famous 'seven words' that obliged Muslims to carry out shari'ah) be inserted into the constitution. The secular-nationalist and Christian parties, were equally adamant in rejecting this proposition. With neither side having the requisite two thirds majority, no agreement could be reached. Moreover, the debates were marked by a degree of overt ideological hostility that is completely missing from mainstream politics today: it was not simply that Muslim leaders forcibly put the case for the fusion of Islamic principles with the political system, but representatives of Javanism and secularism were also more forceful in their responses. Of course, there are still Islamist political forces in Indonesia today, but the radicals are relatively isolated and the bitterest debates about the ideological basis of the political system have been pushed to the margins. Some of the Islamic parties argued for incorporation into of the Jakarta Charter into the constitution in the recent constitutional debates, but with the partial exception of the very small PBB (which only received about two percent of the vote as opposed to Masjumi's 21 per cent in 1955), they did so in rather perfunctory and formulaic manner. In contrast to the 1950s, when both Nahdlatul Ulama and Masjumi supported the Jakarta charter, their chief successor parties, PAN and PKB are today 'pluralist' parties that claims the Pancasila as their ideological bases and are open (in theory, even if relatively

rarely in practice) to non-Muslims as members.

In part because of the greater intensity of ideological conflict in the 1950s, the stakes of politics seemed much higher then. For instance, with Masjumi being seen by many Muslims, especially outside the traditionalist heartlands of East and Central Java, as the bearer of Islamic interests and mission, its defeat at the centre fuelled dissent and even rebellion in the regions. For instance, the formation of the first Ali Sastroamidjojo cabinet in July 1953, the first without Masjumi representation, was one factor that prompted the Acehnesse Darul Islam revolt, because the ulama leadership in Aceh now felt that they had lost sympathetic allies in the central government.

Now, overt ideological tensions are weak and all the major political forces have drifted toward the ideological centre. Some of the parties still base themselves on distinct socio-cultural identities (aliran), but there are few major philosophical or policy differences to distinguish them. Hence, the three post-Habibie presidents have each created 'national unity' cabinets that draw on most of the significant parties. The chief exception has been Susilo Bambang Yudhoyono's exclusion of the PDI-P, an act which did not prompt revolt in the PDI-P heartlands, but rather heightened conflict and tension within the party.

In summary, then, we might say that the chief achievement of the new Indonesian democracy, when compared to the 1950s, is that the system is not rent by ideological division. In other words, there are no attractive or realistic alternatives to the system. This is very different to the 1950s, when the forces of communism and Islamism represented powerful ideological challenges to their adversaries. Now, none of the major political parties fears extinction at the hands of their rivals, nor is the system itself under serious ideological challenge.

Corruption in two periods

But herein lies the greatest danger to Indonesian democracy today: the mere absence of ideological conflict does not necessarily mean that the system has inherent strength in itself, or that its institutions are resilient and its leaders highly legitimate. Rather, the system appears unassailable because of the

absence of overt and direct alternatives. Rather than being overthrown from without, the chief dangers are instead complacency and the erosion of the system from within.

The biggest danger is corruption. This has become a major theme of contemporary politics. Every day it is discussed or debated in the national media. Almost every day, or so it seems, there is a new scandal or rumour of scandal, a major investigation announced or an arrest made. Corruption is especially ubiquitous at the local level, with people everywhere speaking of a 'decentralization of corruption'. But as the recent investigations in the KPU (General Elections Commission) indicate, it is also present in the key central institutions of Indonesia's new democracy.

Often, people speak of corruption as if it is merely a legacy of the New Order years. In fact, this is another point of comparison to the 1950s: if we survey the newspapers of that earlier decade we will see that corruption was already a ubiquitous presence in political life, and a great matter of public concern. It was a public secret that political party officials milked the ministries they controlled both for personal enrichment and to fund party machines. It was also in the 1950s that the phrase 'Ali-Baba' was first coined, to describe the corrupt nexus between indigenous politicians (the 'Ali') and ethnic Chinese entrepreneurs (the 'Baba') in finding their way around regulations favouring indigenous businesses, especially in the import-export sector. Official corruption became a major theme in cultural production and commentary: think, for example, of Pramoedya Ananta Toer's short novel, *Korupsi* (published in 1954) or Mochtar Lubis's *Twilight in Djakarta* (first published (in English) in 1963, but set in 1956). As Herbert Feith observed the political public saw much that disappointed them in the new politics, including "a snobbish aloofness in the ranks of the elite, an immoral ostentation among the newly rich, laziness and corruption among government servants, and everywhere self-seeking and conflict – the conspicuous absence of a sense of national unity and national purpose."

Corruption has thus in fact been pervasive in both periods. Even so, there is a shift in the place it occupies in the political scene. In the 1950s, the campaign against corruption was not at the centre of political debate. Instead, the parties and the public were pre-occupied with grand political and ideological

struggles. Today, consciousness of corruption is at the centre of political life. President SBY himself has made fighting corruption the centerpiece of his whole political program. New anti-corruption institutions have been set up, such as the Ombudsman's Commission and the KPK (Komisi Pemberantasan Korupsi, Corruption Elimination Commission). If anything, "anti-corruption" has become the post-reformasi political theme par excellence. It is the one key demand of the anti-Suharto student protests of 1998 that continues to infuse contemporary political debate (unlike, for example, demands for human rights trials which have largely fallen by the wayside).

The campaign against corruption is only one part of a wider determination to design workable institutions and to improve rule of law in the new democratic system. A whole range of other new institutions that have been designed to support greater enforcement of the rule of law (such as the new Constitutional Court).

This is not to say that the fight against corruption will necessary be "successful" of course, or even that it has already recorded significant progress. Corruption continues to infuse the political system, and has arguably become even more debilitating than in the Suharto period, because it is now largely unpredictable and decentralized⁶. As in the 1950s, it generates considerable public disillusionment and has arguably to a large degree already alienated much of the population from the official political class.

Realistically, the problem of corruption will not easily be amenable to short-term institutional solutions, given the pervasiveness of corruption, rent-seeking and clientelist behaviour through all facets of public life. All institutions designed to remedy such behaviours face enormous challenges and are themselves subject to potentially corrupting influences. The structural underpinnings of corruption, such as low wages paid to police and judicial officers, and the budgetary constraints on these institutions, will need to be addressed. This implies a need to raise taxes to cover salaries and basic operational costs throughout the public service, but especially in law enforcement agencies. Given the pervasiveness of the culture of corruption, however, even such changes will not readily give rise to greater accountability and transparency, and the fight against corruption will thus also need to take

place as long term cultural change.

It is for such reasons that observers of Indonesian politics sometimes despair about the nature of the new democracy. A new orthodoxy is emerging that sees Indonesia's elites as fundamentally self-serving and the new democratic institutions as having been 'captured' by old-style New Orde elites. While there is much to be said for such an interpretation, due recognition should also be given to the new centrality of anti-corruption measures and discourse. There is a lot more to Indonesian political dynamics than corrupt elites. Indeed, the mood of anti-corruption watchfulness arguably constitutes a second major factor distinguishing Indonesia today from the 1950s. Cynicism and disillusionment about official corruption were widespread in the 1950s, but they rarely translated into determined anti-corruption campaigning. They certainly did not give rise to purpose-built institutions designed to eliminate corrupt practices. On the contrary, the general mood of public disillusionment and alienation with the new democratic system by the mid to late 1950s was one important factor that contributed to the rise of authoritarian alternatives. With reduced opportunities for public oversight under both Guided Democracy and the New Order, authoritarianism allowed rent seeking and patrimonial practices to flourish and become entrenched.

Conclusion.

I have argued in this brief essay that there are reasons to be optimistic about Indonesia and its new democratic institutions. I do not seek to present a rose-coloured vision of the new Indonesia, but at least when we compare Indonesia's post-Suharto period of democratization with the earlier democratic experiment of the 1950s, it is obvious that democracy is much more stable, entrenched and permanent today. The essay stressed two chief factors which help to explain this difference: first, there is much less overt ideological contestation and competition between opposed political forces; second, there is greater evidence of determination to deal with the corruption that undermines democratic institutions and public confidence in them. These two factors are not unrelated. In fact, it might be said that the greater emphasis on combating corruption in today's Indonesia arises precisely because there is less ideological uncertainty and less fundamental debate about the nature or

desirability of Indonesia's new democratic political system. Because democracy has become “the only game in town” there is greater interest and commitment in ensuring that its institutions work properly. As we look back to the 1950s to find lessons for today, there is more to sustain us than mere nostalgia. We can also find there reasons to be optimistic about Indonesia's future.

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² The results of the conference are found in David Bourchier and John Legge (eds), *Democracy in Indonesia: 1950s and 1990s*, Monash University, Centre of Southeast Asian Studies, Clayton, 1994.

³ See Jun Honna, 'Military Ideology in Response to Democratic Pressure During the Late Suharto Era: Political and Institutional Contexts', *Indonesia*, No. 67 (April), 1999, pp. 77-126.

⁴ See for example, Atmodarminto [1957], 'The Abangan Case against an Islamic State' in Herbert Feith and Lance Castles, *Indonesian Political Thinking: 1945-1965*. Cornell University Press, Ithaca and London, 1970, pp. 192-96

⁵ Herbert Feith, *The Decline of Constitutional Democracy in Indonesia*, Cornell University Press, Ithaca, 1962, p. 463

⁶ Ross McLeod, "Soeharto's Indonesia: A Better Class of Corruption", *Agenda*, Volume 7, Number 2, 2000, pp. 99-112.

⁷ For this interpretation, see especially Vedi R. Hadiz (2003), 'Power and Politics in North Sumatra: The Uncompleted Reformasi' in E. Aspinall and G. Fealy (eds), *Local Power and Politics in Indonesia: Decentralisation and Democratisation*, Institute of Southeast Asian Studies, Singapore, pp. 119-131 and Richard Robison and Vedi R. Hadiz, *Reorganising power in Indonesia : the politics of oligarchy in an age of markets*, Routledge, New York, 2004.

5. The Theatre of Politics: Actors, Parties and Democratization in Post-Authoritarian Indonesia

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Abstract

What is the best way to analyze the progress of political change? Over the years, the 'Structure, Culture and Actors' question has been one of the most challenging theoretical issues in political science. Today, this central issue has regained its relevance in explaining Indonesian politics after the fall of authoritarian regime. This paper endeavor to assess the process of party reform in Indonesia by analyzing the dynamic of internal conflict in three main parties, Golkar, The Indonesian Democratic for Struggle (PDIP) and The National Mandate Party (PAN). By explicating a rational-choice of new-institutionalism approach, I argue that the process of reform has been controlled by political elites who are paradoxically capable of both promoting and abusing the process of democratization. Institutions are designed to help them achieve certain ends and changes in these systems of rules may occur because goal-oriented individuals attempted to change them, not because some nebulous social or cultural factor. Cultural identity and ideology have also been transformed as political instruments for the sake of power.

Institutionalism revisited

Scholars of transition from authoritarian rule have underscored the importance of political parties in the consolidation of democracy. In much of the literature on transitions from authoritarian rule, the role of political parties is seen to be a key factor. The internal structure and the performance of political parties are perceived as the most, significant part of the road to democratic consolidation². As far as the parties & democratization literature is concerned, the dominant mainstream has been the concept of party institutionalization. Samuel Huntington who apparently the father of the concept, defines institutionalization as the process by which organization and procedures acquire value and stability³. He identifies four dimensions of institutionalization: adaptability, complexity, autonomy and coherence.

In addition, Panebianco simply understands institutionalization as the way organization “solidifies”⁴.

Yet, it should be born in mind that the notion of institutionalization has been developed largely in the context of Western industrialized democracies and is in a sense a representation of their distinctive experience. It has not always been examined in a third world environment, where circumstances may differ from the developed democracies in many respects. Therefore when it comes to apply in the third world context, there will be a significant predicament.

In the case of Argentina's Peronist party (Partido Justicialista, PJ), as Levitsky argues, the party may have a strong cohesion in terms of value infusion where rules and procedures are circumvented, manipulated and contested⁵. For this reason, Huntington criteria of complexity which refer to the number of sub units and others organizational infrastructure will be meaningless when rules and institutions only created as a political instrument of their elites. There is also a quandary about the necessity for autonomy. In many of new democratic countries with large number of social organizations which much older than political parties, a high degree of party's autonomy is generally unattainable. This is partly because people tend to have a stronger affiliation with more established social organizations.

The institutionalization perspective also stresses the negative effect played by charisma in the party development. Charisma is perceived as antithetical to organization and the more parties are based purely on charisma, the less their chance to be institutionalized. According to Panebianco, 'charismatic parties' are those in which there is a total symbiosis between the leader and the organizational identity. On the contrary, an institutionalized party is defined as 'one that is reified in the public mind so that “the party” exist as a social organization apart from its momentary leaders. Although, charismatic parties can enjoy a high level of party cohesion, Panebianco refused to define them as institutionalized due to their high dependent on the leaders. A flaw in Panebianco's institutionalization perspectives according to Maor, is that he ignores the fact that a charismatic party might be a very successful organization in electoral terms and manage many party's objectives. Moreover, in most of new democratic where there is a fundamental crisis of collective identity, a

strong and charismatic figure could contribute at the initial stages to party cohesion.

In Latin America, most new democracies with weak political institutions, high level of corruptions and clientelism have survived for over a decade with no explicit challenges from the military or anti systemic parties. In responding to such condition, O' Donnell questions the theoretical equation of democratic consolidation with political institutionalization¹⁰. His observation of some Latin America countries discovered the institutionalization of informal, illegal and even unconstitutional practices. However, such a weak, and volatile party system can still contribute to highly stable and legitimate democracies. On the contrary, as Diamond observed in the case of Italy in the mid-1990s, established party system can dissolve into considerable turbulence while in Columbia and Venezuela, the over institutionalized party characterized by structural coherence, discipline and regularity had transformed themselves into rigidity and elitism. A parallel analysis was also launched by Mainwaring stating that the degree of institutionalization is not directly associated with the level of democracy achievement¹¹.

In nearly all aspects, the structural-Institutional approach have put the emphasizes on the dominance of institutions over individuals. Its central tenet is that a set of rules can structures behavior and establishes the bound of acceptability. Institutions and rules assumed to have a capacity to constrain individual behavior. Hence, while the circumstances in most of new democracies are characterized by the strong personalism and the weak institutions, an inquiry to this fundamental theory of institutionalism should be delivered.

The rational-choice approach of New Institutionalism is more applicable in explaining Indonesian post-authoritarian politics. This approach tends to see rules as a means to prescribe, proscribe and permit behaviors. Institutions are created by utility-maximizing individuals with clear intentions and when institutions exist, they set parameters to further actions. Changes in systems of rules may occur because goal-oriented individuals attempt to change them. Rational-choice institutionalisms to some extent admit that institutions are

capable of affecting an individual's choices and actions but not determining them. Institutions are no more than the outcome of repeated interactions between utility-maximizing individuals. A rational model choice of New Institutionalism sharply criticized the static character of old institutionalism which tend to disregard systemic differences across countries since it focused mainly on administrative and political structures and remained highly normative.

Amid an academic discourse controversy on the relevance of the institutionalism in new democratic countries, there is a lucid indicator of the existence of similar trend on the reforms model of key political institution in Asia Pacific Region. This 'Asian model of institutional design, according to Reilly, is aimed to increase government stability, reduce political fragmentation and limit the potential ethnic conflict. The similar strategies of institutionalization includes the adoption of 'mixed-member majoritarian' electoral systems, attempts to promote cohesive political parties and limit party fragmentation¹⁴. As Indonesia, to some extent has been implementing such a similar model, therefore it is now crucial to assess the output of that particular institutional arrangement. By drawing from some cases study from three main parties in Indonesian, Golkar, PDIP and PAN, this paper argues that expanding a framework of analysis beyond the institutional and cultural approach and explicating a rational-choice of new institutionalism, can illustrate the features of party reforms in Indonesia which characterized by the politics of personalism and the victory of pragmatism politics.

The Politics of Personalism

In the seven years since the fall of Suharto's Authoritarian regime, Indonesians have witnessed the restructuring of formal democratic institutions and the introduction of new party and election system. The amendment of 1945 constitution was followed by a series of amended political laws, which established a framework for a democratic general election. Nevertheless, a new law on the general election and the election of the President and the Vice President have been colored by a compromise amongst elites parties. Initially, the first draft of the laws set some tight regulations. Amongst other important issues, there were some sensitive points for political parties ; the minimum

15% threshold for parties to entry the first round of the presidential election, and the criteria of presidential candidates that must have a university degree and not to have been convicted of a criminal offence. At the end, after some elite's lobbyist, parliament agreed to pass the laws with softer requirements. The limit of 3% electoral threshold had given a better chance for Amien Rais with 7% votes in 1999 of his National Mandate Party. Megawati was benefited by the requirement for only proving a high school diploma while a point to allow a convicted of criminal offence had paved the way for Akbar Tanjung. The agreement to allow public officials involved in campaign activities (article 75 election laws) was also a backroom deal between elites in Golkar and PDIP. For PDIP this article was traded with article 60 that allowing a convicted of a criminal offence to run at the election¹⁵.

In addition to the new electoral system, new rules on the formation and registration of political parties were designed to reduce the number of political parties, minimize party's fragmentation and stabilize the party's system. Quantitatively, this regulation has successfully reduced numbers of parties from 48 in 1999 to 24 in 2004 election. Nevertheless, the internal party fragmentation, which had, began since early period of the multiparty installment is still prolonged.

In the institutionalism tradition, it is assumed that party system affects party's internal competition. A multiparty system that electoral structures can affect the factional mapping within parties. Cox and McCubins point out that the use of close list system where voters have no direct ability to affect which of the party's candidate will represent them in the legislature tend to reduce internal factionalism since candidates cannot compete each other¹⁶. In this system candidates tend to totally identify themselves with their respective parties. In an open list system voters enjoy an ability to cast for individual candidates, hence, those candidates face a challenge to compete against one another. Candidates, in an attempt to differentiate themselves from their intraparty competitors also tend to form a faction as their political machine to strengthen electoral basis. In short, an open list system can encourage internal factionalism while close list system amplifies more party-oriented elections.

The problem with this hypothesis then mounted when it applied to correlate a party factionalism with electoral system in Indonesia since the fall of Authoritarian regime. In 1999, Indonesia adopted a proportional close system while in 2004 election an open list system which open a possibility for candidates to compete against one another was implemented. It can be argued, however, that such different institutional arrangement by no means affected the degree of internal factionalism. One cannot concluded that the use of close system had successfully reduced factionalism or vice versa. Whatever the system, the low degree of internal cohesion and discipline of parties characterized major Indonesian parties. Nonetheless, it doesn't mean that a permanent factional grouping differentiate Indonesian political parties. The fluidity of factional grouping within parties is also pertinent. Two reasons account for responding this problem. First, for elites parties, forming a solid factional political grouping with a strong political identity is not reasonable in the diverse society like Indonesia. The stronger factional identity, the less a chance to obtain a popular support from the society. Secondly, where in more establish democracies an open list system give incentives to candidates for cultivating their personal vote and promoting personal reputation by developing a narrow constituent bases, in Indonesian case however, constructing an individual electoral base is still considered luxurious for most politician with limited financial resources. As a result, they tend to link themselves with parties program or even parties elites in order to manage their political campaign. Accordingly, a patron-client model is developed in a sense that client provides a loyalty to secure patron's political agenda while patron delivers financial resources in return. Thus, the works of party's machine is heavily based on personal connections and preferences. This model of political patronage, had contributed to the tendency of personalism politics which attributed as the main source of internal conflict. Some study cases on internal candidates' selection and party's succession in PDIP, Golkar and PAN will be structured to support above argument.

Internal Candidates Selection

The use of open list proportional system in 2004 election had initially been endorsed by many NGO and academician to improve member accountability to the electorate. According to amended election law, theoretically, a locally-popular figure will have more chance to gain a parliamentary seat assuming

that he or she successfully obtained above average of vote in their region. As a matter of fact, it turned out that the nomination process of candidates is still entirely in the hands of parties elites because the candidates are elected based on the ranks of the party's list in the ballot. It is true that a middle or bottom level candidates can be elected if they can attract an above-average proportional of votes (BPP) in that particular region assuming the voters directly vote their numbers or pictures, not only party' symbol. Tragically, most of the DPP (Party's central executive board) figures in Jakarta explicitly campaigned to instruct the voters for only voting for the party's symbol, which means that it will be up to the party to determine chosen candidates. A basic reason for this attitude was that a more open competition in pure open list system which give voters more power to elect their preferences will only invites treacherous politicians to the party and weakens party control. Party leaders still have an interest in maintaining the loyalty of both legislators and voters. Consequently, the party's internal mechanism of candidates' selection was highly determined by the dominant factional grouping. A model of political patronage is built by their informal leaders who attempted to place their loyal cadres at the top list at the expenses of geographical consideration. Although set of internal rules were created to objectively select party's candidates, however, a final decision remained in the hands of some party leaders, if not a party chairman.

In the case of National mandate Party (PAN), the list of legislative candidates, had raised a massive criticism within the party particularly from Muhammadiyah elements. There were numbers of unknown candidates who were not originally from the district that they already nominated simply because they enjoyed a closer personal relation with any particular leaders. Amien Rais as party's chairman was only involved at a final stage of some crucial problems¹⁸. To some extent, this factor had affected party's performance at 2004 election. PAN had lost votes in some regions which nominated outside candidates. In Partai Golkar, a process of nomination was officially determined by three particular elements. Akbar Tanjung (the party's chairman), Agung Laksono (chairman of department of caderisation and organization ,OKK) and each related regional coordinators (korwil). In practice, for these three party's element, the process of internal candidates selection had provided a best opportunity to strengthening their personal political

networking. Not very surprisingly, a back room deal of money politics were commonly practiced. In some regions, new comers which known as successful businessmen were placed at the top list.

In PDIP, two main factional groupings had influenced a selection process. The first group attributed to the political networking of Taufik Kiemas and the second group was associated to party's secretary general, Sucipto. These two influential figures had been a main access to acquire a position in the top list. Although there was an internal mechanism to select parliamentary candidates, - SK (decree) number 267 and 304- However, many conflict arisen not only because of its vague contents but also its inconsistency at the level of implementation. Critics expressed from the regional branches who perceived that such regulations had brought a centralization of politics to the stage. It stated that DPP obliges a right to decide a maximum of 40% of candidates for national parliament, while the quota for party's provincial and city branches for nominating national candidates were only 30%. Article 10 of SK 304 arranged that the party's chairman at provincial and city/kabupaten level are prioritized to be placed at the top of the list of candidates in their regions. In fact there were some cases where local party's chairman did not place at the top list simply because they failed to compete with other candidates who had a closer relations with elites in Jakarta . In most cases, Megawati then exercised her prerogative rights to solve problems and finalized the list of candidates. This prerogatives rights that resulted from 1999 congress in Bali was originally an emergency plan to save the party at that time . Megawati herself admitted that in 1999 she was granted a prerogative right to make a strategic decision without conducting a meeting of the DPP to bring PDIP contest at 1999 election. For many party's critical elements, Megawati's prerogative right was imperfect as it entails certain back-room deal practiced. Kwik Kian Gie, the pioneer of the PDIP purification movements accused Sucipto, Pramono Anung and Gunawan Wirosaroyo-often he called as the gank of three"- as the group who is now hijacking most party's policy by exploiting their closeness to Megawati and influencing her political decision.

Furthermore, the prerogative rights was employed in many party's internal affairs. The recruitment of new comers in 1999 such as Arifin Panigoro,

Pramono Anung, Cahyo Kumolo was based on this special rights. Another decision was the party's official candidates for some gubernatorial elections. In Jakarta, Bali, and Central Java. Instead of supporting candidates that recommended by local chapters, The DPP instructed to support incumbent candidates which already endorsed by Partai Golkar. Rizal Malarangeng, a political scientist who was involved in Mega Centre- a Megawati's campaign think tank-explained that there was certainly a strategic consideration behind this decision. The incumbents were considered more promising, in a sense that they have a better political and communication skill as well as financial sources²³. In direct election system, a grass-root type model of politician with a lack of communication and political skill are going to face more challenges to compete with experienced incumbent candidates.

In this conflict between DPP and the regions, there is quite fascinating contrast amongst party's policy in dealing with the dissenters. A paradox can be illustrated by the pursuit of different model of party's policy. A legalistic approach, based on party constitution attempted by party centre with the impeachment of persons who were involved had created a more intense factionalism. On the other hand, when relatively no organizational sanction applied, the tension of internal conflict can reasonably be managed. Thus it might mean that an institutional approach may not a best way to manage internal conflict.

Party's Succession and Caderisation

The politics of personalism were also depicted from the national congress of Golkar, PDIP and PAN. The real battle within the party was elite's competition to manage the game by setting the rules of the game.

In Partai Golkar, amid the fact that Munas 1998 have recommended to amend party constitution and distribute a voting right to DPD II (party's city chapters) at the next Munas, Akbar Tanjung had initially rejected that proposal. He was fully aware that according to the Golkar Convention result, his followers are basically at DPD 1 (parties provincial branches), while Wiranto' enjoyed significant support from DPD II. Furthermore, after Vice President Yusuf Kalla,

Akbar's long time ally Agung Laksono and media tycoon Suryo Paloh decided to form a united front against Akbar and claim to have a support from 21 DPD I, then Akbar's camp drastically changed the strategy. He agreed to deliver voting rights for DPD II and amended article 25 of party constitution. Here, it is noteworthy that the rationale for this political maneuver was to obtain a support from Wiranto's supporters after Wiranto agreed to join the coalition with Akbar's camp. In order to convince Wiranto, Akbar had previously offered Wiranto a chairman of Advisory council and promised to amend party's constitution that give the advisory council more power in determining party's policy²⁴. The elements of Hasta Karya (a forum of eight organizations who established Golkar) who previously urged Akbar to step down from Golkar Chairmanship and officially nominated Wiranto then joined Akbar-Wiranto coalition. This event demonstrated the fluidity of factional mapping in Partai Golkar.

The dispute over the draft of chairman's criteria was also exhibited during congress. Akbar's camp proposes a criteria with stated that a chairman candidates should be an active members of DPP for at least five consecutive years. This formulation indicated the strategy to eliminate candidates like Wiranto and Yusuf Kalla who apparently were not active members of DPP. At the end Yusuf Kalla defeated Akbar by 323-156. A political & financial power of Yusuf kalla had locked the organizational skill of Akbar Tanjung. Agung Laksono was awarded as vice chairman, a new position in the party's structure since Kalla's camp succeeded to amend party constitution.

A somewhat similar tendency occurred at the latest PDIP Congress in Bali. The main issue was like any other parties, rule of the games. The regulations on just who has the right to vote in the election of the chairperson have been sources of conflict. Initially, every conference delegate in the regional Executive chapters (DPC) was entitled to votes, as it is stated at party's constitution article 21. Yet, a plenary session chaired by Gunawan Wirosaroyo decided the right to vote would be based on a 'voting block' with each provincial and chapter receiving only one vote²⁵. This decision was viewed as a systematic attempt to obstruct rival candidates and to eliminate votes coming from PDIP's rejuvenation movement who openly opposed Megawati's reelection. The

activist of PDIP's rejuvenation movement failed to anticipate the proposed collective voting system, as they only received guidelines one day before the congress opened, even though the party's constitution states that all materials should be distributed at least three weeks before the congress²⁶.

Another major issue was about the prerogative rights of party's chairperson. The PDIP rejuvenation movements campaign to the abolishment of prerogative rights since they considered that it only damaged a process of internal caderisation and strengthening a centralization of political process. Sukowaluyo Mintohardjo a leader of rejuvenation movement proposed that presidium will take in a form of collective leadership. However, it should be recalled that a party constitution has no single article on this alternative concept. In all probability, the concept of presidium was chosen not only because there is no strong individual figure that can possibly challenge Megawati, but also the lack of acceptable candidate amongst the rejuvenation movement itself.

PDIP congress was concluded two days ahead of a schedule and Megawati retained her leadership after being elected by acclamation. Her prerogatives power to name the party's new central board was also maintained. The composition of the new central executive board pictured the strong influence of Taufik Kiemas. Notwithstanding the fact that Kiemas does not acquire a formal position in the party's structure, his influenced in forming party' structure seems incontestable. Pramono Anung- albeit criticism that he was one of the person who should responsible for party's lost in general elections- finally chosen as secretary general. This appointment can be viewed as a reward of his tireless effort in lobbying regions to reelect Megawati. It was also predictable since on the interview during the congress, Taufik Kiemas mentioned that a new secretary general will be a young cadre under 40-45 years old²⁷. Others figures in new board are also known as Kiemas loyalist, like Cahyo Kumolo, Panda Nababan, Dudi Makum Murod, Mangara Siahaan and Phillip Wijaya. The appointment of some new comers like 1999 were also repeated with the emergence of figures like Sutradara Ginting, -a former activist of Golkar and PKP- (The Justice and United Party, a splinter party of Golkar), Hamka Haque and Arif Budimanta. This appointment was ironic for two main reasons. First, the congress has agreed on the basic requirement to

be elected as the member of central board that is an active member for at least five consecutive years. Secondly, while many new comers are recruited at the strategic positions, Megawati excluded some senior's party figures that involved in rejuvenation movement and considered to apply an organizational sanction to them. A political maneuver of Guruh Sukarno Putra was probably the most revolting drama of the congress. His appointment as one of the party's chairman was surprising, considering his extensive involvement with the rejuvenation movement. Guruh even sharply criticized that the way in which the congress unfolded was a contravention of regulations in the party, particularly the removal of the voting rights of regional chapters²⁸.

Another contradictory political attitude was also demonstrated by Bali delegate. They protested the exclusion of Bali Cadres from the new party's central executive board although they previously backed the proposal to maintain the prerogative rights of chairperson. After having a closed meeting with Megawati who promised to compensate them with others important positions in the parliament, the representatives of Bali's Chapter pledged their commitment to Mega's decisions²⁹.

The battle over procedural issues was also a main theme of the congress of National mandate Party (PAN). Unlike PDIP, there is no voting block system in PAN. Each member of delegates has a voting right, which made total of 1444 votes. However, the impact of this method was the possibility of the practice of money politics. The emergence of two businessmen at the election of party's chairman and the elimination of others intellectual candidates might be a clear indicator. Fuad Bawazier- a former finance minister in Suharto's cabinet- and Sutrisno Bachir a businessman with no track record in politics, were too strong to be challenged by academician candidates like Prof Didik Rachbini and Moslem scholar Dr Muslim Abdurrahman. Bachir was relatively unknown for majority of PAN activist. He was personally endorsed by Amien Rais to counter a financial power of Fuad Bawazier and seen as the most neutral candidates compare to others³⁰. In regards to the issue of money politics, Didik and Muslim repeatedly urged party members about the tendency of money politics whereas A.M Fatwa, a senior figure in PAN revealed his suspicion that there were candidates who approached delegates by promising to provide a

transport fee to Jakarta for three million rupiahs per person³¹. Didik Rachbini added that according to the report from PAN activist in many regions, the “transport fee” was around one to five million rupiahs for each delegation³².

Since Sutrisno Bachir and Fuad Bawazier were not considered as structural activists, hence Didik and Muslim -who claimed representing “idealist” camp's- tried to terminate Sutrisno and Fuad Bawazier candidacy by formulating a criteria for the candidates that should be an active member of national executive board for at least two years. However, this formulation failed to be adopted, following a successful attempt of Bachir and Bawazier supporters who apparently controlled the congress to loosen the criteria which only requiring candidates as an active member of the party.

Bachir finally won 745 votes while his nearest rival Bawazier won 551 votes. The other contenders were Didik Rachbini with 59 votes, Moeslim Abdurrahman (17 votes), party executives Afni Achmad (8 votes) and Samuel Kotto (5 votes). The key assumption driving this result is that Amien Rais personal charisma is still influential. Many delegates admitted to the media that Amien Rais had invited them to his rooms in order to secure Sutrisno's candidacy. Amien personal charisma was even institutionalized when congress added a new article in the party's constitution to reward Amien as one of the member of the team to compose a structure of the new central executive board.

Suffice it to say that the party institutionalization process has been highly determined by personal interest of their elites than a formal party's structure or even competing factions.

The End of Party Ideology

A vast number of studies have attempted to answer a question on how the degree of ideological distance between parties affects democratic transition. However, these studies tend to be more appropriate in countries where ideological differences are the basis for the competition. In other countries, there are circumstances where ideology seems to play little role in not only in electoral politics but also in political life in general. The lack of ideological or

programmatic differentiation is also a significant feature of political parties in Indonesia. As far as party's internal policy making is concern, the ideological debate amongst party's elites is by no means exist the party. Ideological issue was only exploited by elites to secure their political positions.

In the case of PDIP, the most open ideological debate was probably during the 2002 MPR annual session. In responding the issues of the amendment of 1945 constitution, the party was “split” into two factions, The “nationalist” faction” led by Amin Aryoso who strongly rejected the process of amendment and a “new comers” faction initiated by Jacob Tobing and Pramono Anung which actively supported the amendment process. Nonetheless, it will be misleading to perceive this event as purely ideological debate. A detail analysis of personal composition of each political grouping led to the argument that it was no more than a power struggle within the party. The “nationalist” faction began to spot new comers who increasingly dominate party's structure as a threat for their political existence. A comparable circumstance can be taken from the case of party's dissenters who were chairmen of PDIP branches such Tarmidi (Jakarta) , Mardijo (Central Java), Basuki (East Java) and Imam Mundijat (East Kalimantan). Having failed to obtain DPP's support for their candidacy at the gubernatorial election, these figures began to criticize the party's centre and claimed that they resistance was represented a populist & nationalist ideology of the party. In countering opinion generated by these dissenters, Sucipto, a party's secretary general stated that ideology at the grass root level is no longer appropriate with the modern management at the party centre³³. Presumably, however, it was more likely that ideology was not the main issue. The limited financial power and lobbying skill of PDIP cadres-compared to incumbent candidates³⁴ - were the main factors behind party's decision to support incumbent candidates.

Internal ideological debate is in no way imperative in formulating PDIP's economic and political policy. A number of privatization project include the divestment of telecommunications firm Indosat in 2002 and the sale of Pertamina tankers in 2004 by Megawati's administration indicated that Nationalist ideology may not be considered by PDIP elites. There was a moment when Kwik Kian Gie criticized Laksamana Sukardi a PDIP treasury and minister for state-owned enterprises, regarding the privatization of state-owned enterprises. Nevertheless, this critical view was possibly influenced by

his disappointment over the strengthening role of many new figures in Mega centre³⁵.

Another case took place when Laksamana Sukardi sacked the director of Danareksa-a state owned enterprise. Hundreds of PDIP activist, led by Pius Lustrilanang a former student activist, held a demonstration in front of Laksamana's residence to protest Laksamana's policy. Pius delivered an issue about corruption and nepotism in Danareksa and made a public statement that Dian's replacement cannot be accepted since Dian had attempted to investigate corruption case in Danareksa. Hence, the real explanation for this case was that Dian Wiryawan has been a donor for Pius' security business in Bogor³⁶. Dian was introduced to Pius by Roy Janis, -chairman of PDIP who apparently a political patron for Pius Lustrilanang- whose wife also involved with Pius's personal business. Later on, Pius Lustrilanang also Joined Laksamana Sukardi and Kwik Kian Gie in PDIP rejuvenation movement.

PAN often regarded as having the most dynamic internal ideological conflict. A high tension of debate on party's platform between economist Faisal Basri a then party's secretary general that was associated with pluralist wing and A.M Fatwa who was widely seen as the advocate of islamization of PAN. After the departure of some pluralist activist led by Faisal Basri, the ideological issue has been slightly transformed into a different form by competing factions. The issue of Muhammadiyah versus Non-Muhamadiyah has been marked the rivalry between Hatta Radjasa and AM Fatwa. Hatta Radja, who replaced Faisal Basri as party secretary general was accused of systematically eliminated Muhamadiyah elements in the party by placing his cliques at party's regional board as well as legislative candidates. This issue then had been extensively circulated throughout the party's congress in Semarang March 2005. It was Din Syamsuddin, vice chairman of Muhammadiyah who explicitly claimed that all competing factions within PAN should realize that the existence of PAN in the future will be determined by a Muhammadiyah factor. He maintained that Amien's successor must be a Muhammadiyah cadre³⁷. Sudar Siandes, the executive secretary of Muhammadiyah central board had previously revealed that only around 20% the number of Muhammadiyah elements in PAN who successfully elected as a member of parliament at all level³⁸. Countering this, Hatta's camp responded by stating that "Muhammadiyah sentiment was

engineered by those who felt that their political position was undermined³⁹.

When figures like Didik Rachbini, who previously endorsed by numerous Muhammadiyah elites to combat Hatta's candidacy, finally joined Hatta Radjasa in securing Sutrisno Bachir's way to the chairmanship, the pragmatism politics was consequently manifested. A considerable qualm should be made on religious sentiment generated by Muhammadiyah element in PAN since the real issue was more likely the power struggle. Moreover, a Muhammadiyah-non Muhammadiyah dichotomy is not a best way to explain a factionalism within PAN. A conflict also occurred amongst Muhammadiyah cadres in the party. A large number of Muhammadiyah elements in the regions have built a closer political patronage to Hatta Radjasa than any other Muhammadiyah figures in PAN. AM Fatwa himself was apparently not considered as a "pure" Muhammadiyah cadres by many Muhammadiyah elites. It is also difficult to recognize an original Muhammadiyah thought expressed in PAN, not to mention a diverse interpretation of party's pluralistic platform amongst Muhammadiyah element within PAN⁴⁰. Such skepticism about the influence of ideology and religious sentiment in factional mapping also shared by Amien Rais, a party's chairman. In his own words:

"Factionalism within PAN is not a polarization of ideology, it is only a matter of interest. As the party's chairman I dare to say that it is all based on the conflict of interest. All factions based on the competition of interest, prestige and personal. It is related to the most fundamental issue in politics, who gets what, how and when"⁴¹

In the case of Partai Golkar, the formation of the Eastern Region's Political caucus known as IRAMASUKA- furnish a maneuver of party' elites to manipulate ethnic and regional issue for their political agenda. IRAMASUKA, which claimed to represent the interest of the eastern province constituents, was actually a political vehicle to back up Habibie's presidency. This political caucus failed to survive following the fall of its political patron, Habibie. Most of its figures then affiliated to different political groupings. The IRAMASUKA sentiment was rebirth when Yusuf Kalla appears as a new political patron with his strengthening position as vice president and party chairman.

The emergence of Islamic activist of HMI (Islamic Student Association) in Partai Golkar when Akbar Tanjung took the chairmanship had hypothetically associated with the strengthening of Islamic faction in the party. Although it was a fact that many former HMI activist occupied strategic positions in the party centre, however, HMI cannot be regarded as a solid faction and did not bestow an ideological consequences to the party's platform. A personal political agenda of HMI activist in Golkar was more dominant than a collective sense as HMI alumni. Conflict occurred amongst HMI' elements in the centre as well as regional branches. For example, Akbar's opponent includes HMI alumni like Marwah Daud Ibrahim, Fahmi Idris and Yamin Tawari, a chairman of North Maluku Golkar's Chapter. The crucial issue then is that the HMI sentiment was utilized by Akbar Tanjung in order to build a new political base, replacing a previous networking of ABRI and bureaucracy in the party⁴². Ariady Achmad, one of Akbar political opponent, expressed his analysis that Akbar had utilized and exposed HMI issue to mobilize a collective sentiment of HMI fanatic constituent⁴³. This opinion was even confirmed by Bomer Pasaribu, who is known as Akbar's closest ally. Bomer admitted that the HMI issue was created to accommodate Islamic constituent. The strategy was to boost Golkar competitiveness in attracting Islamic activist⁴⁴.

As far as the presidential election is concerned, the pragmatic calculations had mainly driven the decision to support Megawati and Hasyim Muzadi. This decision was controversial considering that Yusuf Kalla is apparently Golkar members and HMI alumni. Kalla had also been endorsed by some Islamic parties that led by HMI alumni such as PKS, PBB and to some extent PAN. It should be noticed that this decision was executed after The Research and Development Department of Golkar submitted their recommendations for Golkar to stay neutral.

Soleh Solehudin, the Head of Research and Development complained that his department was more like a party's accessory of intellectual image than a body of policy formulations. At the end, the execution of party's policy will be determined by a small number of party's elites⁴⁵.

The Golkar's convention result that was praised by many observers including U.S Ambassadors, Ralph Boyce as a signal of the working of a "real democracy",

was a clear example of pragmatism politics. It worth noting that rather than an arena of political discourse of party's politician, convention had turned into a contest of political skill, which includes money and networking. All seven candidates were more as a symbol of polarization of financial power in the party, instead of representing ideological factions Money politics, although hard to be proved, was the main issue⁴⁶. However, the tragic defeated of Akbar Tanjung was not merely caused by money politics. Tito Sulisty, the director of Wiranto's campaign team confirmed that Akbar political blunder was that his overconfidence⁴⁷. Akbar put too much trust to his politician aides and ignored the fact that most of his cadres were also calculating their future political career. There were numbers of politician in Akbar's camp who played ambivalent role during the convention. Wiranto's team, by contrast, consisted of more hired professional figures with no political ambitions.

Concluding remarks: Towards the Indonesian Model of Party's Reform?

The above discussion suggests several broad conclusions about the progress of party reforms in Indonesia. First, the process of democratization in Indonesia is like a theater of politics, where the scenario is monopolized by actors with an abundant of power who also play as directors. The majority of party's constituents are only a powerless audience without capacity to change the ending. Democratic institutional arrangements are most likely to be endorsed when there are strategic considerations to do so, not to mention the institutionalization of undemocratic procedures.

Money and mass politics are still inherited in most political process, where the manipulation of ideology and religious sentiment became a typical political instrument. Briefly, the installment of the new multiparty and election system had only benefited elites as well as experienced political actors. In the absence of equal distribution of power, the politics of personalism is more likely to be sustained. Therefore, the project of democratization should be understood as a consistent effort to equally disperse sources of power in the society in order to enhance a participative-democracy.

Secondly, in a short term, the process of democratization should be significantly transformed the politics of personalism into a form of deliberative democracy. Among social scientist who have pursued this perspective today is Jurgen Habermas. His conception of deliberative democracy emphasized deliberation in public spheres as the locus for the formation of public opinion⁴⁸. A public discourse, according to Habermas can possibly influence the legislative and policy processes of the state⁴⁹. Habermas emphasizes on a process of translation of the communicative power generated in the public sphere into the administrative power of the state. The task for democratic movements in Indonesia is to create the multiple channels of translation mechanism.

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- ¹ PhD. Candidate, Department of Political and Social Change, Research School of Pacific & Asian Studies, the Australian National University.
- ² See Lipset, Seymour Martin (1964) *Democracy & The organization of Political Parties*, Chicago, Quadrangle Books, and Meny, Yves Andrew Knapp (1993) *Government & Politics in Western Europe: Britain, France, Italy, Germany*, 2nd. Oxford: Oxford University Press, Linz, J & Stepan A (1996) *Problems of democratic Transition and Consolidation: Southern Europe, South America and Post Communist Europe*: Baltimore.
- ³ Huntington, Samuel (1968) *Political Order in Changing Societies*, New Haven Yale University Press.
- ⁴ Panebianco, Angelo (1988) *Political Parties: Organization & Power*, Cambridge, University Press
- ⁵ Levitsky, *Leadership in Administration: A Sociological Interpretation*, New York: Harper & Row, 1957)
- ⁶ Panebianco, p: 53.
- ⁷ Panebianco: p 145
- ⁸ Janda, Kenneth 1980 *Political Parties: A Cross National Survey*. New York: The Free Press.
- ⁹ Maor, Moshe, "Political Parties & Party System: Comparative approach and the British Experience". London: Routledge.
- ¹⁰ O Donnel
- ¹¹ Mainwaring, Scott (1998), *Party System in the third Wave*, *Journal of Democracy* 9 (3).
- ¹² Ostrom, Elinor (1986, 1990), Ostrom, Gardner and Walker (1994).
- ¹³ Michael Taylor, "Structure, Culture and Action in the Explanation of Social Change," *Politics and Society*. 17 (June 1989) 115-162.
- ¹⁴ Reilly Benjamin, *Democratization and Political Reform in the Asia Pacific: Is There an 'Asian Model' of Institutional Design?*, paper presented to the Australasian Political Studies Association Conference, Adelaide 29-September-1 October 2004.
- ¹⁵ See G-Martha, Ahmaddani Akbar Tanjung Menghadang Badai", *Brajedni Communications*, 2003 p 87-90.
- ¹⁶ Cox, Garry W & McCubbins, (2001) *The Institutional Determinants of Economies Policy Outcomes in Stephan Haggard and Mathew D McCubbins (eds), Presidents, Parliaments and Policy*, Cambridge : Cambridge University Press)
- ¹⁷ In fact only two candidates had successfully won seats by passing a BPP, namely Hidayat Nurwahid (PKS) and Saleh Djasit (Partai Golkar).
- ¹⁸ Almost all interviewers in PAN confirmed this statement.
- ¹⁹ SK DPP PDIP no: 267/DPP/KPTS/VI/2003 and SK No : 304/DPP/KPTS/IX/2003
- ²⁰ Problems on this issues were occurred in some regions such as Malang (Rakyat Merdeka 7/01/04), Surabaya (Kompas, 16/01/04) Indramay (Pikiran Rakyat 12/01/04), Purwakarta (Pikiran Rakyat 05/01/04).
- ²¹ PDIP Constitution article 25, section 7 stated that the special authority is related to Pancasila, A unitary State of Republik of Indonesia (NKRI), The preamble of 1945 constitution and organizational matters.
- ²² "Aneh, Hak prerogative Dipersoalkan" Jawa Pos 21/02/05, "Megawati herself admitted that in 1999 she was given a prerogative rights to make a decision without the meeting of central executive board to contest at 1999 election.
- ²³ Interview with Rizal Malarangeng, 7/10/04.
- ²⁴ "Perang Gerilya Di Nusa Dua" Tempo 26 December 2004
- ²⁵ This changed was contradictory with article 21, clause 2 of the PDI-P Statute, which states that delegates from the party's branches and DPD have the right to vote at the congress, (a) the party's branches are entitle to vote at the party's congress with each

- delegate receiving one votes (b) the party's DPD are entitle to one vote for each delegate at the congress
- ²⁶ Article 19 PDIP Statue
- ²⁷ "Kiemas Optimis Tidak Ada Voting dalam Pemilihan Ketum PDIPdetikcom 28/03/05
- ²⁸ "Guruh Tidak Setuju Ada Kongres dan DPP PDIP Tandingan" detikcom 30/03/05
- ²⁹ Harian Umum Nusa, 02/04/05.
- ³⁰ Although initially rejected his support to Bachir, approaching the congress Amien explicitly stated his preferences to Bachir and admitted that he together with Bambang Sudibyo were the main architects of Bachir's candidac.
- ³¹ "Politik Uang dan Intervensi Pemerintah Ancam Kongres PAN, Kompas 07/01/05
- ³² "Di PAN Ada Yang Main Uang Receh, Jawa Pos 10/03/05
- ³³ "Ketika Banteng Besar Menanduk Banteng Kecil" Dialog Khusus liputan 6 SCTV 29/10/04, Mardijo stated that "ideology is believed and brought to die". (Ideologi diyakini dan dibawa mati). Tarmidi and Basuki then choosen as head of PNBK 's branch (A Freedom Bull Nationalist Party) while Basuki and Mardijo joined a rejuvenation movement led by Kwik Kian Gie.
- ³⁴ Personal interview with Rizal Malarangeng, a Director of Freedom Institute and political advisor of Taufik Kiemas. 07/10/2004.
- ³⁵ Personal interview with Kusnanto Anggoro, 29 September 2004.
- ³⁶ Personal interview with Pius Lustrilanang
- ³⁷ Detikcom 10/12/04.
- ³⁸ Republika 20/03/05.
- ³⁹ Personal interview with Sahrin Hamid a chairman of BM PAN & Hatta's close ally, 22/09/04.
- ⁴⁰ Personal interview tih Viva Yoga Mauladi, A chairman of an expert staff of AM Fatwa.
- ⁴¹ Personal interview with Prof Amien Rais, 19/10/04.
- ⁴² This part was extracted from interview with Anas Urbaningrum, a former chairman of HMI, 11/10/04.
- ⁴³ Interview with Ariady Achmad 30/09/04.
- ⁴⁴ Interview with Bomer Pasaribu 09/07/04
- ⁴⁵ Interview with Soleh Solehudin
- ⁴⁶ Some trusted sources from each candidate campaign team confirmed that each candidate distributed at least 50 million rupiahs to every member of delegations.
- ⁴⁷ Interview with Tito Sulistyo 24/08/05
- ⁴⁸ Habermas referred to the early bourgeois European public sphere that flourished in the seventeenth and eighteenth centuries in opposition to the feudal state from which the bourgeois was excluded. Habermas 1989 Structural Transformation of the Public Sphere : An Inquiry into a Category of Bourgeois Society. Cambridge, Mass MIT Press.
- ⁴⁹ Habermas , Jurgen 1996 between Facts and Norms : Contributions to a Discourse Theory of Law and Democracy. Cambridge, Mass MIT Press

The Theatre of Politics: Actors, Parties & Democratization in Post- Authoritarian Indonesia

By

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Party Institutionalization

- Huntington : Adaptability, Coherence, autonomy, complexity
- Panebianco: Charismatic Party = uninstitutionalized

Rational Choice of New Institutionalism

- Critics the static character of old institutionalism which focus mainly on administrative and structures.
- Institutions are no more than the outcome of repeated interactions between utility-maximizing individuals

The Dynamics of party internal conflict : Golkar, PDIP, PAN

- The causes of party's factionalism
 - Ideology, culture, party's system & electoral system
 - The type of factions
 - The effect to party's reform & democratization

Fieldwork

- Jakarta, Bandung, Surabaya, Denpasar, Makasar, Palembang
- 100 parties' elites
- Party documents

The Absence of Party Ideology



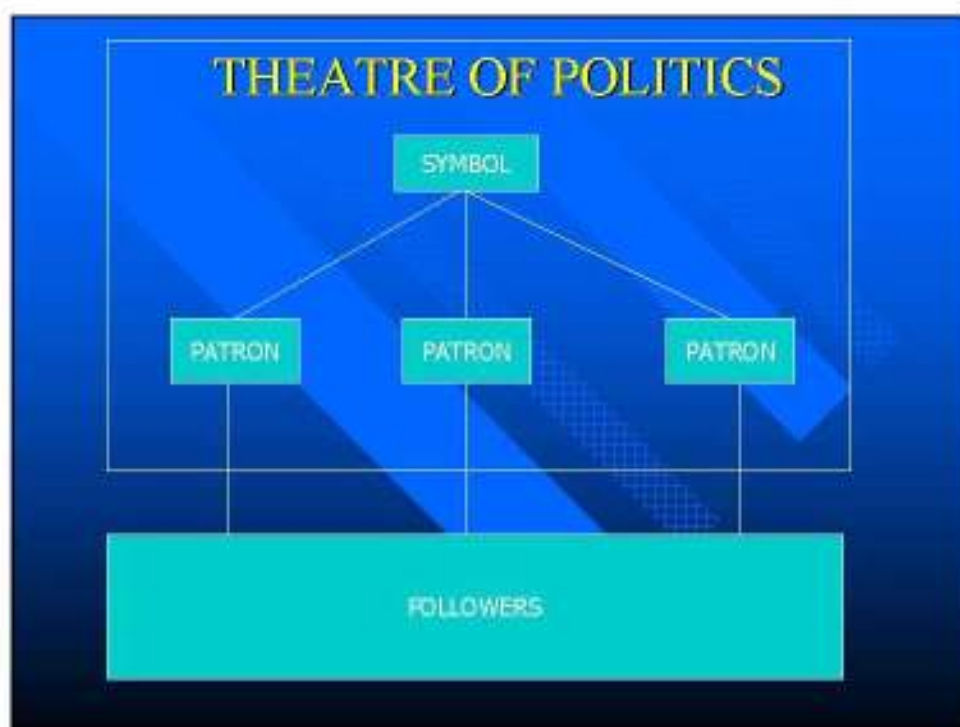
The emergence of the
Central
The development of the
politics



The Politics of label
The politicization of
Muhammadiyah
sentiment



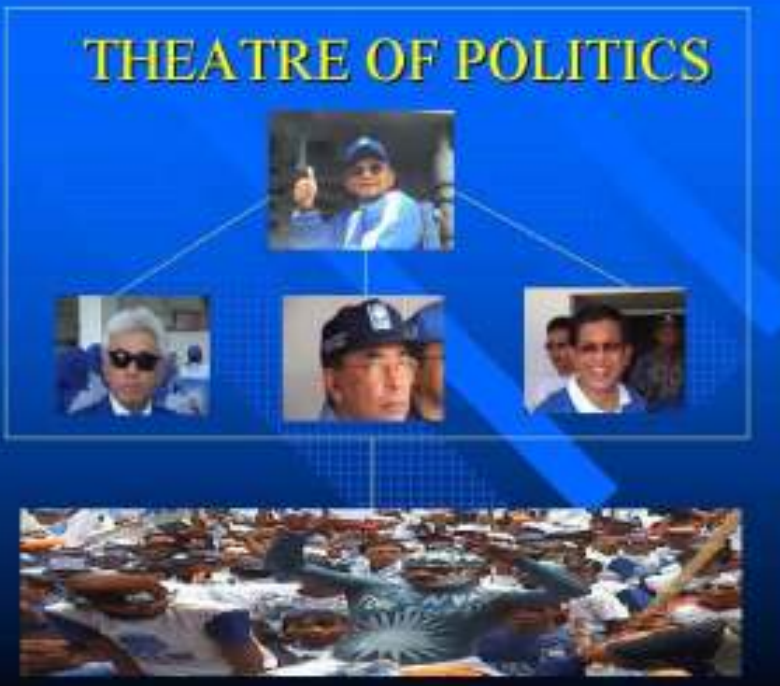
HMI Connections
Iramasuka
National Convention
Congress



Symbol: Solidarity Maker

■ Patron 1:	■ Patron 2:
1. Organizational skill	1. Populist
2. Less ideological	2. More ideological orientation/manipulation
3. More loyal, less independent	3. More independent

THEATRE OF POLITICS







6. Political Orientations and Conflicts in Indonesia

Mangadar Situmorang¹

Abstract

Political conflicts in Indonesia are strongly associated with one, or a combination of issues of Javanese hegemony, the Islamic dilemma, and national authoritarian politics. Since all these phenomena are not represented in well-established institutions and/or organizations, any understanding of contemporary political conflicts in Indonesia is still partial, and thereby effective solutions appear incremental. Yet the culture, religion, and politics are as vague as the sets of value systems to push, motivate, and drive relevant political movements. There have been political processes which have transformed those political “ideologies” into practical orientations that have significantly reduced political tensions and violence. The politics of reformasi is the series of political activities, many of them involving in violence, bringing “ideologies” closer to the divided society of Indonesia.

Introduction

As many violent conflicts take place in Indonesia, the public, political observers, and government officials tend to associate them with Indonesian social heterogeneity. This implies that Indonesia's multi-culturalism is a natural or even legitimate source of internal conflict. As social heterogeneity is a given characteristic of the Indonesian nation, intrastate conflict is thus seen as being natural and to be understood as normal.

The second proposition generally used as a starting point in analyzing conflicts in Indonesia is that conflict is an inevitable part of the social life of every community, and even is necessary for social change and development.

However, it is my contention that such propositions could mislead, since (1) understanding multi-culturalism as both the cause and the result of conflict could undermine the need to build a new, better society; and (2) in the second proposition, conflict tends to become a political commodity that can be traded for the benefits of unclearly identified 'others'. Accordingly, there are two intentions of this paper: to examine the contending political orientations and to determine how they have developed and been transformed. The aims will be discussed through the following propositions:

1. Political conflicts in Indonesia, as parts of nation-state building, are driven or inspired by a certain "ideology" of Javanism, Islamism, or authoritarianism².
2. There has been a persistently political transformation which has changed political ideology to political culture and then to political agenda – in the context of which many violent conflicts have occurred.

The landscape of political orientations

From the field, it can be insisted that each violent conflict that took place in Indonesia, particularly in the last decade, was linked to one or more of the issues of Javanese and non-Javanese relations, Muslim and non-Muslim relations, and authoritarian and pro-democratic disputes. The first two issues usually refer to social antagonism, including ethnic and religious conflicts, and the latter refers to eco-political affairs. The first two can be described as 'horizontal' conflicts, the latter as 'vertical' conflicts. Such categorizations simply display the actors and the interests involved, but by no means justify the rightness any of these actors or interests.

To many commentators and political observers the issue of a Javanese – non-Javanese dichotomy is not relevant any more. For others, including this writer, the issue is not just relevant but still highly significant, at least in order to grasp the political orientations, attitudes, and behaviours of several of the main political actors in Indonesia.

Three things need to be re-emphasized about the existence of the Javanese in the contemporary political context. First, the Javanese are the numerically dominant ethnic group in Indonesia³. Second, Jakarta is the centre of national

government and power and is located on the island of Java. Third, as a consequence, the combination of Javanese numeric majority and Jakarta-based national power bring about a notion of Javanese hegemony in cultural, social and political terms. Non-Javanese and/or the people from the Outer Islands often articulate the somewhat internal imperialism of the Javanese over other ethnic groups and the outer islands. In a more moderate sense the interaction of Javanese and non-Javanese is depicted as a core – periphery relation.

Scrambling “Jawa” and “Jakarta”⁴ is extremely attractive. Apart from the dark-side of an alleged “domestic colonialism”, Java and Jakarta are seen as the symbol of stateness, power, modernity and prosperity to which the outer islands extend respect, loyalty, and interest. Accordingly, a challenging question is whether or not the Javanese phenomenon is a source of conflict, an integrative or disintegrative force within the nation.

Javanese culture rests on the natural law (ukum phinesti) that every community is composed of hierarchy⁵ and harmony, and in their daily life people have to respect the hierarchical harmony and preserve the harmonious hierarchy. In individual life and social (horizontal) relationship the very basic attitudes that prevail are willingness, consent, commitment, patience, and nobleness (rila, narima, temen, sabar, lan budi luhur). And in order to maintain hierarchy the basic mind sets are awareness, faithfulness, and loyalty (eling, pracaya, lan mituhu). A cultural approach would then conclude that the Javanese are a society living and loving in peace⁶.

Whilst the Javanese values concerning horizontal relations are nationally accepted and admired, its vertical (hierarchical) orientation has been the subject of much debate and criticism. It is widely perceived that the high respect of hierarchy has spread and deepened the subordination of (Indonesian) people before the government. Furthermore, the Javanese mystical view of power (kasekten)⁷ is also perceived as having brought about the emergence and longevity of an uncontrolled, illegitimate, and unlimited (authoritarian) power in the hands of government. This vertical political orientation has in turn tended to shift the direction and arena of conflict, from cultural and social to political conflict, from horizontal (Javanese and non-

Javanese) to vertical (state/government and community) conflict or center-periphery dispute.

The Javanese phenomenon is different to the Islam and non-Islam relation. Whilst many observers⁸ name Indonesia as 'Greater Java', or a Java-based nation, or a Javanese-hegemonic nation, none are so confident in calling it an Islamic nation. Although Muslims make upon absolute majority (88%) in Indonesia, and it deserves to be called the largest Muslim country in the world, Indonesia is still far from secure in its Islamic entitlement⁹. Since the early formation of the nation, various Islamic groups have been effectively marginalized by either government, through its religiously-neutral policies, or other anti-Islamic forces. Nevertheless, the obsession with creating an Indonesian Islamic state never passes away. Pancasila and Islam concurrently contribute to the dual-identity of the Indonesian nation: one is religiously neutral in character and the other is religiously Islamic in nature.

Up to the present day the struggle to build an Indonesia Islamic state is still going on and keeping the nation as well as Islamic politics in dilemma. A very brief observation of the Islamic dilemma shows that internal Islamic differences are the main constraint. They are not limited to the Geertzian classical, though still often quoted, dichotomy of Javanese religion, santri and abangan (and also priyai to make it a trichotomy), or to the two largest Islamic organizations of Muhammadiyah (founded in 1912) and Nahdlatul Ulama (established in 1926), as there are many other faith interpretations and smaller organizations. The reformist and traditionalist groupings are also insufficient to represent the vast bulk of Islamic orientations¹⁰. Islamic political parties, from Partai Sarikat Islam Indonesia (PSII, 1923), Majelis Sjuro Muslim Indonesia (Masjumi, 1945), Persatuan Tarbiyah Indonesia (Perti, 1946), Nahdlatul Uama (1952), Partai Muslimin Indonesia (Parmusi, 1968) and Partai Persatuan Pembangunan (PPP, 1974) have always posted second in general elections. Between the 1999 and 2004 elections, although the number of Islamic parties increased (20 Islamic parties out of 48 contesting parties in 1999 and 7 out of 24 in 2004), the result decreased¹¹. Partly from disappointment with such political performance, several groups adopted non-democratic methods with some of them reportedly involved in radical and violent actions. Darul Islam, Hizbut Tahrir, Jamaah Islamiah, Islamic Defender Front (FPI) and Laskar Jihad are

popularly known as part of the radical movements¹².

Indonesian Muslim commitments toward Islamic teachings are in line with, or reflect, their political orientation toward the nation and state, but hardly represent their party affiliations or determine the methods they choose. In a very simple categorization three groups can be put forward: (1) those demanding an Indonesian Islamic state, (2) those emphasizing a pluralist or religiously neutral state, and (3) those dreaming of pan-Islamism (universalist). PPP, Partai Keadilan (Sejahtera) and Partai Bintang Reformasi are three influential parties claiming Islam as their political foundation and struggling to formalize shari'a into a national legal system. Partai Kebangkitan Bangsa (PKB) and Partai Amanat Nasional (PAN) propose pluralist values. This configuration might confirm what Wertheim called as the Islamic “mentality of minority”¹³.

But the most important issue concerning Islamic political orientations is how to translate the basic Islamic “ideology”, *amar ma'ruf nahi mungkar* (enjoin good and prohibit evil), into political behaviour and activities. Without any single nationally and conceptually accepted understanding about this value, it is difficult to see Islamic politics becoming an integrating and strengthening movement. In practice, however, the principle apparently has been manifested in pluralistic and accommodative politics, as shown by various religious, social and political organizations. Moreover, the greater attention to the provincial and/or district level, as has occurred in Aceh, South Sulawesi, West Sumatra, and the West Java regions, might shift the Islamic political agenda, and its potential to cause conflict, from the central stage to regional arenas.

The coexistence of the “Mataram complex”¹⁴ and the Islam “mentality of minority” paves the way for the emergence of authoritarianism, the third issue characterizing Indonesian political conflicts. As mentioned before, the Javanese conceptions of power and state provide some sort of rationale or cultural justification for the centralization of power in the hands of the government. Old Javanese and particularly Mataram kingdoms were also typified by the monopoly of “legitimated” violence. Above all, the absence of clear and practical guidance which insists that the ruler (king/government/gusti) holds broader political responsibility, rather than exclusively acquiring and preserving power, has constructed an unfair political

ethics. Whilst the ruled (people/kawula) were encouraged to be faithful toward the ruler, the ruler was absolutely independent, if not separated, from the ruled. For the interest of the king and his kingdom, the main things he carried out were protection and social control. Since the king usually gained power following a period of turmoil (kala bendhu), the main role of the king was to restore order, and the apparatus he created was the kingdom's instrument to protect the land, resources, and inhabitants of the kingdom. Development, in its broadest meaning, was the people's duty.

The egalitarian values of Islam seemed incompatible with Javanese hierarchical system, particularly in the eyes of the ruling elites. The Islamic majority-based demand for democratic was also perceived as could undermine the vision of a “greater-Java” or the dreamed modern, integrated, greater Indonesian nation-state (NKRI). The national(-ist) leaders then imposed a neutral ideology of Pancasila, which was believed to be deeply rooted in Javanese syncretism.

The series of regional rebellions in 1950s had forced the central government to tighten its nationalist-integralist policies. Although the Dar'ul Islam revolts (in West Java, Aceh, and South Sulawesi) had never threatened the unitary state of NKRI in the way that the PRRI-Permesta rebellion had, Sukarno began to centralize power into his hands. Instead of addressing the reasons behind the revolts – injustice toward the regions and the Communist relations with the government – Sukarno became dictatorial and repressive, as indicated by the deployment of armed forces in dealing with regional and religiously based resistances. Masjumi, the Islamic party, was then dissolved (1959) and its leaders were detained and even tortured¹⁵. Furthermore, Sukarno developed a “Guided Democracy” so that the plural political orientations and organizations could be shaped to achieve national goals.

In general, Suharto basically continued the vision and policy of his predecessor in terms of the survival of NKRI and the necessity of strong government to protect it. After assuming power through an allegedly PKI-led coup in 1965, Suharto dissolved PKI and banned its affiliated organizations. Many of its leaders and members were killed or imprisoned. Although this military operation and physical oppression was supported by non-military organizations, Suharto did not give any guarantee for the revival of Islamic

politics. Masjumi was not allowed to re-emerge but was altered by Parmusi. Later, all Islamic parties were blended in PPP and all social and political organizations were compelled to assume Pancasila as their sole ideology. In brief, the New Order regime sterilized political arena from ethnic, religious, race and group (SARA) issues and closely observed religious, social, and cultural organizations.

The central goal and the driving value of the authoritarian practices lead to the conclusion that Indonesian authoritarianism originated in a nationalist view and religiously neutral values. However, the goal of integrating the vastly diverse societies and bringing welfare and justice to the whole people had been overlooked for the most part of Indonesian politics for the government interests of power. Sukarno and Suharto made regional rebellions and Islamist resistances as political and ideological causes to create strong government. Javanese culture and Muslim internal diversity were manipulated, which gave authoritarianism cultural and social legitimacy¹⁶.

Contestation and Collaboration of political orientations

I start this discussion by considering Javanism, Islamism, and authoritarianism as being less than ideologies, but more than just political issues. They act as life guidance and produce political orientations. They function in motivating people to take part in political activities. Although the supporters of each of these “ideologies” are limited to a relatively small number, their political role is crucial in determining national political agenda. Counter “ideologies” such as deJawanisasi or the so-called regional autonomy, anti-Islam fundamentalism or the pluralist view, and anti-authoritarianism or the so-called democratic movement are more likely as political issues than ideologies.

The Javanese hegemony and/or Jakarta-centralized power generate(s) the need for de-Javanization or Javanese de-hegemony. This contest is formally accommodated through the formulation and implementation of regional autonomy, and also popularly called decentralization. But stronger oppositions against Javanism or Jakarta centralized power also raised the issues of federalism and separatism. Related to the internal contest within Islamic culture I put the Islamic revivalism with shari'a as its main agenda, pluralism

and non-Islamic as three main derivative cultures. In the site of authoritarianism (which is technically non-Javanese and non-Islamic) there are also three groups of ideas and interests: reformism encompassing all democratic movements against conservatism, status-quo and militarism; people organization and civil society empowerment; and opportunism which disconnects to either conservatism or reformism.

The emergence of Indonesia as an independent state resulted from a combination of “national” resistances and international support. The idea of Indonesia itself in terms of nation and state primarily stemmed from the Dutch colonization of the archipelago for around three centuries, with a short interruption of Japanese occupation. During this period the scattered islands and relatively separated ethnicities with their own autonomous realms were administrated through an authoritarian control based in Batavia/Jakarta. However, the pre-colonial history of Majapahit, the Java-concentrated imperialism, the Java-centred liberation movements, and then the Yogyakarta/Jakarta (Batavia)-based national government together raise the notion of a Java-based Indonesian history. These historical facts and political processes become critical resources to argue for the idea of Indonesia as a Greater Java or Indonesia, with Javanese hegemony, or more precisely a Jakarta-based Indonesia.

Sukarno's Javanese syncretism and Supomo's conception of an “organic integralistic” state are widely acknowledged as having fundamentally shaped the Indonesian unitary state form. Within this form the diverse ethnic, religious, and cultural entities were integrated and would be ruled by “a kind of noblesse oblige or kerakyatan yang dipimpin oleh hikmat kebijaksanaan dalam permusyawaratan/perwakilan (democracy led by wisdom and prudence through consultation and representation)”¹⁷. The form can be thought of as the spirit, soul, mind or even the moral value of the Indonesian state.

The form was not only shaped by constitution or political decision - it necessitated an ideology. National leaders proposed the nationalist ideology of Pancasila, but Islamic groups favored Islam as the state ideology. After a long debate, it was agreed that Pancasila would be the state ideology in line with the unitary state form. “To create an Islamic state in Indonesia ... would create

problems with Christians and other minority groups, for although an Islamic state would safeguard the interests of such groups, they would not be able to be involved in the state”, Supomo asserted. Another Muslim scholar also worried that the “seven words” of the Jakarta Charter would create fanaticism among Muslims who would force the state to abide by shari'a law¹⁸. In this respect, NKRI was mainly based on contending nationalist and Muslim groups and nationalist and Islamic ideologies.

The formation of the unitary state of the Republic of Indonesia (NKRI) in 1945-1949 was carried out during a period of national revolution, to seek to fulfill the internationally recognized criteria of statehood: a definite territory, people, effective government, and international recognition. Debate and tension re-emerged. The unitary state form ended, and was replaced by a federal form of the Republic of the United States of Indonesia (RUSI). The secular ideology of Pancasila was re-questioned. Differences in political orientation dated back to the first year of independence. But in less than one year Sukarno supported by other nationalists annulled the federal structure. The reason for this was the belief that federation was the creation of the Dutch divisionist policy and was unsuited to the Indonesian national character. But it was also motivated by the notion that power is necessarily centralized which was based on Javanese tradition¹⁹. In the hope of restoring unitary form, Pancasila was restated as the national ideology. These decisions immediately led to bitter and spreading rebellions on political and religious grounds during the 1950s, as took place in South Sulawesi, Ambon, West Sumatra, North Sulawesi, West Java and Aceh. These armed conflicts rationalized the need for a strong government. Sukarno then arbitrarily decreed a “Guided Democracy” in 1959. With this presidential decree the state became an entity with great power and different interests²⁰. With his strong power Sukarno completely crushed all social and political institutions in order to continue his national revolution²¹.

It is questionable that Sukarno's Guided Democracy was purely hinged on Pancasila as he invented in 1945 and restored in 1959. As frequently stated by his successor Suharto in his New Order early years, the nationalist/integralist/religiously-neutral ideology of Pancasila had been disgraced by Sukarno whereas the New Order wanted to execute Pancasila

purely and consistently. But it was also later obvious that Pancasila was merely used to justify the new authoritarian ruler. On this case, Nono Anwar Makarim wrote that Suharto attempted to continue Sukarno leadership with the addition of two new elements: coercion and systemic corruption²². Pancasila was the ideology of the authoritarian ruler that all social and political organizations had to adopt it.

The New Order also instigated a remarkable increase in the importance of Javanese culture and even brought it to a hegemonic status. Whereas Sukarno referred to glorious Javanese old history such as Majapahit, Suharto tended to accentuate Javanese abangan culture on harmony. Suharto insisted that Pancasila was an indigenous product of national culture and was taken from the soil of Javanese history. Most importantly, says William Liddle, the New Order took the benevolence-obedience ideal from the Javanese culture which emphasizes the benevolent ruler and the obedient populace. "Like an idealized version of a traditional Javanese king, Suharto projects an image of standing alone at the apex of government. All important political decisions...are made by him.... [And] the benevolence-obedience ideal encourages statism in the attitudes of bureaucrats toward society."²³

The utilization of Javanese culture brought about paradoxical results, as it simultaneously became the victim and the hegemon. As the victim, it was manipulated for the benefit of the government. Every single value favouring the state interest was selectively exploited so that the norms of harmony were then subordinated to hierarchical power²⁴. As a consequence, it was a growing opinion among the outer islanders that Javanese culture justified the authoritarian regime of the New Order. On the other hand, its official utilization made it the main cultural reference and developed to a hegemonic culture. The Javanese model of village was applied to the outer islands regions. The Javanese style of leadership was also imposed on and imitated by non-Javanese bureaucrats and politicians. Javanese proverbs and maxims became popular and were frequently quoted by the non-Javanese. Not surprisingly, the adoption of Javanese culture in various ways made it easier for non-Javanese to get political and economic access at a national level.

To a certain great degree, the cultural, social, and political collaboration²⁵ between authoritarian practice and Javanese hegemony has moved Islamic politics from the structural to the cultural realm. As a cultural movement Islam has successfully developed an image that Islam in Indonesia is inclusive, tolerant, democratically oriented, and gives high respect to pluralism and human rights²⁶. Nonetheless, orientations toward political power and attitudes toward Islamic ideology still existed. With both these characteristics, “Islam is essential to the legitimacy of Indonesia's New Order regime and at the same time is the major (indeed, only credible) source of popular opposition to it”²⁷.

Authoritarian practices, Javanese hegemony, and Islamic majority were the main political references during the New Order regime. They created an ideological configuration that had to be calculated in every political behaviour and analysis. Such a configuration created some thing of an equilibrium, which preserved national integration, stability, and order. Javanese culture had the role of providing authoritarianism (in terms of government and Pancasila) with a kind of cultural justification and of moderating Islamic politics. Islamic ideology, however it was marginalized, still consistently criticized and effectively restricted government authoritarianism and at the same time contributed to the rationalization of Javanese traditional culture. Finally, the authoritarian ideology and government launched control over Islamic radicals and utilized Javanese traditional culture for its legitimacy. It is fair to say that the existence of NKRI and the New Order politics resulted from a “cold-war” type circumstance comprising the three forces of Javanism, Islamism, and Pancasila.

The ideological 'equilibrium' broke down following the collapse of Suharto authoritarianism in 1998. The failure of the authoritarian system in coping with economic crises and their maintaining order through a monopoly over the legitimate use of violence paved the way for anti-authoritarian movements, which were manifested in reformist terms. Reformism was initially a grand ideology encompassing the sentiment of anti-Suharto and his cronies, anti-militarism, anti-New Order corrupt institutions, norms, and practices. All these were considered to be the source and the cause of national catastrophes.

The downfall of Suharto's authoritarianism obviously had a strong impact on

the ideological configurations within Indonesia. Protests and attacks were also directed toward Javanese hegemony and the Islamic “mentality of minority”. Both were blamed, as if they had a share in raising and conserving the authoritarian regime. While reformism became the ideology of anti-authoritarianism, dejawanisasi (de-Javanization) turned out to be a new orientation against Java/Jakarta domination, and revivalism of Islam - developed into a new agenda for restoring Islam's political role²⁸. Unfortunately, reformism, dejawanisasi and Islamic revivalism were not clearly defined and seemed not to be ready to carry out rapid, peaceful, and democratic political transition. They functioned more as counter or revolutionary ideologies in order to force Suharto to resign and to terminate authoritarianism, Java/Jakarta superiority and Islam marginalization. It was unlikely that the driving ideologies would bring their adherents to their expected destinations²⁹. Since the resignation of Suharto, reformist movements apparently have lost their ideal goals. Most political discourses were then focused on what to do with Suharto and his cronies – including mainly the military (ABRI) and Golkar. Dejawanisasi seemed to get a more practical response, which was enacted immediately through decentralization or regional autonomy. On the other side, it was once again proven that Islam's internal differences which are uneasy to integrate into a single political platform. This period even more has paved the way to the re-emergence of radical groups. The period of 1998 – 2004 certainly witnessed many violent conflicts which were mostly triggered by the unclear political orientations of reformism and dejawanisasi, and the Islamic failure to build a cohesive and well-managed force on one hand, and the threat of the supporters of the authoritarian regime on the other. To a certain degree, the NKRI has been in serious threat of disintegration. One Indonesian scholar clearly described the situation as that of a state without nation and a nation without character³⁰.

Gradually, the democratization agenda of reformism has crystallized in the empowerment of civil society, dejawanisasi focused on regional autonomy (otonomi daerah), and Islamic revivalism which apparently has come into a broad consensus of a pluralistic view. By empowering civil society, encompassing public organizations, religious and social institutions, political parties, professions, education, labour, media, and kin groups, the existence

and performance of the state is no longer dependent on authoritarian government institutions. People are, rightfully, the subjects, and not just the objects, of political activities. To meet this goal, Jakarta-centralized power has been decentralized by giving the regions greater authority to make decisions according to their local characteristics. Regional autonomy is an imperative in order to bring the rulers closer to the people as the source of legitimate power and those to whom they ought to be responsible. Accountability and transparency, the main indicators of good governance and the main goals of democratization, are expected to be achieved through regional autonomy. In the meantime, the Islamic pluralist value of implementing *amar ma'ruf nahi munkar* will strengthen civilian groups, which are mostly made up of Muslims, in their political orientation and participation at both national and regional levels. A positive collaboration based upon the principles of civil society, regional autonomy, and Islamic pluralism will develop and preserve an integrated, stable, and democratic state of NKRI.

Beyond such an ideal collaboration, attention needs to be paid to the elements that might undermine the initial stage of democratic processes. From the authoritarian versus reformist side there are many opportunists, political adventurers and provocateurs that are not affiliated with any of the conflicting groups of interests or that have been eliminated from the main blocs and arenas. Secession and separatist movements could be seen as the extreme goal of *dejawanisasi*, since all these kind of political struggles take place in the Outer Islands (Aceh, Maluku Selatan, and Papua). On the Islamic part, there are several militant groups and non-Islamic or anti-Islamic forces that could weaken Islamic political power. Although it would be difficult and is unlikely to occur, any form of collaboration among these extremist groups might threaten and destabilize the Indonesian nation and state.

Closing remarks

Although political scientists, specifically experts in ideology studies, might judge that this paper does not distinctively define the meanings of ideology, political culture, and sub-culture, it is the reality that the Indonesian nation and state are not conceived through the lens of a single ideology. The idea and form of Indonesia, and its conception as a political entity, are seen through cultural,

religious, and regional perspectives distinct from the political point of view the government attempts to endorse. It is also true that ideological belief does not directly determine political organization and affiliation. As a certain ideology may be institutionalized in several different political parties, a combination of ideologies can also manifest in a single political party or organization. Rather than an ideological vehicle, political parties have more likely been political instruments for power acquisition and other benefits which led to the mushrooming of political parties and various non-party organizations as demonstrated during the reform era.

The ideological development involving changes and continuities in Indonesian politics demands further investigation. A preliminary observation, however, shows that the whole history of Indonesian politics is a process of de-ideologization or a cultivation of ideologies. This term covers two main ideas. Firstly, Indonesian nationalism bringing independence was dogged by Islamism and Javanism as the dominant religion and culture respectively. During the last seven years of Sukarno's presidency nationalism took the form of authoritarianism and persisted for three decades under Suharto's New Order. The revolutionary ideology of nationalism has changed to an administrative culture of the ruler, while Islamism and Javanism have remained the culture of the ruled mass. Secondly, the collapse of authoritarianism seven years ago paved the way for the re-emergence of ideological politics, particularly indicated by the revival of Islamism. But this occurred in a relatively short period, before the renewed contesting ideologies became more realistic in dealing with the real problems of socio-cultural diversity, religious plurality, political order, and economic crisis.

Although the idea and the form of NKRI might be perceived in various ways, its existence and survival has been nationally recognized as the highest priority and closed to ideological disputes. Contemporary Indonesian politics, therefore, seems to be driven by the political agenda of how NKRI should be managed in order to provide and deliver public goods to its citizens. There is a widening acceptance that a democratic process is the only way to achieve this end. The significance of civil society, the importance of regional autonomy and the vital role of Islam in conserving plurality are three crucial political orientations that were crystallized in the reform era. On one hand, this new

culture enables government, political parties, groups and individuals to engage in negotiations and peaceful solutions that preserve NKRI, strengthen democratic processes, and secure national order. On the other hand, such practices might ignore the more basic differences of values, leading to disappointments, resentments, and even violent conflicts. The future of a democratic Indonesia is then determined by the processes of how the contending political ideologies can be translated cautiously, precisely, and effectively into democratic cultures that enable the practices of negotiation and collaboration among the divided societies. Democratization thus means the de-ideologization of culture (and religion) and cultivation or civilizing of ideology.

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² I prefer to use "authoritarianism" rather than nationalism or secularism or "non-Javanism and non-Islamism", or even Pancasila for certain reasons described later. Although Javanism had a great share in the emergence of authoritarian government, as other feudal traditions have, and in spite of Islamic attempts to restrain it, Indonesian authoritarianism has been mostly pushed and motivated by political pressures and interests.

³ Demographically, Javanese make up 41.71 % of the whole Indonesian population, comprising 205,843,196 individuals in 2000. Counted together with Sundanese (15.41 %, who live in West Java), Madurese (3.45%, who live on the separated island of Madura), Betawi (2.51%, who live in Jakarta), Bantenese (2.05%, who live in the Banten province, in the western part of Java), and Balinese (1.51%, who live on the island of Bali), the number makes 66.64% of Indonesia's total population. Although there are cultural distinctions and certain historical conflict among them, people from the Outer Islands tend to view these groups as similar. Moreover, the 60.12% of Indonesians inhabiting the island of Java, which is only 6.60% of the overall Indonesian territory, raises the notion of a Java- or Jakarta-based Indonesia.

About three quarters of the Javanese live in their original homelands: Central Java, East Java and Yogyakarta. The rest (27.72% or approximately 23 million) are spreads throughout the other Indonesian provinces and constitute a significant percentage compared to other ethnic groups. In Bengkulu, Lampung, Jakarta and East Kalimantan, for example, the Javanese make up the highest percentage of the provincial population. In some provinces (Aceh, North Sumatra, Central Kalimantan and Papua) they come second, and make up the seventh largest population in Maluku and North Maluku provinces.

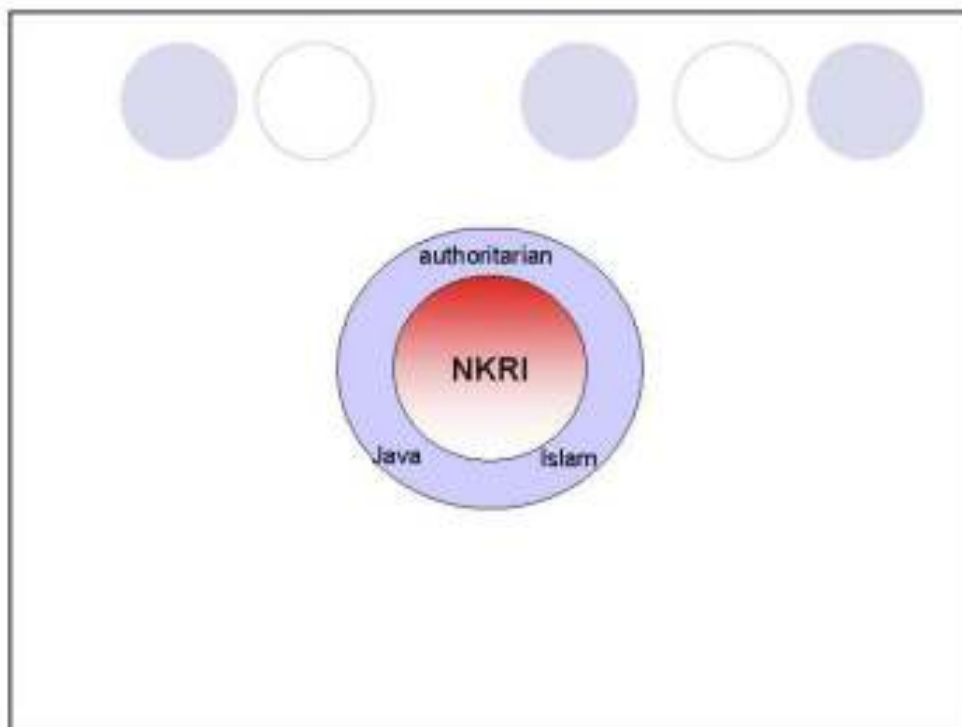
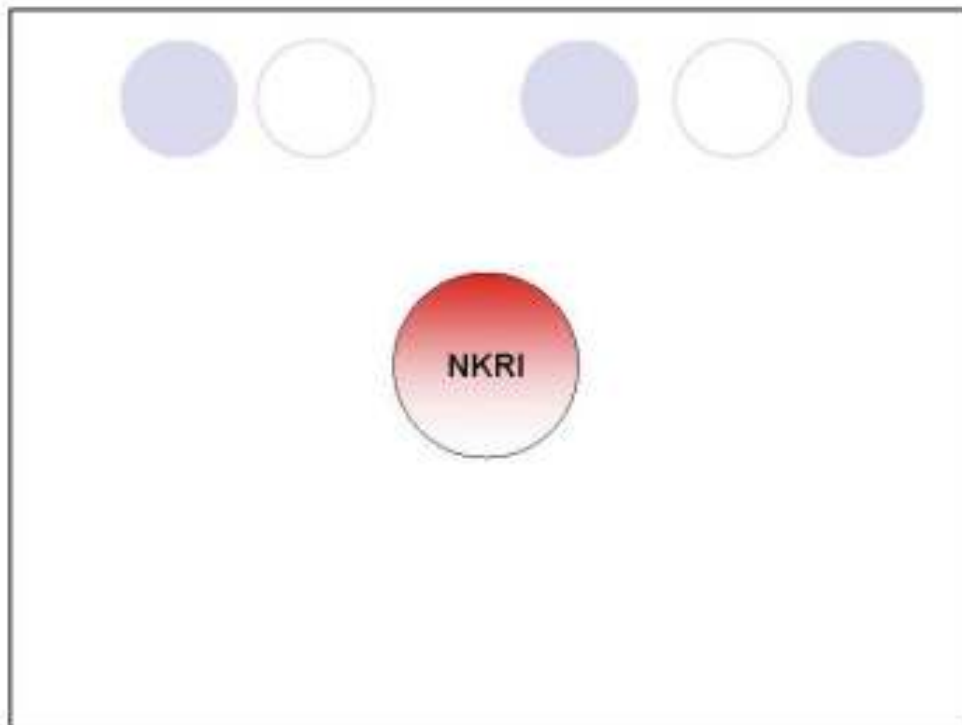
Data is based on *Penduduk Indonesia: Etnis dan Agama dalam Era Perubahan Politik*, Leo Suryadinata, Evi Nurvidya Arifin and Aris Ananta, eds., (Jakarta: LP3ES, 2003). For the English version, see *Indonesia's Population: Ethnicity and Religion in A Changing Political Landscape* (Singapore: ISEAS, 2003)

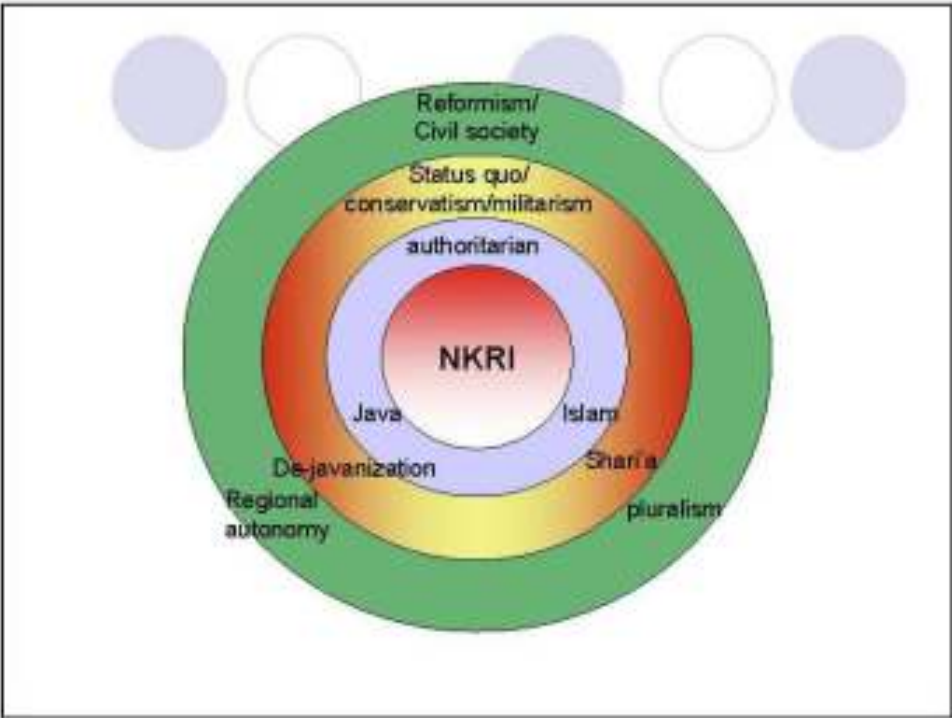
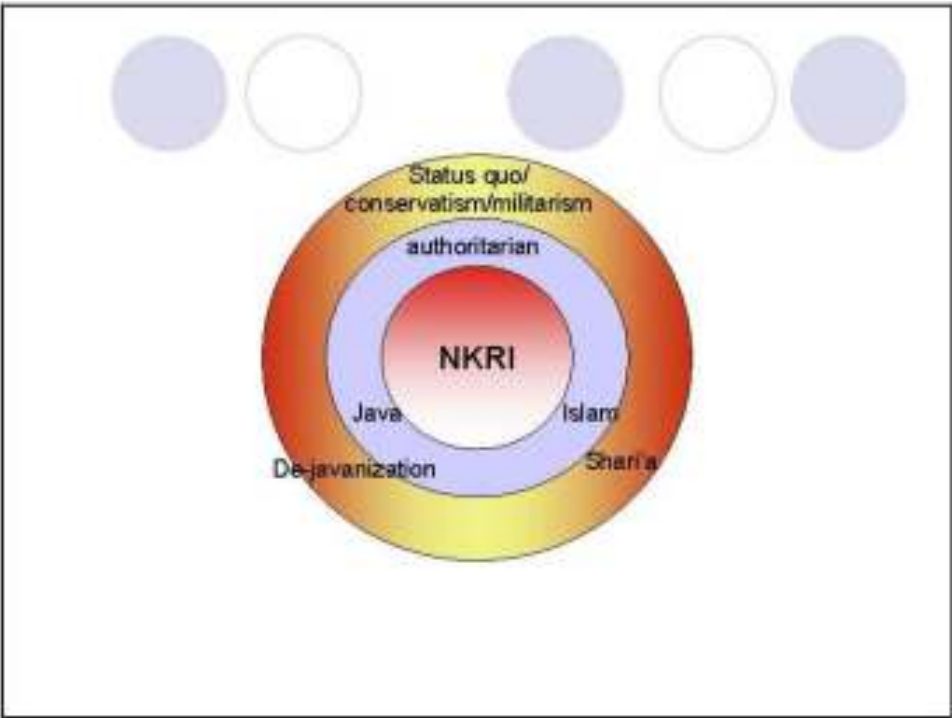
⁴ "Orang Jawa" (a Javanese) should be seen as an anthropological term indicating personal ethnicity and cultural identity. "Orang dari Jawa" or "orang Jakarta" refers mostly to an administrative idiom or political identification of a person, regardless his/her ethnic background, appointed and sent to a certain region to carry out national central programs and to fulfill the central government interests. The terms "Orang Jakarta" (Jakarta man) or "orang dari Jakarta" (of a person from Jakarta) or "orang dari Jawa" (of a person from Java) are used sporadically without any single term that can precisely define the political essence.

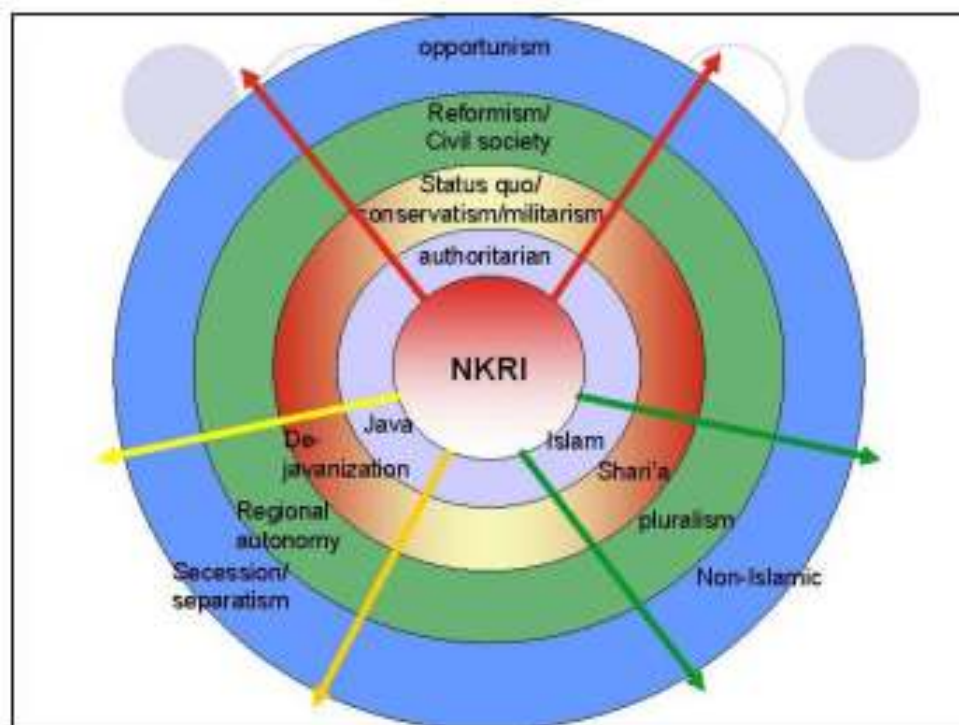
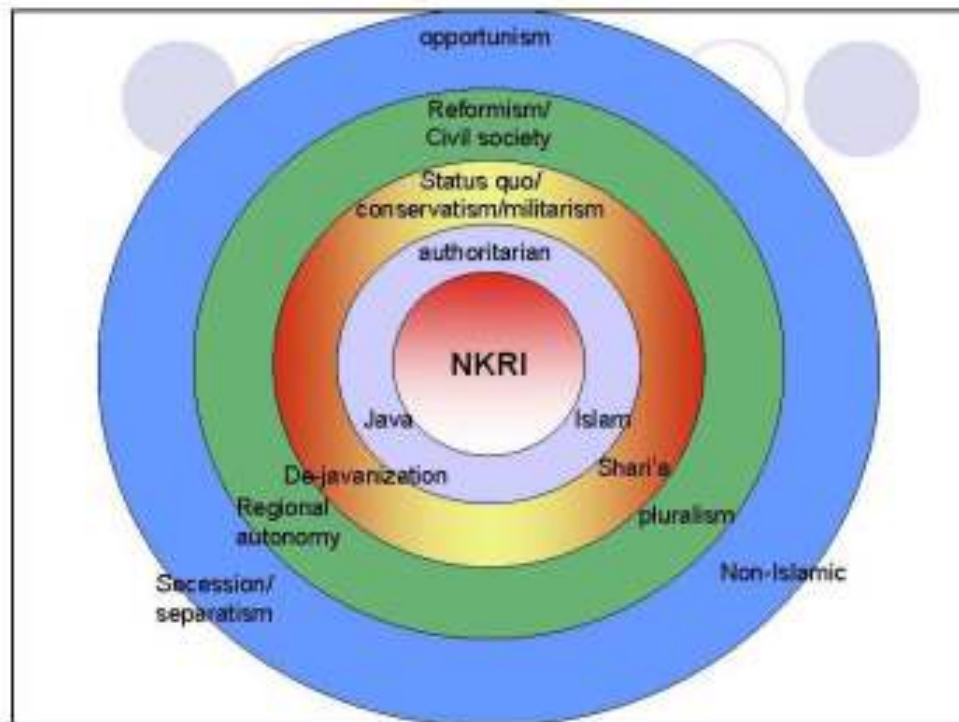
⁵ These main characteristics are attached to Javanese living in the hinterland areas. Heavily relying on agriculture, compared to those around coastal areas, the hinterland Javanese developed an inward focus, a hierarchical social system and even a centralized state. See M. Ricklefs, *History of Modern Indonesia Since 1300*, 2nd ed., (London: Macmillan, 1993); Kenneth R. Hall, *Maritime Trade and State Development in Early Southeast Asia* (Honolulu: University of Hawaii Press, 1985) pp. 114-131.

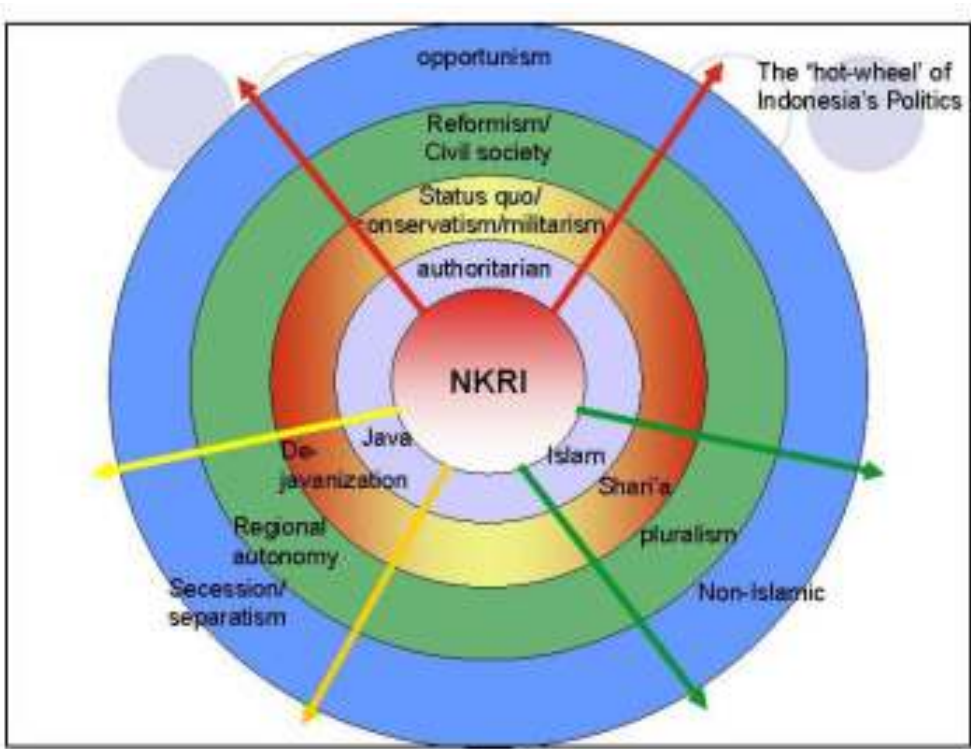
⁶ See Mangadar Situmorang, *Ide-ide Perdamaian dalam Budaya dan Masyarakat Jawa* [The Ideas of Peace in Javanese Culture and Society] (Lembaga Penelitian Unpar, 2000)

- ⁷ In addition to Benedict Anderson's conceptualization of "The Idea of Power in Javanese Culture" (1972) it is also important to note another explanation from Moedjanto and Moertono. Both maintain that for the Javanese the nation or state is personified by the king and established in a kingdom (*kerajaan*). This personification relies on two vital conceptions. First, it is culturally conceived that the rising of a new king was usually preceded by chaotic circumstances from which a knight emerged and demonstrated his superiority, nobility and ability (*kesaktian* or *keagungbinataan*) to restore order. This in turn generated admiration and respect and even raised a feeling of fear among others. The next stages for being a real king were to purge potential enemies and even if necessary kill them, to enforce and enlarge loyalty bases, and to trace and create a new link to noble ancestors. See Drs. G. Moedjanto, MA, *Konsep Kekuasaan Jawa [Concept of the Javanese Power]* (Yogyakarta: Kanisius, 1994), pp. 77-100. See also Soemarsaid Moertono, *Negara dan Usaha Bina-Negara di Jawa Masa Lampau: Studi tentang Masa Mataram II, Abad XVI sampai XIX* (Jakarta: Yayasan Obor Indonesia, 1985).
- ⁸ For instance, William Liddle, *Leadership and Culture in Indonesian Politics* (Sydney: Allen & Unwin, 1996), p. 78 and 80; Jean Gelman Taylor, *Indonesia: Peoples and Histories* (New Haven: Yale University Press, 2003) p. 340-85; and Christine Drake, *National Integration in Indonesia* (Honolulu: University of Hawaii Press, 1989) p. 22
- ⁹ In contemporary international politics, Indonesia has tended to be identified as an Islamic nation mainly based on a suspicion of its harbouring radical Islamic groups.
- ¹⁰ See Deliar Noer, "Contemporary Political Dimensions of Asia", in M. B. Hooker, *Islam in South-East Asia* (Leiden: E. J. Brill, 1988) pp. 184-98; Anders Uhlén, *Indonesia and the "Third Wave of Democratization": The Indonesian Pro-Democracy Movement in Changing World* (Richmond: Curzon Press, 1997) pp. 63-83.
- ¹¹ Partai Kebangkitan Bangsa (PKB), Partai Persatuan Pembangunan (PPP), Partai Amanat Nasional (PAN), Partai Bulan Bintang (PBB), and Partai Bintang Reformasi (PBR) are five top Islamic political parties, based either on social organizations or ideological platforms. In the 1999 election PDIP ranked at the top followed by Golkar, but in 2004 Golkar was first and PDIP second. Both are known as nationalist or religiously-neutral parties. All Islamic parties mentioned followed behind.
- ¹² See S. Yunanto, et al., *Militant Islamic Movements* (Jakarta: The RIDEP Institute and FES, 2003)
- ¹³ W.F. Wertheim in Michael R.J. Vatikiotis, *Indonesian Politics under Suharto* (London: Routledge, 1993) p. 121.
- ¹⁴ William Liddle, *Ibid.*, p. 80
- ¹⁵ Deliar Noer, *Ibid.*, pp. 190-91.
- ¹⁶ Supported by the creation of few political institutions (political parties, elections, representative agencies) populist ideologies were imbued with a symbolic legitimation, while economic development brought about performance legitimation. William Liddle, *Ibid.*, pp. 23-30
- ¹⁷ See William Liddle, *Ibid.*, p. 27
- ¹⁸ Supomo's comment and Husein Djajadiningrat's opinion are taken from S. Yunanto, et al, *Militant Islamic Movements*, *Ibid.*, p. 3 and 4.
- ¹⁹ See Damien Kingsbury, *The Politics of Indonesia* (Victoria: Oxford University Press, 2002) p. 38. See also Soemarsaid Moertono, *Ibid.*
- ²⁰ See Michael van Langenberg, "The New Order State: Language, Ideology and Hegemony" in Arief Budiman, ed., *State and Civil Society in Indonesia* (Clayton, Victoria: Centre of Southeast Asian Studies, Monash University, 1990) pp. 121-149.
- ²¹ See Nono Anwar Makarim, "Geopolitik", in Kompas, 28 Desember 2004.
- ²² Makarim, *Loc.cit.*
- ²³ William Liddle, *Ibid.*, p. 80
- ²⁴ See Sindhunata, "Krisis Kebudayaan Jawa" in Kompas, 11 Mei 1999.
- ²⁵ Culturally, it refers to the Javanese vision of hierarchy and power; socially, that the Javanese are the ethnic majority; and politically, that Java has profited from the centralized political decisions and economic development.
- ²⁶ See Syafiq Hasyim, "Menghambat Kematian Islam Kultural", in Kompas, 16 Maret 1999.
- ²⁷ Ruth McVey, "Islam, state and society in Indonesia"
- ²⁸ Intellectual discourse on the political role of Islam has been extended since the downfall of the New Order and has taken place in public media such as Kompas. See, for example, Saiful Mujani, "Perubahan Signifikansi Politik Aliran" (Kompas, 21 Maret 2004); Abd Rohim Ghazali, "Mengembalikan Fungsi Agama" (Kompas, 16 April 2004); Abudl Munir Mulkhan, "Kiblat Politik dalam Pilpres 2004" (Kompas 10 Juni 2004); Kuntowijoyo, "Menuju Pragmatisme Agama" (Kompas, 7 Juli 2004); Muhamad Ali, "Pragmatisme Religius" (Kompas, 15 Juli 2004); Zuhairi Misrawi, "Memaknai Realitas Islam Politik" (Kompas, 11 Agustus 2004).
- ²⁹ For Denny J. A., Indonesia was trapped in a permanent transition in "Renungan Setahun Gerakan reformasi: Transisi yang Permanen" in Kompas, 20 May 1999.
- ³⁰ Mochtar Pabottinggi, "Negara tanpa Nasion, Nasion tanpa Karakter" in Kompas, 22 Mei 1999.









7. Continue Reforming Indonesia Through Medium-Term Development Plan 2004-2009: An Overview

Max Pohan¹

Introduction

Next on August 17, 2005 Indonesia will be commemorating its 60 years existence as a nation state. What do Indonesia have achieved as a nation after those years? What to be done today and tomorrow to achieved the objectives of the nation?

Before able to draw a blue print for the better future, one needs to understand and know the problems and challenges faced by the nation. To understand them easily let us first divide the Indonesia's development account into three periods: (i) 1945-1968; (ii) 1969-1997; (iii) 1998 – present.

In the first period (1945-1968), the existence of Indonesia as a sovereign state as well as a nation has always been in a turbulent and unstable condition, among others due to vertical as well as horizontal conflicts that occurred in most parts of the country. Political tensions among groups of people as well as regional government dissatisfaction vis a vis the central government were among the main threats to the existence of the nation although in the end the leaders were managed to maintain the unity of the country. On the other hand, within this period the government made available development plans. However, due to the circumstances i.e. the conflicts and political tensions those plans have never been implemented as previously expected.

The next period is 1969-1997. In this period, under the New Order government led by Gen. Soeharto, Indonesia has gradually reached the political stability and the government commenced its planned development making its way to achieve the main objectives of the establishment of Indonesia as a state which is stipulated in the Preamble of 1945 Constitution, i.e. (i) to protect and to serve the nation and the motherland of Indonesia; (ii) to boost prosperity and welfare of the people; (iii) to educate the nation; and (iv) promote world order

based on freedom, peace, and social justice. Also in this period the National long-term development plan (25 years) as well as Medium-term Development Plan (5 years) were formulated by the government and subsequently its implementation and action through a systematic annual development plans based on the State Guidelines (GBHN) endorsed by the National Assembly (MPR). Those stages of development within the 25 years time-frame were indeed considered as crucial and within which foundations for a sustainable development has been built.

This period in one hand also marks a success in improving the people's welfare in average as reflected by various social and economic indicators. On the other hand, the development activities were considered as too concentrating on outputs and outcomes while neglecting the development process and in particular the institutional aspects of the implementations and their quality which are regarded as heavily under political control making it vulnerable to deviation, fraud, and corruption as well as incapable to perform their functions in a professional way. The deteriorated and neglected system and institutional for political, legal, and social aspects has been a major contributor to the unjust and unbalanced development resulting in the disruption of the sustainability itself.

Within the unfavorable socio-politico environment and situation a monetary crisis hit several Asian countries including Indonesia in 1997 which later for Indonesia even enlarged as multidimensional crisis (socio-cultural, political, economic). The development as the result of the crisis has forced the Second Long-term Plan (PJP II) formulated by the Government based on the State Guidelines into a halt and the rest of the story perhaps has known to all of us already. The multidimensional crisis Indonesia that severely hit Indonesia in early 1998 was indeed a milestone and a beginning to "reformasi" in all elements of life of the nation, only that it should travel through a difficult times and

Indonesia's current problems and challenges

The problems that the nation inherited and the challenges faced as result of the multidimensional crisis are indeed severe, complex, and plentiful. The natural catastrophe that hit Aceh and Nias recently has undoubtedly given greater

aggravation the problems that the nation already have. The current problems and challenges faced by the present government can be classified into 11 (eleven) groups as follows:

First, low level of social welfare

Low level of the average Indonesian social welfare is caused by the low level of its economic growth, and this potentially drives basic social problems even worse. In the year 2003, number of open unemployment is reaching 9.5 million people (or 9.5% of labor force). Every year around 2.5 million people entering the labor market as new labor force adding to the present labor force already facing problems. The percentage of poor people of the total population in 2004 is 16.6% or about 36.1 million. This is still a significant amount. This figure of unemployment and poverty is highly susceptible to the change in political condition, economy, and the presence of social conflict take place in several regions, as well as to natural catastrophe. The level of social welfare is determined and very much influenced by the capacity of the economy to boost the income of the people in a more just and equal proportion. Although the stability of the macro economy can be maintain until 2004, the growth of the economy as a whole was not sufficient enough to uplift the general welfare of the Indonesian people. The income per capita of Indonesian people in

Second, low quality of Indonesian Human Resources

Within 20 years, the population of Indonesia will increase from estimated 219,9 million in 2005 to 274 million people in 2025. The challenges ahead are to lower the birth rate, increase life expectancy, and the decrease in infant mortality rate. In geographical distribution of population it is important to promote equal distribution of population within and outside Java, as well as between urban and rural areas. The most important thing in the population aspect is the human resource development. The low quality of Indonesian human resource has been indicated by the Human Development Indices issued by the UNDP. In 2002, the HDI of Indonesia is 0.692 as reported in 2004, and this is ranked at 111 among 177 nations recorded. In this matter, the role of health and education development are significantly important. Other issues to be adressed in the long term are the gender issue, women and child empowerment, illiteracy, and youth.

Third, weak management of Natural Resources and Environment

The main problem in the Indonesia's development is that there is a lack of coordination and the presence of constant conflict between the management of natural resource and environment and the exploitation of natural resources for development and welfare. The economic policy during the last three decades tends to take side on the exploitation of natural resources resulting in the weak condition of institutional management and law enforcement. At the same time, environmental quality is continuously degraded which is shown by the increasing water, air, and atmosphere pollutions.

Fourth, Inequality and Disparity

Regional disparities between Java and Outside Java, between eastern and western part of Indonesia, as well as the gap between rural and urban are still significant. The roots of the problems are classical: the lack of infrastructures, less investment at the eastern part of Indonesia, and the weak terms-of trade of agricultural productions which are mainly at the rural areas.

Decentralization policy to boost regional autonomy doesn't help much either because of limited number of professional and high capacity human resources, limited amount of resources needed, lack of legal system and regulations required to support the autonomy, as well as misperception of decentralization and regional autonomy.

Fifth, low capacity of Infrastructures

Since the crisis in 1997, the condition of service and supply of infrastructures (i.e. transportation, electricity, energy, post and telecommunication and information system, water supply and irrigation, drinking water, housing and sanitation) is degraded both in quantity as well as in quality terms. This situation is clearly hampered the national development efforts. The infrastructure development in the future faced with the lack of resources and government capacity to finance it while it is very clear that most of the public infrastructure highly dependent on government such as railroad, irrigation, water supply, airport, harbour, and rural electricity.

The very urgent infrastructures need to be resolved immediately are the damaged irrigation network to maintain rice supply in Jawa, Sumatera, and

Sulawesi; public transportation and its services including operational and maintenance; still high backlog in housing provision; and the greater gap between supply and demand in energy (electricity supply).

Sixth, horizontal conflict and separatism

The continuous threat to the existence and the unity of Indonesia by separatist movement in Aceh and Papua as well as Maluku is one of the pressure agenda for today and near future, also the horizontal conflicts in Maluku, Poso, Mamassa, and other places. The role of government as mediator and facilitator still need to be enhanced and improved to solve the problem.

Seventh, the conventional and transnational crime

Though still under the Government control, the magnitude of conventional crime is actually increasing reaching the level that creates social nuisance among the people. Furthermore, the transnational crime is also increasing and continue becoming a threat to the peaceful condition in Indonesia. They are smuggling, narcotics, money laundering, and terrorism.

Eighth, need to improve defence system

The geographical condition of Indonesia that is vast and the heterogeneous socio, economic, and cultural conditions making the threat from outside as well as domestic on the existence of the nation and the state of Indonesia should not be considered as unimportant. The defence system and its necessities such as personnel, weaponry and logistics are the important aspects to be improved in the first place.

Ninth, legal system and its implementation

There are still a number of legal products of the past which are not in line with the principles of justice, impartial, respect and protect human rights. They are need to be reformed immediately. Moreover, there are legal products that are overlapping one with another and need to be solved as well. Laws and regulations should be enforced to help the economy by eliminating red tapes and barriers, in order to attract more investments.

Tenth, low level and standard of public service

The low level of public service mainly because of the high level of deviation, misconduct, fraud, and corruption in the government offices; low level of performance of government officials; low capacity institution and management; insufficient reward and remuneration for government officials; as well as obsolete laws and regulations.

Eleventh, weak institutionalized political and societal system; low level of internalization of democratic principles within all parts of life such as the use of violence and money politics; human-rights violations; political crime; threat to unity and nationality, as well as tendency to have unilateralism in international relationship.

Indonesia's Medium Term Development Strategy (2004-2009)

Based on the problems, challenges, potentials, as well as constraints faced by Indonesia, the Government then outlined The National Development Agenda for 2004 – 2009 as follows: (1) Creating a Safe and Peaceful Indonesia; (2) Create a Just and Democratic Society; and (3) Improve Welfare of Citizens. These three national reform agenda sketched out in the government's medium-term development strategy. The strategy outlines the key policy priorities and direction of the new government under three agendas consistent with the President's vision of an Indonesia that is safe, just and prosperous. The strategy is formulated according to the vision of the elected President and thus the strategy implements promises openly made during the presidential election. Thus, the document is an example of a more democratic, open and transparent system of government.

This agenda is also a new departure in the formulation of development policy. The strategy has a substantial focus on policy and re-building institutions compared to previous plans, which had earlier focused on physical targets. It is more balanced in that the social sector and the political agenda become just as important as the economic agenda. In the past economic growth and development were given the highest priority and institutional capacity building in the political, social and economic arenas were neglected. Such neglect of the non-economic aspects of development led to creation of structural

weaknesses and rigidities in our institutions, which were unable to effectively respond to the “twin” economic and political crises in 1998, and contributed to the slow economic recovery.

The third difference is that the strategy aims to shift the boundaries of government-society relations to reflect increasing demands from the community for consolidation of political and economic reforms. Throughout the document there are several common threads that bind the three agendas together. Most importantly, the strategy aims to enhance the role of civil society in the political, policy making process and economy through institutional change and greater individual rights and responsibilities. For example, civil society in partnership with government will have to play a more active role in conflict resolutions. Another important cross-cutting theme in the strategy is mainstreaming poverty and gender through a rights-based approach. This also means that implementation and monitoring progress will have to be a shared responsibility between the government and the community including, among others, regional parliaments, civil society groups, businesses, unions, and the media.

The first agenda: Creating a safe and peaceful Indonesia

The recent continuously increasing crime rates, including trans-national crimes, sectarian and regional conflicts and terrorism have all amplified the people's feeling of insecurity and vulnerability at the community level, and at it is also disturbed the economic and social fabric of the inflicted communities. At the same time there is a growing demand from the people for improved safety and security from crime and conflicts.

Therefore, this first agenda priorities and policy direction will focus on resolving these problems through a multi-sectoral approach including improving capabilities of security apparatus to effectively protect the community against crime and terrorism. However, improved security will not be effective unless we also deal with the root causes of crime and conflicts. In this regard, a common theme in the strategy is to coordinate with the social and economic sectors to address the causes of crime and other social problems.

Our efforts to resolve regional and sectoral conflicts will be done through a

comprehensive conflict resolution strategy including civil society. The strategy will combine civil society initiatives, a national reconciliation process, and implement mechanisms to identify and prevent potential conflict areas. The strategy will also coordinate programs designed to improve community's awareness and respect for civil society, and protection of human rights and minority groups.

The second agenda: Create a just and democratic society

This agenda focus on rebuilding modern institutions and good governance. There are three key elements of this agenda – legal sector reform, improving delivery of public services and resolving implementation weaknesses with decentralization.

The government will continue with the legal reform agenda. In particular, there are numerous regulations and laws that are contrary to the ideals of justice, legal certainty and nondiscrimination. Moreover, the community correctly feels that enforcement of laws is selective and non-transparent and this undermines community trust in government. Thus, a key priority will be to establish mechanisms for review and reform of these laws, regulations and implement programs to improve transparency in legal enforcement.

A second priority is to improve delivery of public services ranging from delivery of education and health to the issuance of business licenses and permits. As we know, numerous reports show clearly that weakness in administrative capacity, poor civil service incentives, and endemic corruption in the bureaucracy are the primary causes of poor service delivery. Thus, our medium strategy will focus on civil service reforms as the best way to address these causes of poor service delivery. These will include programs to improve transparency, openness and accountability of the civil service. To do this we intend to strengthen the internal and external audit agencies, introduce a code of public servants ethics and to increase our efforts to eradicate corruption in government.

Finally, the regional autonomy agenda will focus on strengthening government and legislative institutions in the regions as well as further clarifying roles

between the center and regions in the areas of budgetary expenditures, management of infrastructure assets, economic and social policy implementation and administrative capacity of local governments. Priorities also include enhancing public participation in the political process such as introducing free elections of local official heads, enhancing capacity for mobilizing financial resources in the regions, and ensuring free internal trade between regions.

The third agenda: Improving welfare of Indonesians

As mentioned earlier, while the economic agenda is key to welfare improvements, the social agenda matters as well. In the medium-term development strategy there is a set of policies and programs in the social sector that focus on improving access, equity, and the quality of basic social services including education, health and family planning and community services for the poor and vulnerable. Other areas touched in the strategy include improving access of the poor to resources, regional and village development programs, youth policies, and activities directed at empowerment and protection of vulnerable groups. We believe this approach is consistent with our commitment to achieving the Millennium Development Goals (MDGs) and the programs in the poverty reduction strategy.

An important focus will be to improve the rate of economic growth and its quality in the sense of creating more and better jobs, sustainable reduction in poverty and vulnerability to poverty. Our growth rate has not created the number of good jobs we would expect from a 4-5% growth rate nor significantly reduced Indonesian's vulnerability to falling into poverty or addressed other dimensions of poverty. In other words, we need quality growth that creates good jobs for the almost two million new job seekers each year, let alone the millions of workers crowded into the more insecure informal sector.

We believe that combined with our social sector program a growth rate averaging 6-7% per annum over the medium term would support our employment and poverty reduction targets. The government has identified five key priority areas to achieve this growth and these priorities will be familiar to every one here today. The first is maintaining macro-economic stability

through stable prices, fiscal sustainability and financial sector reforms. The second priority area is accelerating investment, exports, and tourism through reforms to create a healthy business climate and flexible markets. The third priority area is to improve human resources through our social sector programs to better prepare persons for the labor market and for greater participation in the economy.

The fourth priority area is infrastructure development. Due to our financial constraints on development spending, the key objective here is to improve the efficiency of existing infrastructure and utilities and open up sectors to greater private sector participation. These include rehabilitating rail transportation, increasing national road networks across the country and investment in rural roads. In telecommunications the government will proceed with regulatory reform to encourage private investment. In water resources, the priority will be water resource conservation, improving efficiency of existing water resources and increasing access of the poor to quality drinking water. In the energy sector the medium-term priorities will be to improve the regulatory environment to encourage investment in the energy sector with private sector involvement.

Conclusion

To reach the goals and objective of a nation, such as Indonesia, a blue print is a necessity in order to guide all stakeholders. The blue print for better future of Indonesia should be based on comprehensive and accurate knowledge and information on what are the problems, challenges, potentials, and constraints faced by the nation and the state. The blue print should be laid down on a long term, as well as medium-term development time-frame. The Medium term development plan and strategy is based on the vision, mission, and platform of the president elect, and with reference to the long term development plan. This is in accordance with the Law No. 25 of 2004 on the National Development Planning System.

¹ Senior Adviser to the Minister of National Development Planning, Republic of Indonesia.

Continue Reforming Indonesia Through Medium-Term Development Plan 2004 - 2009

Presented by:

Max Pohan

Senior Adviser to the Minister of National Development Planning
Republic of Indonesia

Indonesia Next 2005
Canberra, 13 May 2005

Indonesia After 60 years of independence: What do we have?

Keep in mind three important periods in Indonesia's history:

1. 1945-1968: fragile, unstable, disintegration, regional discontent, vertical conflicts. Unity maintained however.
2. 1966-1997: political stability, start planned economic development, welfare improving, centralism, (quasi-)authoritarian, undemocratic, low capacity of institution, less control by society,
3. 1997-present: the 'reformasi': reconstruction and rebuilding Indonesia.

After 60 years, including the crisis, the quake and tsunami:

- Population still increasing: 220 million in 2005, and forecasted 274 million in 2025.
- 30 million are categorized poor,
- Around 10 million unemployed
- HDI ranked 111 out of 177 nations in 2004;
- HR are in general low capacity/incompetent.

After 60 years, the crisis, and the tsunami we still challenged by:

- Poverty, Unemployment, Social Injustice
- Government's fiscal capacity, subsidy on oil & gas
- Insufficient Education and Health services,
- Vertical and horizontal conflicts.
- Bad governance, corruption
- Low capacity government institution, inattractive investment climate,
- Insufficient infrastructures (roads, power, social, etc)
- Environmental degradation, illegal logging, deforestation, pollution,
- Regional, urban rural disparity,

Progress is in the making however:

- Constitution ammended (DPR, MPR, DPD)
- Democratization, Direct elections
- Decentralization, improvement of laws and regulations
- Mahkamah Konstitusi established
- Anti Corruption Commission
- New Laws on TNI, Police repositioning, and on National Defense;
- Deregulations, invetment climates, reduce red tapes

The Need for Long Term Development Plan:

- The absence of GBHN (amendment of Constitution 1945)
- Law No. 25/2004 on System of Dev. Planning: The Long Term Plan issued as Law.
- Direct election of President every 5 year, need guidance for long term development path to achieve the goal and objective of the State as stipulated in Preamble of Constitution 1945

The Long Term Development Plan 2005-2025: The Vision

- As an instrument to achieve the objective of the State as stipulated in Preamble Constitution 1945
- Proposed Vision of Long term plan 2005-2025:
"CREATING PROSPEROUS, SELF-SUPPORT, AND JUST INDONESIA"

The Long Term Development Plan 2005-2025: The Missions

- (1) Increase competitiveness internationally through strengthening domestic economy based on regions competitive advantages, enhance the interlinked system of productions, strengthening HRD, technology, law and institutional reforms.
- (2) Building democratic society under rule of law;
- (3) Creating secure, peaceful, and unified Indonesia;
- (4) Equality and Justice
- (5) Green and Sustainable Indonesia;
- (6) Create the community characterized by excellent moral, ethics and civilization
- (7) Enhance the role of Indonesia in International world.

The Medium Term Development Plan 2004-2009

- (1) As elaboration of Long Term Plan in five year.
- (2) As guidance to implementation: annual plan.

Background

- Strategy outlines the key policy priorities and direction of the new government under three Agendas:
 1. Create a Safe and Peaceful Indonesia
 2. Create a Just and Democratic Society
 3. Improve Welfare of Citizens

Background (2)

□ The new strategy is different from previous five year plans in three respects:

1. Strategy implements the vision and platform of Indonesia's first ever directly elected President. Thus, it reflects a more democratic, open and transparent system of government

Background (3)

2. It is a new departure in the formulation of development policy:

- Focus on substantive policy changes, give particular attention on achieving quality of growth to reduce poverty and unemployment
- Focus on re-building and strengthening political and economic institutions to reflect the demands from the community and improve the investment climate
- The strategy is more balanced between the political, social and economic sectors
- Mainstreams poverty, gender and sustainable development strategy

Background (Continued)

3. Strategy shifts the boundaries between government-society relations:

- Enhances role of civil society in political process, policy making and conflict resolution
- Enhances individual rights and responsibilities in political and economic areas

Agenda 1: To Create a Safe and Peaceful Indonesia

☐ Program priorities

1. Reduce crime rates, including trans-national crimes
2. Resolve separatism in Aceh and Papua and horizontal conflicts in Maluku, Poso, and Mamasa
3. Combat terrorism
4. Strengthen national security capabilities

Agenda 2: To Create a Just and Democratic Indonesia

□ Program priorities

- Legal reform
- Improve quality of delivery of public services to the community
- Strengthen political institutions, state institutions, human rights and international relations
- Resolve remaining implementation issues in regional autonomy

Agenda 2: To Create a Just and Democratic Indonesia (Continued)

□ Legal reform agenda

1. Continue with current reform agenda
2. Establish mechanisms and stakeholders forums to revise regulations and laws that are deemed unjust, create legal uncertainty and discriminate
3. Improve coordination and oversight of legal and enforcement institutions

Agenda 2: To Create a Just and Democratic Indonesia (Continued)

- ❑ Improve public service delivery through civil service reforms
 1. Programs to improve transparency, openness, accountability of civil service (strengthen external and internal audit agencies)
 2. Code of ethics in the civil service
 3. Anti-corruption/abuse of power measures

Agenda 2: To Create a Just and Democratic Indonesia (Continued)

- ❑ Regional autonomy agenda
 1. Strengthen government and legislative institutions
 2. Clarify roles between central and local governments in budget, management of infrastructure, policy implementation
 3. Administrative capacity building, and financial resource mobilization
 4. Public participation in the political process (direct local government elections)

Agenda 3: Improve Welfare of Citizens

□ Priorities:

1. Create high and quality economic growth
2. Increase emphasis on social sector programs
3. Mainstream poverty through a rights-based approach
4. Consistent with our Millennium goals and Poverty Reduction Strategy

Agenda 3: Improve Welfare of Citizens (Continued)

□ High and quality growth through

1. Maintain macro-economic stability
2. Accelerate investment, exports and tourism through reforms to the business climate and flexible markets
3. Improve human resources through social sector programs
4. Investment in infrastructure and greater private sector investment
5. Revitalize agriculture, regional and village development initiatives, and sustainable resource and environmental management
6. Progressive realization of basic rights of the poor

Agenda 3: Improve Welfare of Citizens (Continued)

❑ Social Sector Program

1. Improve human resources through improved quality and equity in education and health
2. Improve access to basic social services for the poor and vulnerable
3. Increase resources for family and community services
4. Other areas include youth policies, social protection and empowerment programs for poor and vulnerable.

8. Selected Monetary Policy Challenges in the Midst of High Debt Financing in Indonesia

Reza Siregar

Abstract

Prudent macroeconomic policy managements have been recognized as an instrumental factor in explaining rapid economic growths in Indonesia during the pre-1997 financial crisis period. The same basic pre-condition is required if Indonesia hopes to achieve sustainable economic growths in the future. Unquestionably, effective monetary policy is an indispensable feature of sound macroeconomics policies for Indonesia. With the country's high external debt level and facing its own on-going reform and restructuring, the challenge for Bank Indonesia is going to be very complex. This paper hopes to lay out a number of these challenges.

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**Selected Monetary Policy Challenges in the
Midst of High External Debt Financing
in Indonesia**

Reza Y. Siregar
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May 2005

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Brief Motivations:

- * Macroeconomic stability has been proven to be a critical foundation for achieving sustainable economic growths in Indonesia in the past.
- * Emerged from its worst economic crises in the last three decades, realizing a solid and stable macroeconomic environment undoubtedly will be a more complex challenge for the country.
- * Monetary Policy will play a detrimental role. With the country's high external debt level and facing its own reform and restructuring, the challenge for Bank Indonesia is going to be very complex.

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Outline:

- 1). Basic Trends and Figures on External Debt
- 2). Fiscal and Monetary Policy Implications
- 3). Achieving Stable Macroeconomics environment:
Ways Forward for Bank Indonesia
 - 3.1). An independent Monetary Authority
 - 3.2). Enhancing the effectiveness of the Policy

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1). Basic Trends and Figures on External Debt

	1996	2000	2001	2002	2003	2004
Total (in Millions of US \$)	110171	141493	133014	131343	135400	136140
Total (% of GDP)		86	81	68	57	55
Government (in Millions of US \$)	55303	74916	71378	74061	81666	82268
Private (in Millions of US \$)	54868	66577	61636	56682	53734	53871
Total Debt Service Payment (% of GDP)		17.5	13.7	10.5	7.9	8.2
Total Debt Service Payment (% of Goods Export)		44.8	39.4	35.3	28.5	29.5

Source: Bank Indonesia Database (www.bi.go.id)

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2). Fiscal and Monetary Policy Implications

Budgetary Implication: (based on 2004 budget)

- Debt Interest Payment is around 28% of Routine expenditure and 91% of Development expenditure of Central government.
- Debt Interest Payment and Subsidy were amounted to about 60% of Routine expenditure and 46% of the total central government expenditure.
- Limited room for the fiscal policy to move (Aswicahyono and Hill (2004)).

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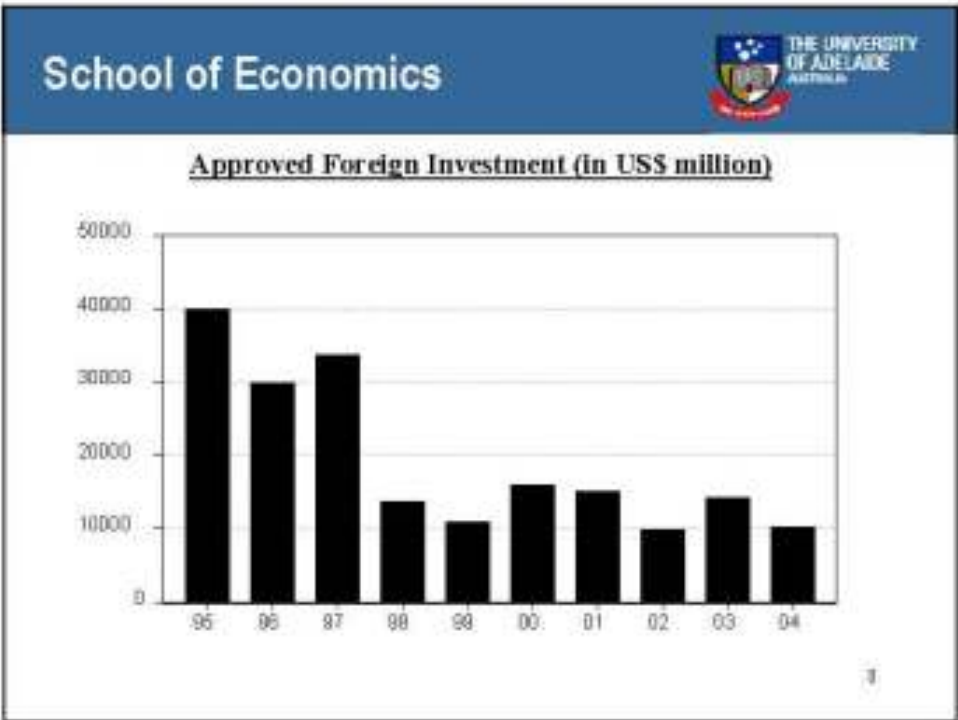
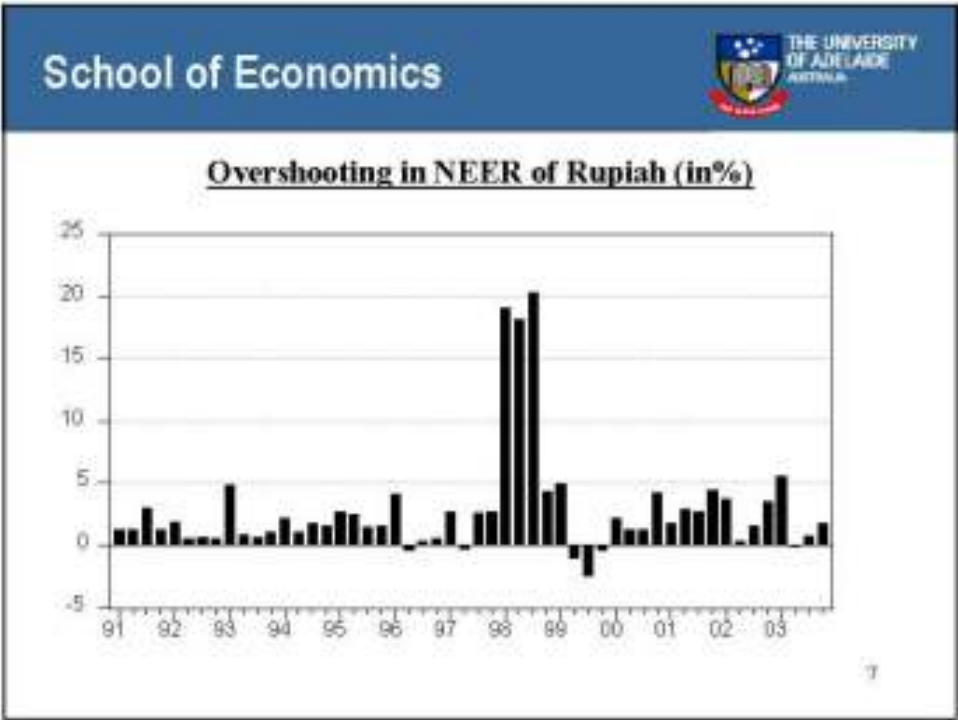
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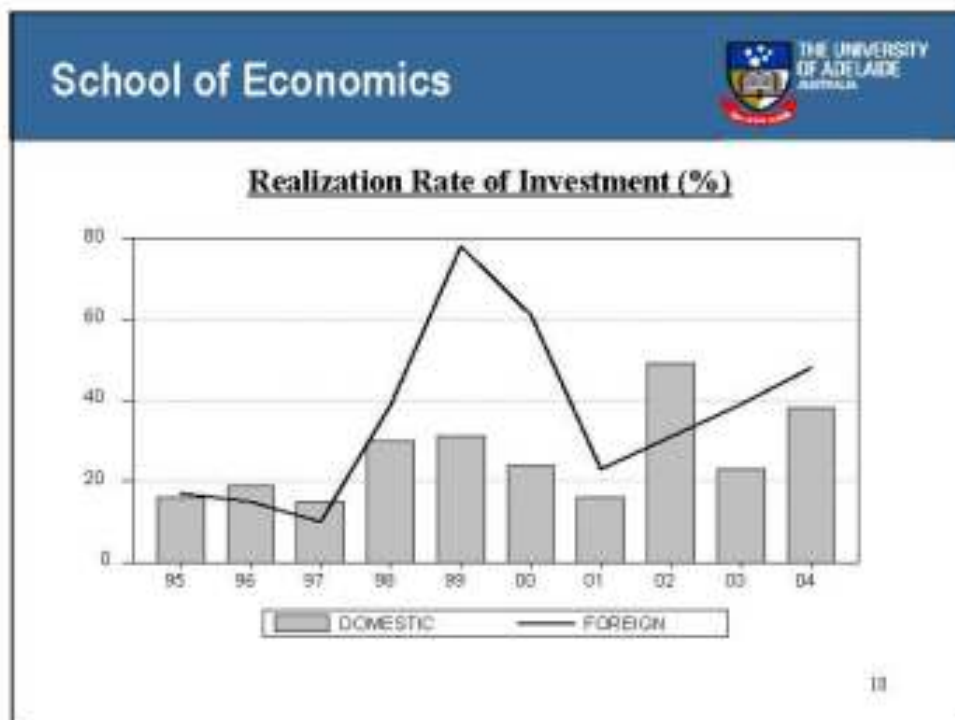
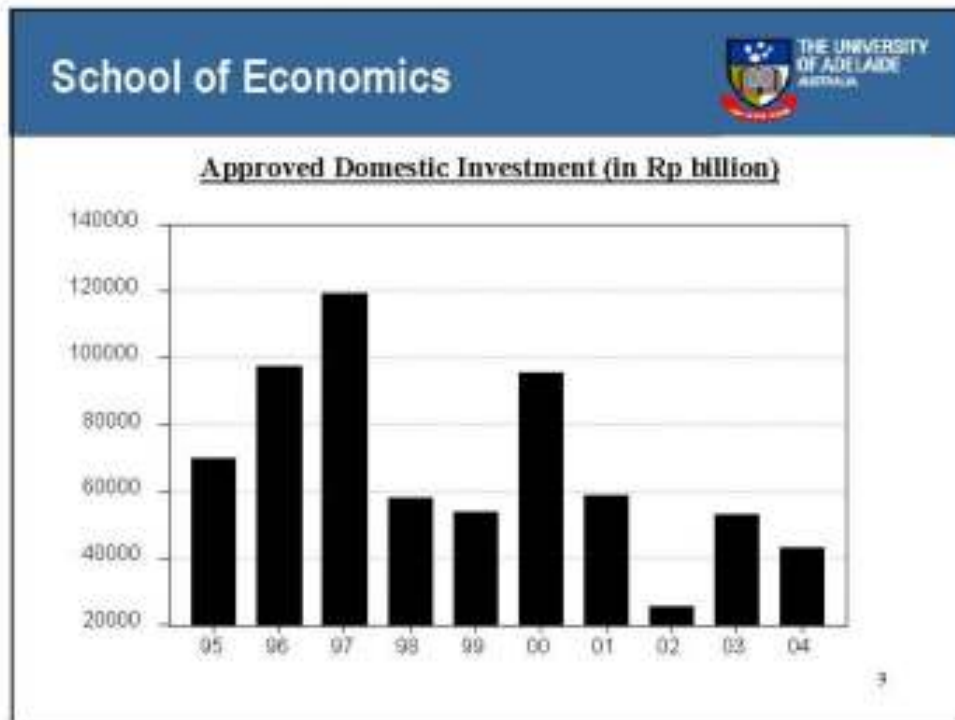


2). Fiscal and Monetary Policy Implications(cont'd)

- Rapid growth rate of external debt accumulation has been found to cause an overshooting of the local currency (at both the nominal and real effective exchange rate) –Siregar and Pontines (2005).
- Overshooting occurs when the short-run depreciation or an appreciation of the local currency is more than the long-run depreciation or appreciation. Thus, overshooting implies more volatile fluctuation of the local currency.
- For Indonesia, the role of external debts accumulated by the banking sector in particular has significantly contributed to the overshooting of rupiah, particularly starting 1997.

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**3). Achieving Stable Macroeconomics environment:
Ways Forward for Bank Indonesia**

3.1) An independent Monetary Authority

The Central Bank Law No. 23, 1999 provides a platform for an independent central bank. Realizing that ultimate goal will require a number of crucial intermediate steps:

- a). Moving away from the role of “development agent” of the economy.
- b). Separation of Supervision role of the banking sector from Bank Indonesia.

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a). Moving away from the role of “development agent” of the economy.

* For about three decades prior to the 1997 financial crisis, Bank Indonesia had to coordinate both roles of being the monetary policy maker and the agent of development. Under the Act of Bank Indonesia, No. 13/1968, Bank Indonesia directly involved in formulating credit policy to small enterprises, providing direct capital assistance and also technical assistance.

* Bank Indonesia issued its regulation in January 2001 which officially abolished any requirement for commercial banks (state and private) to place at least around 20 percent of its total credit outstanding to the small enterprises. It is important to note here however that the central bank remains active in providing funding and technical supports to the small businesses through the two state banks (BRI and BTN) and a newly established institution (PT PMN).

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b). Separation of Supervision role of the banking sector from Bank Indonesia.

- Supervision capacity of the Banking sector must be improved significantly to lay foundations for stable financial sector. (Moving Forward or Business as Usual)
- Supervision of the Banking sector may cause conflicts with the objectives and the operation of monetary policy.
- As stated in the Central Bank Act no.23/1999, the supervision role was supposed to be separated from Bank Indonesia in at the end of 2002. Until now, it remains unclear when or if the separation will eventually take place.

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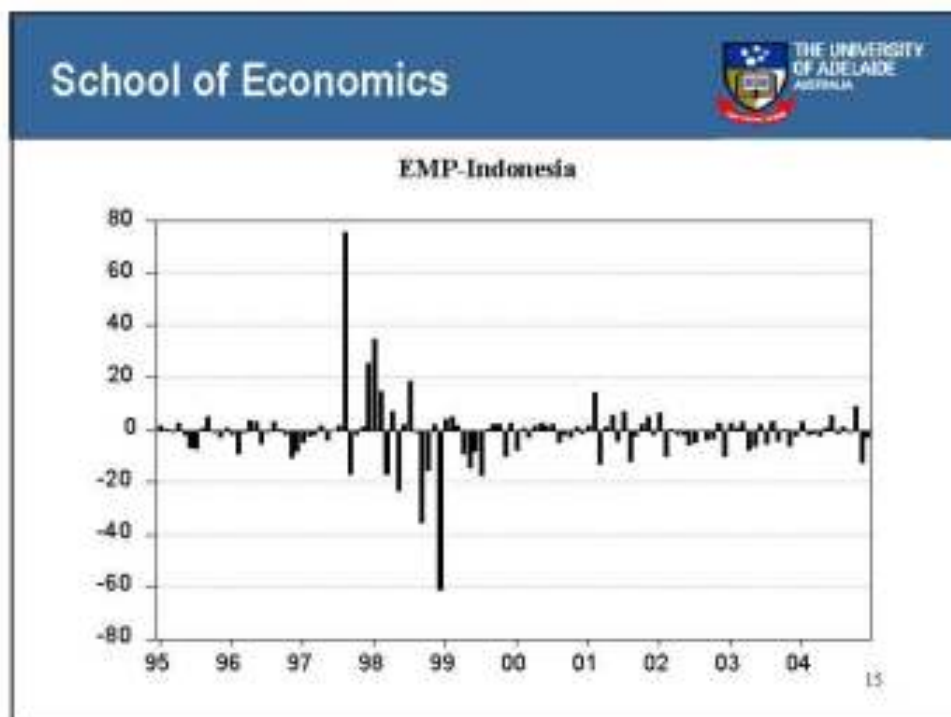
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3.2). Enhancing the effectiveness of the Policy

- * Despite the returning of some stability in the foreign exchange market, market pressures in recent years on rupiah in average are higher than the pre-1997 crisis.
- * Kaminsky-Lizondo-Reinhart (1999) EMP index. The EMP index increases with a depreciation of the domestic currency, a loss of international reserve and a rise in the domestic interest rate. *A rise in index reflects stronger selling pressure on the domestic currency*

$$EMPI_{i,t} = \frac{\Delta e_{i,t}}{e_{i,t}} - \frac{\sigma_e}{\sigma_e} \frac{\Delta r_{i,t}}{r_{i,t}} + \frac{\sigma_e}{\sigma_{int}} \Delta \text{int}_{i,t}$$

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3.2). Enhancing the effectiveness of the Policy (cont' d)
(Moving away from “moral persuasion” and “political intervention” to market approach).

- Key objective: Inflation Targeting
- Intermediate Target: Interest Rate (?)
- Operating Target/Instrument: -Base Money thru OMO (?)
(The introduction of t-bills, moving away from SBI)

BI Policy → Operating Target → Intermediate Target → Objective

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Lesson from Brazil: Close Coordination Between Fiscal and Monetary Policy

Under heavy debt, increasing interest rate to fight inflation may actually create an inflationary pressures.

Blanchard (2004) shows that an increase in the real interest rate may also increase the probability of default on the debt. In turn, this leads to a higher risk aversion (of the investors), which may result in a real depreciation. Thus, creating further inflationary pressure.

Reference: (Blanchard, O. (NBER#10389, March 2004).

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Brief Summary:

- External Debts (and domestic debts) are expected to remain high in Indonesia in the near future.
- Without a significantly improved overall economic and political environment in the country, foreign investment in particular will remain weak.
- A greater reliance on FDI in particular.
- Monetary policy will play an important stabilization role.
- An independent and effective central bank is therefore vital.

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9. The Limit of Interventions

M. Ikhsan Modjo¹

After almost sixty years of independence, the Indonesian publics are still very much in favor of active government roles in the economy. The government is still seen by the public as the most effective institution to manage the economy. At the same time, the market is perceived as not only ineffective but also more harmful than beneficial for the general population. This anti-market sentiment is said to be the result of the anti-colonial experience and nationalistic aspiration for a strong and robust national economy (Hill, 1996b; Rock, 2002).

The purposes of this paper are to question the validity of that nationalistic rhetoric and propose a different interpretation on the real cause of strong market resistance in Indonesia. The argument proceeds in three steps. First, the paper briefly examines the nature of the role of the government in economy, with special reference to the Indonesian economy. Second, it offers an argument for the persistent of strong aspiration for government involvements. Finally, the paper concludes with the implications of this interpretation on possible roles for government in the Indonesian economy.

From economic perspective, state interventions can be justified for following reasons. First, if there is an externality problem in the economy which causes social and private benefits or costs to be misaligned. Second, if there are disparities in distribution of market power. Third, if there exists imperfect information or significant transaction costs in the economy.

However, there is no guarantee that government intervention policies are bound to succeed. In contrast, not only they often failed as a result of incorrect policies, but also when doing too much or too little about the right policies. Furthermore, using externalities as justifications for government interventions can be misleading since other methods such as through Coasian private bargaining could also lead to Pareto efficient solutions (Stiglitz, 1998). Similarly, disparities in market powers and firm size do not automatically suggest poor

economic structures. As it might well be the case that these disparities were resulted from accumulations of learning (Jovanovic and Lach, 1989). Hence, unless there are failures in those learning processes, direct government interventions in the economy are simply not warranted.

In addition, recent empirical findings suggest that government interventions might cause more damaging effect than previously thought, particularly if it is not carefully planned and implemented. For example, studies in the microfinance area suggest that the case for crowding-out hypothesis is particularly compelling, i.e., government interventions do tend to eliminate the existing traditional risk-sharing mechanisms within communities². The studies also indicate that many microfinance schemes in fact only create dependency on state and external assistance and they too are very prone to abuses or corruptions (Morduch, 1999). This is not to mention the social cost that may arise from rent-seeking activities and huge transaction costs of both policy designs and its implementation. Indeed, state interventions distort the economy more than that previously perceived.

In the pre-crisis Indonesia the relative performances of state interventions have been mixed. While some interventions clearly can be deemed successful, as it was the case in the agricultural sector during the New Order Era (Sundrum, 1986; Rock, 2002). Others such as interventions in the banking and manufacturing sectors are seen as neither important nor creates any differences, and hence cannot be credited or blamed for the performance of the sectors or the overall economy (Hill, 1996). Some analysts go even further by saying that the interventions only tend to distort the incentives and create efficiency losses in the economy (Pangestu and Habir, 2002; Basri, 2004). At the same time, in contrast to those relative failures, the government hands-off policies between mid 1980s and the beginning of 1990s are widely acclaimed as significant in promoting increases in efficiencies and productivities in the Indonesian economy (Hill, 1996; Hill and Aswicahyono, 2002).

After the crisis, the relative performance of government interventions still remains to be seen, as policies were largely designed under the auspices of the IMF. Nonetheless, judging from several policies which were independently designed by the government, it appears that the results have somehow been

disappointing. For example, the minimum wage policy in the labour market not only contributes to the current high cost economy problem, but it too distorts incentive for increases in productivities and investments in human capital. Likewise, constant protections and interventions in some manufacturing sub-sectors do not only result in institutional failures but it also created more dependency on government assistance (Basri, 2004).

The crisis and its chain of events furthermore have weakened the institutional capabilities of the government. The old moral hazards problems such as corruptions and abuse of power become much more widespread and harder to contain. Similarly, the ability of the government in making long-term commitments and forming a coalition of supports are deteriorating. These have been reflected in the way the government handled privatisations and banking restructurings, in which pressures from interest groups and conflict of interests between governments agencies often result in policies reversal (McLeod, 1999; 2002). Given these backgrounds, it is hard to conceive that some people still argue that the state active interventions are still needed to achieve a strong and robust national economy.

To be able to understand the public hesitance on the market system, one has to look beyond the nationalistic rhetoric. Because under the surface of that rhetoric lies an aspiration for a better and more equal income distribution and access to common resources. In this line of argument, the rhetoric and its corresponding urges on government interventions thus should be taken merely as euphemisms for more strong articulations. In a similar manner, suspicions on market mechanisms as well as lack of believe in foreign investments and antipathy towards foreigners and the Indo-Chinese business community should be perceived as accentuations of the same idea of equality, which obviously can – and has been proved to - turn to something rather nastier in the event of aggregate or idiosyncratic economic shocks³.

Nevertheless, how to effectively deal with this issue remains a subtle yet an important issue for development. On one hand, a correctly designed and implemented government income distribution strategy can both sustained a healthy economic growth over a longer period and prevent a prolong recovery periods. On the other hand, Indonesian state and its apparatus are lacking the

institutional capabilities to deal with the problems. Or worse, they too can be part of the problems rather than solutions, as there is no such a guarantee that any government intervention policies would not be hijacked by competing political and economic interests.

To prevent a possible policy hijacking, Stiglitz (1998) argued that the government should restrict its interventions in areas where there is evidence of systematic and significant influence of special interests. He also maintained that government interventions should not be used as a competition restricting device. Unless ofcourse there is convincing evidence that it would be harmful not to do otherwise. Third, any intervention in the economy should only be allowed after an open public debate.

It is too recommended that the government avoids using any indirect methods in its income distribution and welfare policies, since quasi income distribution programs are not only tend to incur huge transaction costs but also easier to be corrupted as more discretions are put in the hands of the officials. Instead, the government should adopt a more direct approach such as direct subsidies and transfer of purchasing powers in certain critical areas such as health and education.

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² See Townsend (1994), Morduch (1995) and Duflo (2003).

³ Dhume (2004) even argued that the present calm on racial inequity only due to factors such as the inclusive national idea, economic pragmatism, political need for funding, and strong international voice in economic policy.

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The Limit of Interventions

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Introduction

- The persistent of nationalistic rhetoric on economy.
- "Ekonomi kolonial" vis-à-vis "ekonomi nasional"
- Using the power of the state selective interventions to create a strong, integrated, diversified and outward oriented industrial economy.
- General public of market ineffectiveness and its corresponding harmful effect on population.

State Interventions in The Economic Theory

- Externalities.
- Disparities in market power.
- Imperfect information.
- Significant transaction costs.

Why is not necessary

- No guarantee that government interventions are bound to succeed.
- Externalities can be dealt with other methods.
- Disparities in market power and firm size do not necessary imply poor economic structure.
- Crowding out effect of social capital and infrastructure.

The Indonesian Experience “Bifurcated State”

- Macro technocrats manage the exchange rate, monetary and fiscal policies.
- Pseudo-nationalists have been in control over micro policies and agencies.

The Indonesian Experiences

State intervention performances have been mixed, few success stories (agriculture) and many disappointments (SOEs in banking, mining and gas, strategic industries).

The Indonesian Experiences

- Some are neither important nor create differences (manufacturing sectors).
- In contrast, hands-off policies in late 1980s and beginning 1990s have been widely acclaimed as successful.

On Post Crisis Interventions

- Weakened state institutional capabilities.
- Dependency on external organisations.
- More distortions and disappointments

Beyond the Rhetoric

- Nationalistic rhetoric masks for a better income distribution and equality aspirations.
- Suspicions on market mechanisms, foreign investments and antipathy towards foreigners and Indo-Chinese business community as accentuations of the same idea.
- State interventions thus really only a pseudo equality tool.

A Clear Visible Possible Scheme

- Connecting policy and aspiration.
- Using more direct methods instead indirect income redistribution policies.
- Investment oriented instead pure transfer.
- Preferential treatment on education and training.
- Limiting quasi-state interventions.

Limiting Possible Hijackings

- Restrict or even abolished interventions in areas where there is evidence of systematic and significant influence of special interest.
- Government interventions should not be used as a competition restricting devices.
- Any interventions should only be after open public debate.

10. Problem of Policy Coordination and Planning: Lessons from FDI in Indonesia

Della Y.A Temenggung¹

Abstract

It is nowadays widely recognized that foreign direct investment (FDI) has important economic growth and development effects. More importantly, FDI can also create technology spillovers to the host country's local firms. It is suggested that external effect or spillovers from FDI is the most significant channel for the dissemination of modern technology, rather than formal technology transfer arrangement. The expectations of gaining from technology spillover persuade many developing countries, including Indonesia, to offer various incentives to attract FDI. However, the cross-country studies provide mixed evidence on the presence of technology spillover from FDI.

Mixed evidence from the empirical studies seem to suggest that rather than being an automatic process, technology spillover from FDI depends on local firms and host country specific characteristics, such as: host country absorptive capacity, trade policy and investment policy. This implies that well coordinated government policies need to be design not only to attract FDI, but also to get maximum benefit from the presence of FDI. Using the results from the cross-country studies, this paper will discuss the Indonesian government policies related to the issue. Compare to other developing countries which are considered as successful countries in attracting FDI and gaining significant benefit from the presence of FDI in term of technology spillovers, there are some indications of policy planning and coordination problem in Indonesia. For example, the technological capability that would determine the country's capacity to absorb new technology is very low. This would limit the benefit gains from FDI, even that the investment regime has been liberalized. Following the discussion on the problems, this paper will offer some policy recommendation for the future.

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Policy Coordination and Planning: Lessons from FDI in Indonesia

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Why countries try to attract FDI?

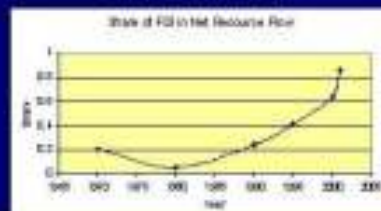
- Source of development capital
- The volatility of FDI compare to other external finance
- Main reason: the benefit of FDI
 - Economic growth
 - FDI generates externalities in term of "technology spillovers"
- Spillovers from FDI is the most significant channel for technology transfer

Technological Spillovers from FDI

- Channels:
 - Demonstrative effect
 - Labor mobility
 - Competition effect
 - Vertical Linkages
- Benefit to local firms:
 - Increase in productivity
 - Market access (export)

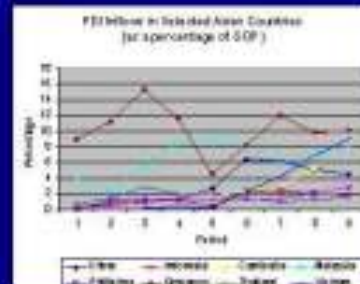
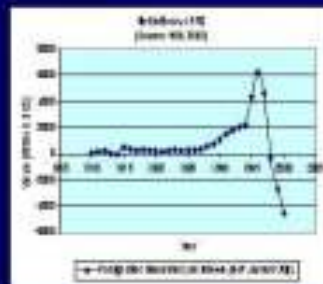
Trends of FDI

- Policy changes toward FDI: many countries offering special incentives for FDI
- FDI is the largest source of external finance for developing countries



FDI in Indonesia

- Increase significantly from 1987 onwards: a period of strong uninterrupted growth supported by robust investment spending
- Loose its competitiveness in the region



Important Issues

- How to attract FDI efficiently?
- More importantly, how to get benefit from FDI?

→ No Clear Policy to Gain Benefit from FDI in term of Technological Spillovers

Problems in Attracting FDI

- Quality of Institutional Governance
 - Confidence in the rule of law
 - Administrative Cost: investment approval, etc.
- Quality of human capital
- Consistency in trade and investment policies
- Social and business infrastructure
- Investment incentive???

Problems in Gaining Benefit from FDI (1)

- Absorptive capacity:
 - Low quality human capital
 - Low investment in learning

Country	Recent Gross Enrolment Ratio			Tertiary Enrolment in Technical Fields (% of population)	R&D Expenditure (as % of GNP or GDP)
	Prim.	Sec.	Tert.		
Hong Kong	100	-	21	0.6	0.1
Singapore	107	68	19	0.6	1.1
Korea	95	99	33	1.64	3.7
Taiwan	100	38	38	1.45	1.8
China	113	55	4	0.16	0.6
Indonesia	115	45	10	0.17	0.2
Malaysia	93	61	10	0.17	0.4
Thailand	87	49	21	0.44	0.2
Philippines	111	30	37	0.74	0.1

Problems in Gaining Benefit from FDI (2)

- Financial Institution: to increase domestic investment
- Investment Policy: attract certain type of FDI
 - Higher potential benefit: efficiency-seeking FDI
 - Prior to the crisis, significant increase in market-seeking FDI (construction, services, manufacture)
- Consistent trade policy

Policy Recommendation

- Policy Planning and Coordination in investment and industry competitiveness
- Policy to improve institutional aspects
 - Re-position of BKPM (Investment Coordination Board)
 - Financial institution development
- Policy to Increase the Absorptive Capacity and technological capability: education, training, technical support, etc.
- Consistency in investment and trade policy

11. The Enhancement of Science and Technology Abilities

Roosmalawati Rusman¹

Abstract

This paper present a National Science and Technology Policy as stated in Chapter 22 - the Medium -Term Development Plan 2004-2009 (RPJM 2004-2009). In the knowledge based economy paradigm, Science and Technology considered as one of the most vital driving force for economic growth. Overall the available indicators show that the nation's low competitiveness and low science and technology abilities are serious. Therefore, the enhancement of science and technology abilities is immensely necessary. Within the constraints of the current economic crisis, efforts are being made to improve the S & T system for attaining excellent output.

Introduction

The development of science and technology in principle is to increase the prosperity of the society in order to develop the nations' civilization. In line with the new paradigm in the era of globalization, the Techno-Economy Paradigm, technology has become a factor giving significant contribution in the enhancement of a nation's quality of life. This paradigm implication is the transition of the worlds' economy, from a Resource Based Economy to a Knowledge Based Economy/ KBE. In the KBE, a nations' strength is measured by its science and technology abilities as a primary economical factor, replacing capital, land, and energy to enhance competitiveness.

The development of science and technology is the source of the formation of the innovation climate being the basis of the growth of creativity of human resources, which in it's time may be the source of economic growth and competing force. Furthermore, science and technology determines the degree of effectiveness and efficiency of the transformation process of resources in becoming new more valuable resources. Therefore, the enhancement of science and technology abilities is immensely necessary in the enhancement of

the life standard of the nation, and the self-sufficiency and competitiveness of Indonesia in the worlds' point of view.

Problems

The nations low competitiveness and low science and technology capabilities is shown by a number of indicators, among others:

- 1. The low degree of capability in national science and technology** in facing the global development towards KBE. The Index of technology achievement (IPT-Index Pencapaian Teknologi) in the UNDP report of 2001 indicated that Indonesia's level of technology achievement only placed 60 out of 72 nations. Furthermore, according to the World Economic Forum (WEF) 2004, Indonesia's growth competitiveness index only placed 69 out of 104 nations. In such growth competitiveness index, technology is a parameter, besides the macro economy and public institution parameter. The low degree of capability in national science and technology could also be indicated by the number of patent of new local inventions amounting up to only 246 in the year 2002, exceedingly low compared to the foreign patents registered in Indonesia that amounts up to 3.497.
- 2. The low degree of national science and technology contribution** in the production sector. This is indicated, among others, by the lack of efficiency and the low degree of productivity, as well as the low amount of technology in the exporting sector. In the year 2002, based on Indonesia's 2003 science and technology Indicator, the export of manufacturing industry products were dominated to 60 % by products with low amount of technology; whereas products with high amount of technology only reached 21 %. Meanwhile, the production of electronics which currently is having a increase in export, generally consists of assembling activities with up to 90 % imported components
- 3. The science and technology intermediation mechanism** which has not been optimal in channeling the interaction between the capacity of science and technology providers with the needs of the user. This problem is apparent from the condition in which science and technology infrastructure has not

been organized, among else the institution process and convey the results of science and technology development into ready to use prescriptive technology for the production system. Furthermore, this problem is apparent from the ineffectiveness of the communication system between the research and development bodies and the industrial parties, which effects among others to the low existence of small-medium technology based industries.

4. **The weak synergy of science and technology policies**, therefore science and technology activities are still unable to give significant outcomes. Policies in education, industry, and science and technology are not integrated, resulting in the unused capacity in the provider's side, the dysfunction of the transaction system, and no increase of demand from the user's side, namely the industry. In addition, the fiscal policy is considered not conducive for the development of science and technology abilities.
5. **The shortcoming of science and technology resources**, reflected by the low quality of human resources and inequality of education in the field of science and technology. The ratio of Indonesia's researchers in the year 2001 were 4, 7 researchers per 10.000 people, far below Japan having 70, 7. In addition the science and technology budget ratio to the PDB has decreased, from 0,052% in 2000 to 0,039% in 2002. This ratio is considerably lower than such similar ratio in the ASEAN, for instance, in Malaysia 0, 5% (year 2001) and Singapore 1, 89% (year 2000). Meanwhile, according to the UNESCO recommendation, the adequate science and technology ratio is 2%. The low budget for science and technology results in the constraints in research facilities, insufficient funds for operation and maintenance, and the low incentive for researchers. The weak resources of science and technology worsen by the non-existence of a financing entity on venture capital and no start-up capital needed as a funding resource for new innovations.
6. **The yet to be developed science and technology culture in the society**. The nation's culture generally does not yet reflect the value of science and technology with objective reasoning, rational, advanced, leading, and independent. The society's mindset has not been urged towards preferring to invent rather than to use, to make rather than to buy, to study and create

rather than to use existing technologies.

7. **The role of science and technology** in dealing with the degradation of the living environment has **yet to be optimum**. The progress in science and technology results in the emergence of environmental problems. This is caused, among others, by the under developed management system and environmental preserving technology. Such system shall urge the development and use of science and technology being economical in value, environmental friendly, as well as considerate towards the social-cultural value of the society.
8. **The weak role of science and technology in anticipating and handling natural disasters**. Indonesia territory in the context of global geographical science is a disaster susceptible territory. The high number of casualties of natural disaster is an indicator that Indonesia's development up till now has not been disaster-perceptive. National science and technology abilities is not yet optimal in providing anticipation and strategic solution in various natural disaster problems such as global warming, climate anomaly, forest fires, floods, landslides, earthquakes and tsunami.

Target

The target of the enhancement of science and technology abilities is:

1. The growth of science and technology inventions as a result of national research and development which can be convenient in the upgrading of added value in the production system and management of natural resources and the environment in a sustainable and responsible manner.
2. The increase of supply, result and use of resources (human resources, structure, infrastructure, and institutionalization) of science and technology.
3. The organizing of the intermediation mechanism to increase the use of research and development outcomes by the business world and industry, the increase of amount of technology in national industry, and the growth of partnering network in the national innovation system framework.
4. The realization of a conducive climate for the development of creativity,

guidance system and management of intellectual property rights, local knowledge, and national standardization system.

Policy Direction

The policy directions in the enhancement of science and technology abilities are to:

1. To focus research priority, development and science and technology engineering oriented at demands and needs of the society and business world with a clear roadmap.
2. To increase science and technology capacity and capability by strengthening science and technology institutions, resources, and networks in the capital and the regions.
3. To create an innovating climate in the form of developing the appropriate incentive schemes to urge industrial structure intensification.
4. To create and increase science and technology culture to enhance the nations civilization.

Development Programs

The policy approach in the enhancement of science and technology abilities are focused on five plus one area of priorities, which are (i) development of food resilience (ii) creation and use of new and renewed energy resources, (iii) development of transportation technology and management, (iv) development of information and communication technology, (v) development of defense technology, and (vi) development of health and medicine technology; described into development programs as below:

1. Science and technology research and development program

The aim of this program is to increase focus and quality of research and development in the field of basic and applied science and technology based on the main competence and needs of users.

Main actions includes, among others:

- a. Research and development of basic studies in the aim of the mastering of science;
- b. Research and development of biotechnology in agriculture, farming,

health, marine technology, new and renewed energy, information technology, aerospace and outer space technology, transportation technology, defense technology, clean water technology, electro technology, spatial information system, disaster mitigation, and research and development in other thematic fields;

- c. Research and development in the field of measuring, standardization, testing, and quality;
- d. development of appropriate science and technology for the sustainable use and management of natural resources and the environment;
- e. Research and development for the enhancement of understanding of the nature's phenomenon, land and water ecosystem characteristics as well as natural resource diversity, either biological resources or non biological, on the land or in the sea;
- f. Research and development in the field of politics, economy, social and culture, law, etc, as a policy linked science.

2. Science and technology diffusion and utilization program

The aim of this program is to urge the outcome of research and development dissemination, and its utilization by the business world, industry, and the society.

Main actions includes among others:

- a. Dissemination of research and development outcomes to the business world, industry, and the society by means of the providing of science and technology information and commercialization of technology;
- b. Providing consultation services and technical assistance, among else by means of development of liaison officer to facilitate technology solution needs for industries and regional governments;
- c. development of communication coordination, and partnership system among science and technology institutions (research and development institutions, universities, the business world, and supporting institutions) both local and overseas;
- d. Enhancement of regional government participation and the development of science and technology partnership pattern between the capital and the regions, and between regions;
- e. Development of infrastructures to support the use of standards and

- appropriate value of the quality of the business players products;
- f. The improvement of the society's appreciation and participation in the culturing of science and technology, among others by means of development of techno-education; techno-exhibition; techno-entertainment; and techno-premiership; as well as development of the society's science and technology innovation and creativity; society's science and technology innovation and creativity;
- g. Development and utilization of science and technology based on traditional knowledge and local resources;
- h. The utilization of maps and spatial information in determining the borders between states and between regions.

3. Science and technology institutions strengthening program

The aim of this program is to increase the capacity and capability of science and technology institutions in the national economic growth.

Main actions includes, among others:

- a. Revitalization and optimalization of science and technology institutions, including accreditation of research and development institutions;
- b. the development of science centers in capitals of regions, actualization of the role of incubator unit and technical assistance unit in the intermediation function;
- c. Optimalization of the work of the Regional Research Commission (Dewan Riset Daerah) in determining the regions prime products and the policy-making of the development of the region' science and technology;
- d. Research and use of the role of the research activity inspector, development and use of high risk technology including nuclear through supervising of users, social services, law enforcement, accident prevention or nuclear readiness.
- e. Incentive system and science and technology funding pattern improvement.
- f. Increase of involvement of science profession organizations.
- g. The forming of a national science and technology indicator and statistic.
- h. Improvement of quantity and quality, along with the optimalization and mobilization of human resource science and technology potential by means of National and international cooperation.

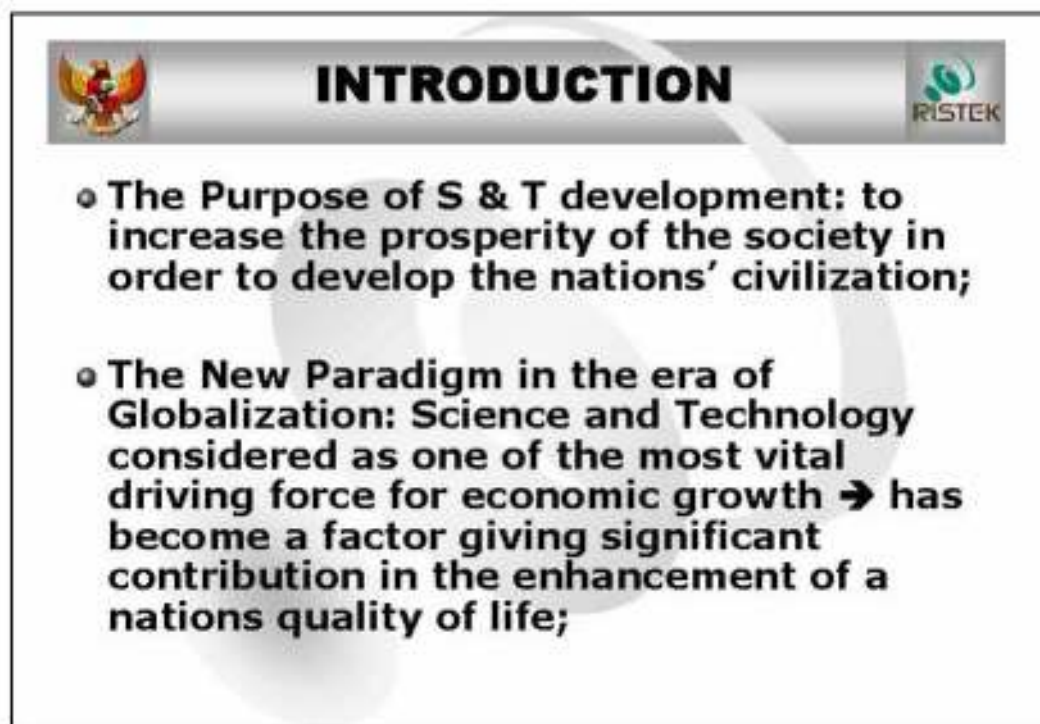
4. Strengthening the capacity of science and technology in production system program

The aim of this program is to urge improvement of the technology capacity of the business world and industry production system as well as improvement of the synergy between various components of the innovation system.

Actions included, among others:

- a. Speeding up the industrial transformation based on local resources and padat technology;
- b. Development of conducive supporting regulations and policies in the form of tax incentive, technology insurance for small and medium scale business and Cooperation;
- c. Development of financial capital venture entities and start up capital, and forming compatible research contract regulations;
- d. Development of technopreneur, among others by means of new research and development based business with the wadah technology incubator;
- e. Supervision and the performing of technology audit/ assessment;
- f. The enhancement of metrology and testing institutions role in the forming and development of the Indonesia National Standard (Standard Nasional Indonesia)
- g. The Improvement of technology based small and medium scale industries and cooperation abilities by means of the utilization of information system network technology and technical assistance, work training, urging their partnership with large scale industries, and developing various incentive systems.

¹ Assistant Deputy Minister for Social Sciences and Humanities.





INTRODUCTION



- **Implication: the transition from a Resource Based Economy to a Knowledge Based Economy → A nation's strength is measured by its science and technology abilities as a primary economical factor to enhance competitiveness.**
- **The enhancement of the life standard of the nation, and the self-sufficiency and competitiveness of Indonesia in the worlds' point of view**



LOW COMPETITIVENESS AND LOW S & T CAPABILITIES - INDICATORS



- **Low degree of capability in National S & T**
- **Low degree of National S & T contribution in the production sector**
- **S & T intermediation mechanism – not optimal**
- **Synergy of S & T policies – weak**
- **Shortcoming of S & T resources**
- **S & T culture in the society – does not yet reflect the value of S & T**
- **Role of S & T in anticipating and handling natural disaster – weak**



TARGET



- ✦ **Growth of S & T inventions – as a result of national R & D**
- ✦ **Increase of supply, advantage and use of resources of S & T**
- ✦ **Intermediation mechanism to increase the use of R & D outcomes by business and industry, increase of amount of technology in national industry, and growth of partnering network in the national innovation system framework**
- ✦ **Conducive climate for the development of creativity, IPR management, local knowledge and national standardization system**



POLICY DIRECTION



- ➔ **To focus research priority - development and S & T engineering – demand and needs oriented - with a clear roadmap**
- ➔ **To increase S & T capacity and capability**
- ➔ **To create an innovative climate in the form of developing appropriate incentive schemes**
- ➔ **To create and increase S & T culture to enhance the nation's civilization**




SIX AREA OF PRIORITIES




Focusing the priority research programs which emphasize in the fields of:

- Food Resilience
- Creation and use of New and Renewable Energy sources
- Transportation Technology and Management
- Information/Communication Technology
- Defence Technology
- Health and Pharmaceutical Technologies





DEVELOPMENT PROGRAMS



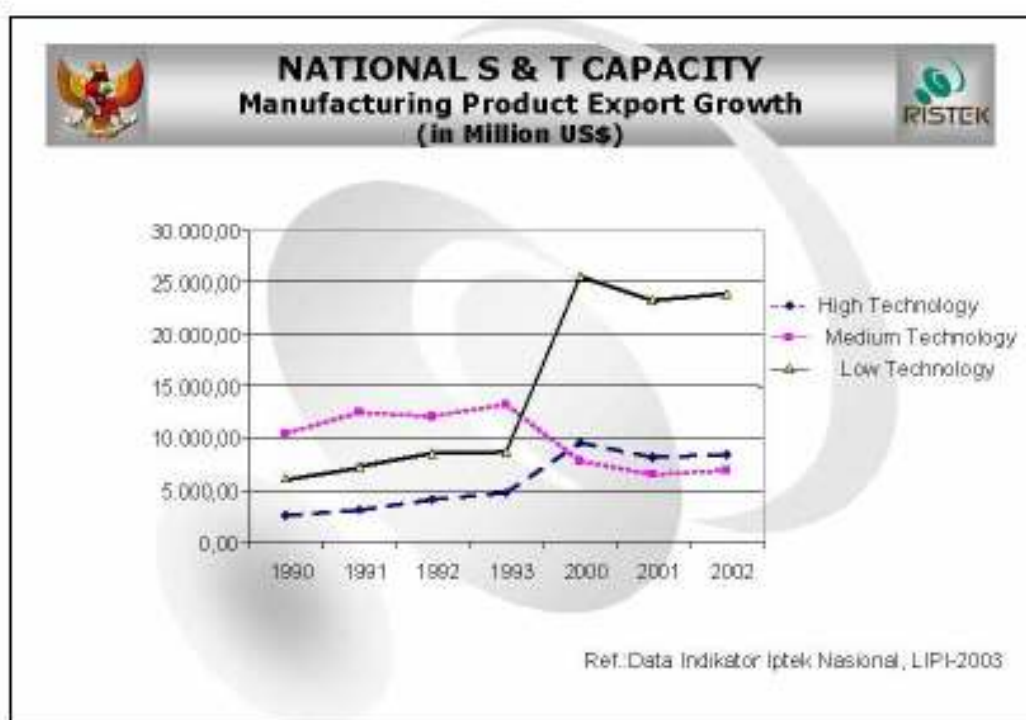
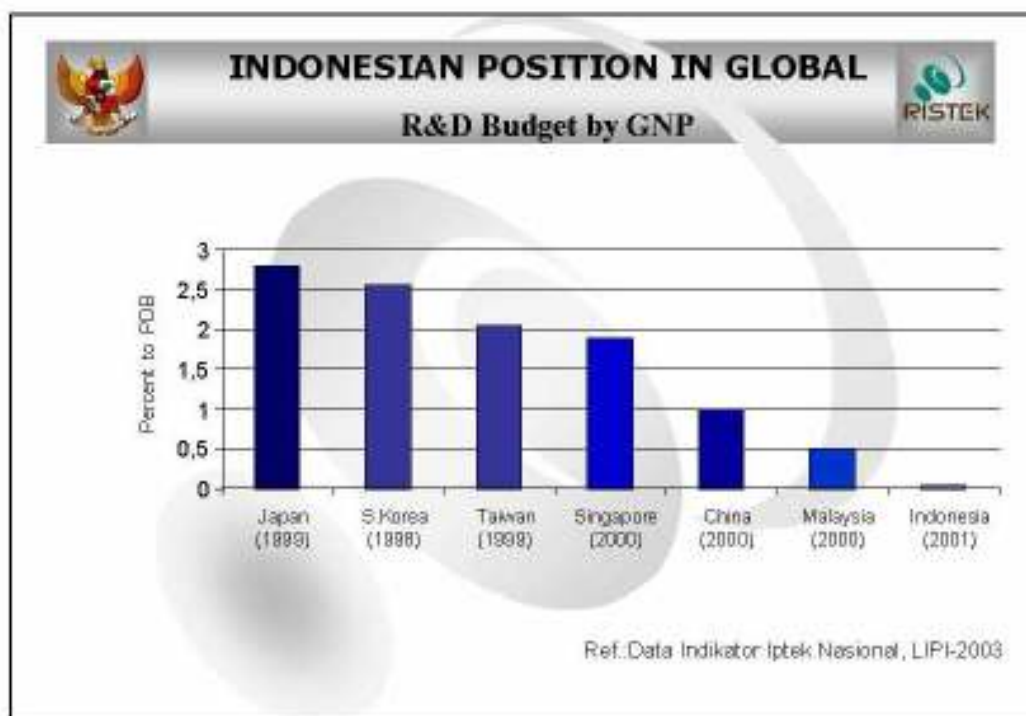
- ➔ Research and Development S & T – *to increase focus and quality of R & D in the field of basic and applied science and technology*
- ➔ S & T Diffusion and Utilization – *to urge the outcome of R & D dissemination and its utilization*
- ➔ Strengthening S & T Institutions – *to increase the capacity and capability of science and technology institution in the national economic growth*
- ➔ Strengthening the Capacity of S & T in Production System – *to increase the capacity of S & T in the production system, business and industry*

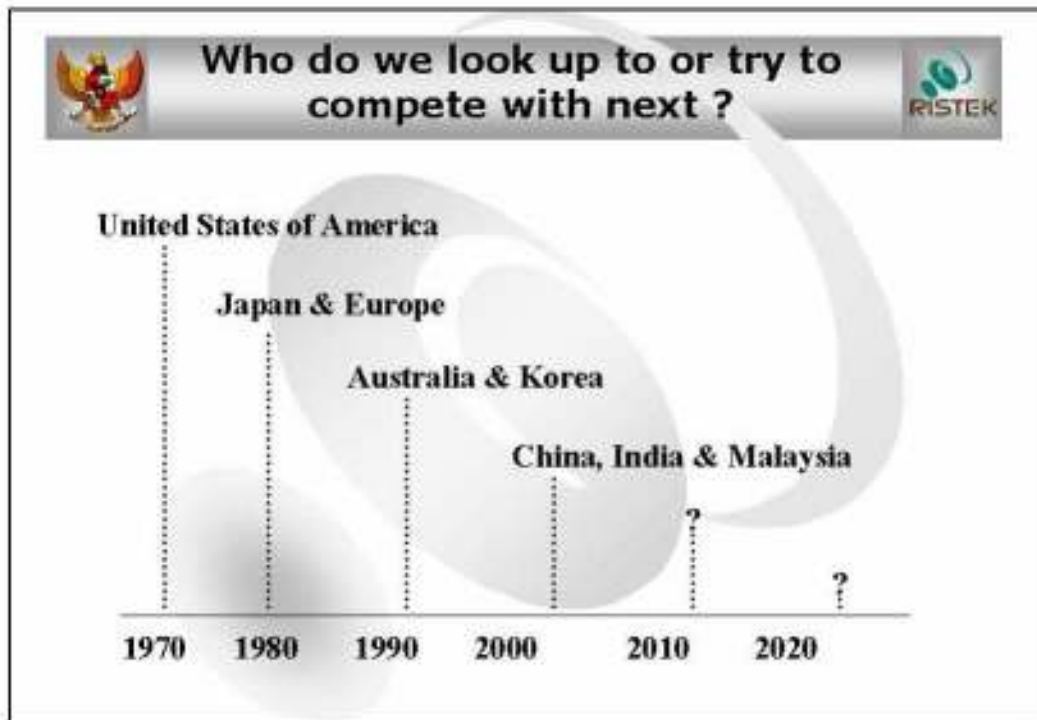
INDONESIAN POSITION IN GLOBAL <i>Technology achievement index</i>	
	
Country	Ranking
Singapore	12
Malaysia	20
The Philipines	56
China	65
Thailand	39
India	64
Vietnam	73
Indonesia	78

Ref: World Economics Forum, 2003

INDONESIAN POSITION IN GLOBAL <i>growth competitiveness index</i>		
		
Country	Rank	
	2002	2003
Singapore	7	6
Malaysia	30	29
Thailand	37	32
China	44	38
India	56	54
The Philipines	66	63
Vietnam	62	60
Indonesia	69	72

Ref: World Economics Forum, 2003





12. Potential and Problems in Science and Technology Research in Indonesia towards Global Competition

Mulyoto Pangestu¹

Introduction

Progress in science and technology research indicates country development, since it could improve country status in global competition. Researches in science and technology are not monopolized by developed countries, some developing countries are showing their capability to conduct similar researches as in developed countries. There are some Asian countries that are leading in science and technology research, although their per capita income is lower compared to European or North American countries. Indonesia as a developing country should achieve superiority in science and technology research to compete in global competition in the future.

Many years ago, Indonesia was also leading in science and technology; however the progress is not as fast as other ASEAN counterparts and other Asian countries. Monetary crisis made Indonesia left behind the other countries.

This conference committee indicated that research in science and technology in Indonesia is stagnant and directed to the wrong direction. It is important to obtain a strong foundation and starting point to re-start and accelerate the progress and improvement for research in science and technology.

Indonesian potential in science and technology research

1. Institutions

There are many research institutions in Indonesia those are compatible to the similar institutions in the other countries such as in Australia. There are 77 state universities which hold strong a potential to conduct research with

adequate resources, infrastructure and funding and also another 1293 private universities.

There are also other government agencies for research such as BPPT and LIPI with their structures, human resources, funding and facilities. Each ministerial department have their own research and development directorate which also conducting research within their department working area with their own funds. There are also some industries, private companies and NGO with their capability to develop research in science and technology according to their activity and organization.

2. Human Resources

Within those institutions, there are many doctors, post graduates and graduates in all institutions that were trained as a researcher. Some of them were graduated from known overseas countries such as Australia, United States, Europe or Japan. AusAID supports 30 PhD students each year to study in Australian universities.

3. Equipments

The recent state university development projects provided and distributed new laboratory equipments. This projects bought new equipment that similar to those in other developed countries. This project was aimed to facilitate research in those universities.

4. Funding

Research funds were provided by government through routine budget, local and overseas funds. Significant changes in funding were made in nineties when the Directorate of Higher Education and Ministry of Research and Technology provided funding competition named as Hibah Bersaing and Riset Unggulan Terpadu. Those funding are significantly attracting Indonesian researchers and research institutes to compete for the grants.

5. Natural Resources

Indonesian natural resources such as animals, plants, cultures and artifacts are object to research that could produce many important results. There are many unknown medicinal herbs and plants product that need to be explore as a new

resources of medication or alternative food, and also animals for protein sources and conservation.

Traditional buildings are also interesting since they reflect the ability of who live in that era and area to adapt and survive using their own technology. There are many traditional techniques such as food preservation, timber preservation, traditional building, traditional house, boats and others that need to be explored and they still relevant for the current situation.

Those are important factors that determine a country achievement in science and technology. Despite of the availability of those factors, Indonesia remains left behind in science and technology research.

Condition of research in science and technology in Indonesia.

Most research in science and technology are concentrated in universities, particularly the state university where research is a part of Tri Dharma Perguruan Tinggi besides teaching and community services. Currently most research are dominated by major universities such as UI, IPB, ITB, UGM, ITS and UNAIR also in institutions like BPPT and LIPI, or research and development directorate in every state departments. Those made most funds are spent in those institutions and gave bigger opportunity for those institutions to develop their researches. In the other hand, small universities are having difficulties to compete with major universities to get the research grants, although they have good human resources.

While the government research agency and departmental research institutes have their own funding sources except for competitive grants like RUT.

Collaboration between institutions is important to support each other. Sharing human resources, equipments or information. Each institute should eliminate their arrogance and possessiveness then let other institutes to share the equipment in such responsible way. Since there is insufficient or lack of collaboration between institutes, the Indonesian Minister of Research and Technology encourages breaking the arrogance wall between unit, department to support each other (Pikiran Rakyat, 28 Oct. 2004).

We also need to build mutual collaboration with foreign institutes, means we must learn and receive the knowledge and skills from them, rather than give our information.

What we should do, to improve research in science and technology?

1. Guidance and partnership between major and small universities and other institutes.

Changing the government research funding priority to small universities would stimulate those universities to conduct better research, while major university should compete or seek overseas funds or industrial partners. This would make an equal competition amongst competitors.

The problem is whether the major universities are well prepared to compete for overseas fund or industrial partner. They should be ready to move otherwise the small universities facing difficulties to obtain research funds, since major universities often win the grant competition.

Sharing equipments would reduce the cost and build partnership and guidance amongs institutes. There is only one synchrotron is being built in Australia and located at Monash University, however this facility can be used by all researchers and research institute from Australia or overseas.

When the guidance is performed well, there is a possibility that the small university became a partner or even better that the major university.

2. Information and publication

Communication between researchers through scientific journal would stimulate research enthusiasm. Limited or unavailable access to scientific journal delays or even restricts information from the other institutes. This became ironic, since many students gain unlimited access to scientific journals and gain many information while they are studying in overseas universities, but they feel disappointed when they came back to their home institutes in Indonesia.

Expensive subscription fee to international journal is the big problem, however sharing subscription among several institutes may help to reduce the cost, or even electronic version would be cheaper than printed version.

In the other hand, results from Indonesian researchers are not known by overseas counterparts, because lack of published Indonesian works in international journal. Directorate of Higher Education made breakthrough by providing Rp. 10 million reward to any Indonesian researchers who publish their papers in an international journal. This effort motivates the researcher to publish their papers and improve their research capability. We appreciate the DGHE effort since only small numbers of Indonesian researcher papers are published in international journal. Most publications from Indonesian researchers were raised from their work during their postgraduate study in overseas university (Berita IPTEK, 8 Oct. 2004).

We also need to improve the quality of Indonesian published scientific journal and criteria of journal accreditation and made them internationally well known and listed in international databases. Those made international researchers can read Indonesian publications.

3. Expensive, difficulties and delay in materials supply.

Research in science and technology are depends to the availability of support materials such as chemicals and spare parts for the instruments. Difficulties cost and delays to obtain chemicals or spare parts became a big problem. Most orders through suppliers take at least 3 months to get the chemicals and the prices are 3 times more expensive than the listed price. When the researcher purchase directly from the manufacturers, they may have problem with customs and quarantine, or they even have a problem with the account auditor because they do not purchase from Indonesian supplier or “rekanan” or through a tender.

As a result the research cost increases and delay in chemical supply would delay the research. To avoid those problems we need to work with custom and quarantine, a specific government regulation may required to help the researcher but also abusing the facility by importing prohibited materials.

4. Research enthusiastic for returnee students

Many returnee students complain about the lack or unavailability of equipments and books that delay and prevent them from doing research when they return to their home institutions in Indonesia.

Berita IPTEK 21 September 2004 indicated that most students or staffs want to study at overseas universities to improve their capability. Most overseas universities provide excellent facilities and unlimited access to information. It is easy for the student to gain an access to books, scientific journals directly or electronically. However some times their research is not compatible to the real situation in Indonesia. Often Indonesian student are conducting research that suitable for developed countries but not applicable for Indonesia.

The challenges for Indonesian researchers are not only to publish their papers but also to find anyway to apply their skill and knowledge in Indonesia. However we should understand that their study was aimed to train them to conduct a proper research, starting from determining the problem until finding the method to solve the problem. Those would develop their creativity to conduct any research with limited equipment. They should survive and conduct any research with any available equipment; however the data should be scientifically justified. Research habit should be started from the simple and easy one using available equipments would build a strong foundation for a bigger research.

It is better for Indonesian researcher to start with small research (scale and funding) to support the bigger research with the bigger funds such as RUT or the other.

However, lack equipment and funding are not the main constraint to develop research habit. Administrative tasks and position are often restricting researcher research activity.

5. Public appreciation and support for research result and funding.

Public would not appreciate research results if they do not well inform and understand about the issue, and results are not always directly applicable to public or community. As a results we need a science writer to familiarize the

results to public.

Dr. Andi Utama in his paper in Berita IPTEK 11 November 2004 said that, in developing countries, including Indonesia, science and technology are belong to small group of people. Science belongs to highly educated people, and their number is very small. Public are not interesting in science and technology because they do not understand and lack of popular scientific article in a book or mass media that easy to be understood by lay people. The problem is not the mass media, but there are only few science writers in Indonesia.

Highly public appreciation to research can be use as alternative funds sources. Research should not only depend on government funding, we should motivate company, corporation, and association, public or individual to support the research. In Australia, Meat and Livestock Association an association of beef cattle farmers provide research and scholarship for institutions and students. The association obtains the money as a levy from meat and livestock sales. Similar to those in Dairy Research Development Corporation which obtain the levy from every liter milk sold and provide fund for research in dairy industries.

Trust fund from family or community such as Ford Foundation, or Muscular Dystrophy Association as an organization of people who suffer muscular dystrophy that provide funding for neuromuscular research, or even from Alcoa, a recycling company that provide research in any discipline.

High public appreciation would make people understanding about and also provide fund for the research itself. .

6. Collaborations amongst researcher in the same field.

Networking between researchers through professional or scientific organization can be done during scientific meeting (conferences, seminars) or scientific journal as previously mentioned.

There are many scientific organizations in Indonesia, but they having difficulties to organize a scientific meeting. The high cost would bring into an expensive registration fee, also other cost such as transportation and

accommodation. To reduce the cost, meeting can be done via internet (cyber-conference) or in a university campus rather than in a hotel or other expensive venue.

Communication and openness between researchers to discuss any results are important to support a theory or even revoke a theory. A researcher should be able to receive any question, suggestion or critics from others.

In the other hand some researchers believe that their results should kept secret for the intellectual property protection. We should understand that intellectual property or patent is aimed to prevent any irresponsible party to claim that they are the inventor or abusing our invention. Other party or user should respect the inventor by acknowledging the inventor by listing the name in bibliography or even pay royalty to the inventor. Thus patent or intellectual property is aimed to prevent stealing or abusing but not the uncontrolled possessiveness.

7. Evaluation for productivity and research audit.

So far there is a budget audit but no scientific audit system for research. Traditionally, the main aim of research activity is to get the results and publish the results. Currently their budget spending indicates the success rate of a research rather than publication. In fact publication and patent should be the top priority. Financial audit is required to avoid any corruption.

Judgment to a researcher should not be evaluated by the number of research report reported the fund provider, but should be stressed on how many publication or patent raised from that research.

Low income had force researcher to sacrifice the profession to meet their family need. This is a classic problem and not only among researcher but also in any profession they complaint about the income. If we look at more detail, their high in personal or family demands made them fell lack of income.

Conclusion

Those analysis about the problem in Indonesian research in science and technology is not the responsibility of the researcher or the research institutes.

Government should involve with their policy in budget allocation through the national budget, auditing system for research project and research institutes, custom deregulation to support material/chemical supply for research, research staff recruitment, and research staff salary and promoting research-result from Indonesian researcher particularly any research on Indonesian natural resources.

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Potential and problems in science and technology research in Indonesia towards global competition

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Science and Technology

- Indicator country/nation development
- strengthen position in global competition
- Not monopolise by developed countries

How about Indonesia????

What the research in science and technology in Indonesia for?



They are the "potential end user" who really need the final or applicable results

Our problems:

"researches in science and technology in Indonesia are stagnant and directed to the wrong direction. It is important to build a strong foundation and starting point to re-start and accelerate the progress and improvement for research in science and technology towards the right direction"

Indonesian Potency

- **Institutions:** Universities, BPPT, LIPI, R&D in each technical department.
- **Personals:** Numbers of Doctors/PhD and graduates with their research capability.
- **Equipment:** Procurement modern laboratory equipment for universities.
- **Funds:** Hibah Bersaing, RUT, budget departemen
- **National Resources:** Wide range of topic from our natural resources or community demands.

What we should do?

Collaboration between institutes, no arrogance and develop mutual assistance and necessity

- **Guidance, from major universities to small universities.**
- **Research fund competition, priority for small universities to stimulate development.**
- **Major Universities, should seek fund from overseas.**

Information and Publication

- Stimulating Indonesian researchers to publish their papers in International Journal.
- Publishing local (Indonesian) journal with international standard.
- Listing Indonesian journal into international database.

Research materials and support equipment supply

- **Price**, expensive
- **Supply**, takes a long time and a lot of delay.
- **Regulation**: We need to negotiate with Custom, Quarantine to deregulate the regulations for importing goods for education and research purposes.

Research enthusiasm

- Lack of interaction with recent development in the other institution due to difficulties to access scientific journal.
- Incompatible research topic to Indonesia during their overseas study.
- Administrative position/job.
- Develop research enthusiasm even with limited fund and small scale.

Public appreciation

- Public are having difficulties understand results in the scientific paper.
- We need "science writer" to translate the scientific research result into a popular article.

Lack of communication among researcher

- Seminars, conferences
- Publication in national or international journal.
- Openness
- Intellectual Property

Research audit

- Not only financial audit.
- Indicator for research productivity/success: scientific publication and patent.
- Goods (chemicals and materials) supply.

Conclusion

- Government: National Budget allocation
- Research audit system
- Custom and quarantine deregulation on importing goods for education and research purposes.
- Recruitment of new research staff with a reasonable salary.
- Promoting Indonesian natural resources as a research topic for Indonesian research institutes.

This presentation is not the best formulation to make Indonesia more advances in science and technology research, however some of them may relevant and need to be done to gain a better bargain in global competition.

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13. Shaping Early Stage of the Future Science and Technology in Indonesia: An Imperative Call for an Efficient Absorptive Capacity

Marcelino Pandin¹

Abstract

Of the myriad definition of globalization, it can be defined as distributed best practices including in the area of science and technology. To benefit from the distributed best practices, one of the main tasks of Indonesian policy makers and market players is to build an absorptive capacity (ACAP) on science and technology (S&T) to recognize the value of new, external information in the form of best practices available in the global market, assimilate it and apply it to commercial ends. For years, Indonesia is trapped and spending budgets to develop up to the potential ACAP only without any effective policy implementation that could have transformed and exploited it into a national competitive advantage. If we see ACAP as a dynamic capability, Indonesia needs to develop that capability without necessarily falls into windows of collapse: a natural period where any technological investment from APBN (state budget) or private sector budget does not increase the level of the intended national S&T capability and productivity. At this point, Indonesia, that is still in its early stage to develop its capability, needs public policies that support (i) the imported science and technological governance, (ii) building local clan and trusted network and (iii) simplified transactions that are related to the development of ACAP S&T. And, to surf successfully at the technological capability's windows of collapse, Indonesia needs to (i) boost to and maintain a certain rate of trade and investment that complements global and domestic demand and (ii) drive its labor force to enter global job market in the hope of gaining brain circulation to cope with the external knowledge stickiness and inherent knowledge tacitness.

Benefiting from Globalization

Of the many myriad definition of globalization, its positive fundamental nature is single i.e. distributed best practices. In that sense, globalization process has long been transpired long before the silk-road from China to Italy in demand for trading between Asia and Europe. As an example, early bread making technology originated in Africa, which was then shared out to middle-east tribes before entering Europe. Bread is becoming staple food. Then, the silk-road facilitated the exchange of Asian – European products of spices, ceramics, silk, including earliest production technology and to same extent the basic modern mathematics and medicine. From Europe to Asia, merchants introduced technologies such as food processing and wood-based making. Global transfer of technology rooted in the trade activities via an effective market mechanism since pre-historic era. It is still happening today. Best practices distributed via not only trade and investment but also riding on the people movement. The costs and hassle of the globalization drivers have been reduced and eased thanks to efficient transportation modes, advanced information and communication technology and also creative innovation technology. Today, people, goods, services, and ideas move relatively freely in its cheapest ways and various effective conducts.

However, some countries could not and do not optimize the benefit of these distributed best practices including Indonesia. But, many other countries or economies have adopted and exploited the extramural knowledge available in the distributed best practices for their prosperity. The question remains why this could happen and what makes these countries different in the way of anticipating globalization especially those in the poor and developing countries such as Indonesia?

After World War II, exchanging best practices between western countries was mostly by market mechanism triggered by reconstruction programs and movement of core skilled workforce. On the other side, transfer of S&T from advanced countries to poor and developing countries was intermediated by aid industry such as IBRD/World Bank, which was originally aimed to reconstruct Europe post WWII. The excess capacity of this agency in technical and financing reconstruction plan then creates and finds a new market for its products and

services in the poor and developing countries.

The aid industry's business model, wrapped with a mission on reconstruction and then fighting poverty, started with providing aid (both grants and mostly loans) for building infrastructure. It was then followed by offering scholarships to potential leaders who were designed to manage the built infrastructure (1960s). However, after completing their studies and going back to their countries, the potential leaders (scientists and engineers) faced an unanticipated challenge i.e. weak organizational capacity to deal with the new infrastructure proposed by the donor agencies. Then, the aid industry rushed to provide a new loan aimed at improving management capacity including for S&T organizations (1980s). By early 90s, a new fact observed that accumulating individual competence of scientists/engineers and re-engineering organizational capacity were not effective to solve the problems. There is another big mess i.e. public and private governance or institutional challenge, dragged down the previous efforts. DFID UK (2002) reported this typical aid path, which is also the path of the Indonesian S&T went through since mid-60s. Indonesia wasted millions of dollar in debt to be paid by its next generation just to learn and be told that it needs good governance to prosper. What an expensive tuition fee!

In parallel with the development of aid industry, the distributed best practices also brought to poor and developing countries by civil society organizations initiated by social, humanitarian and environmental activists and philanthropists. At the early stage, these groups believed that it was their responsibility to alleviate global poverty and protect environment. But later, the divine principle changed in the dining table from 'it's our responsibility to solve global poverty' to be 'we are lucky than them'. Although it complements other efforts to distribute best practices globally, this vehicle is limited in its scope, not sustainable and only led by grant competitions or fund raising activities.

Simultaneously in the same period, companies in the developed world are facing market maturity, high production cost, and excess capacity. These companies (later we name it as multinational companies or MNC) seek for not only low-cost production bases but also new markets for its products and

services. To do that it needs local knowledge and local production capacity. The best solution for MNC is to transfer technology to local counterparts or its subsidiaries to market and produce the aiming quality of products and services.

Many countries, such as Singapore, South Korea, Thailand, Malaysia, Taiwan, Hong Kong and Indonesia (only at the beginning of its industrialization), benefits from this market based-transfer of technology. Technologies were channeled both via market mediated (FDI, technical licensing, import of capital goods, turnkey plants, technical consultancies) and non-market-mediated (reserve engineering, trade journal etc).

To attract MNCs investing in an economy, a country could not only offer its potential domestic market but also it needs to implement and practice good public and private governance system as other countries also offer better investment climates in a better governance system. The two governance systems are ineffective in Indonesia.

The next question is can Asian Tiger's success story of transferring technology be used by Indonesia to enter the next decades? Learning and imitating the Asian Tiger's experience is certainly beneficial but not enough to build Indonesia future &T. The rule of the game has changed. Free trade agreement becomes a feasible and favorite business model to expand an economy's boundary. Terrorism becomes daily words. Available global scholarship budget shifted its direction and intensified only within advanced countries, Vietnam opens its market and start to master global game, China becomes the world manufacturer, and India is the center of global outsourcing for service. A believe that basic science cannot be commercialized becomes obsolete. Import substitution or export driven growth is no longer a premium strategy but it merely becomes a pre-requisite to survive in the global competition. Directing S&T is becoming difficult by the government and also it is old fashion. An era of open innovation and imitation is accelerated, in which no country can rely only on its domestic S&T output. To survive in this era, Indonesia should be able to balance its export and import of technology. Otherwise, it will remain as a net technology importer and might fall into a debt circle for its low productivity. A long-term net technology importer will deteriorate its sustainability as an economy and raison d'être as a nation. One of the main keys

to balance export and import technology is an efficient absorptive capacity.

An Efficient Absorptive Capacity

Absorptive capacity (ACAP) is the ability of an organization to recognize the value of new, external information (in the form of best practices), assimilate and apply it to commercial ends (Cohen & Levinthal, 1990). Then, Zahra and George (2002) elaborate ACAP's components as potential ACAP (PACAP) for acquisition and assimilation of knowledge and realized ACAP (RACAP) when the knowledge is transformed and exploited. An efficient ACAP can only be reached whenever RACAP is higher than PACAP, in other words it needs knowledge commercialization to make an efficient ACAP. In general, social contract in Indonesia does not serve this necessity. Collecting academic degrees is much important than productive and high quality outcomes. Even in the political arena! Building and running a number of laboratories, publishing paper (locally), agreements with other overseas universities or companies sadly become the norm of satisfied success. It is a misleading success. Again, an efficient ACAP S&T needs commercialization. That is the only measurement of success. Commercialization is the key to recharge the science and technology clock for the benefit of Indonesia prosperity.

Zahra and George's model provides us an insight of three important factors for an economy to govern and develop an efficient ACAP S&T. First, there is a need for an activation trigger that could combine and transform the spirit of broker and rent-seeker that are deeply inherent in the Indonesian government bureaucracy and business environment, into technopreneur. This activation trigger is expected to stimulate acquisition and assimilation of global knowledge combined with and complemented to local experience. Second, social integration mechanism is needed to commercialize the acquired knowledge. Social trust and contract should be nurtured and honored to facilitate S&T exchanges and free flow information sharing. Third, there is a need to have a regime of appropriability/good governance to protect investors and their accumulated wealth. The three factors are either weak or absence in Indonesia. Indonesia needs to rebuild it again, if it did have it once.

Building an Efficient ACAP

ACAP is a dynamic capability for a country to learn and compete globally. This capability can only be earned through continues learning and investment. A capability has its own lifecycle (Helfat & Peteraf, 2003) from founding to development and then maturity stage. At any point during its lifecycle, a capability may follow a path of retirement, retrenchment, replication, recombination, redeployment or renewal. Furthermore, chaos and complexity theorists such as Ott (2002) or Kauffman (1993) also foresee that during its life a capability faces several windows of collapse (WoC): a natural period where any investment made at certain rate and duration does not increase the level of capability. WoC can explicate why the proposed the leap-frog concept for S&T development in Indonesia has failed or will fail. Many of the S&T development programs in Indonesia including the strategic industries were designed and built neglecting the existence of WoC. Besides, those programs are approached partially with unsustainable business plans. WoC is a natural challenge for both advanced economies (the victim of success) and failing countries (the problem of failure).

There is no single industry in Indonesia that has ever experienced a completed capability cycle, either because it fell into WoCs or the capability had been made obsolete by market competitions or by the three factors identified by Zahra and George (2002). This challenge raises another question of how to develop Indonesia ACAP on science and technology and successfully surf its windows of collapse.

ACAP at Founding Stage and Its Windows of Collapse

Building ACAP S&T is a long journey. And to make it relevant within the next 10-15 years, this paper focuses on founding stage only. As an example, it took 15-20 years for South Korea to experience a completed capability cycle. The period is about 3-4 times Indonesian general elections for new parliament, new president and its cabinet. Political priority, consistency and commitment to ACAP development are at risk during this period.

Learning from global experience and observing other countries' best practices,

I come to a conclusion that for Indonesia there are at least three determinants of a successful ACAP development at its founding stage i.e. (i) clutching to S&T global governance, (ii) building local clan and trusted S&T network and (iii) simplify transaction that related to S&T.

Being the lowest spenders on R&D budget in the world: 0.05% of GDP (LIPI's Press release on 9 May 2005) and the lowest budget for education in the World as indicated by Dr Ace Suryadi (Ministry of Education's press release on 9 May - 2005) and worsened by obsolete S&T infrastructure, weak public and private governance, inappropriate incentive structure, flagging and low moral staff, low salary policy and unfit social contract to world class best practices, make the future of Indonesia S&T murky. In addition, the new finding reveals that to have an efficient ACAP a country or organization cannot rely on its domestic S&T output (Chesbrough, 2003). All these factors motivate poor countries and organizations to seek and clutch to external available S&T governance. A research done by Sull, Ruelas-Gossi & Escobari (2003) provides evidence that successful industry in developing countries is following the path of not only looking and scouring the globe for good ideas but also clutching to the global S&T governance. This industry innovates around-rather than through-the technology and they know intimately their markets' mindset. The rate of innovation in the observed developing countries is almost keeping equal pace to developed world economies which have 10 times higher per capita GDP.

However, the idea of importing S&T governance comes with a price. It opens windows of collapse caused by external knowledge stickiness (Szulanski, 2003) and knowledge tacitness (Nelson & Winter, 1982). The two windows can only be codified and then internalize with the global mobility of the country's scholars and skilled work force. China, India, to some extent Vietnam and South Asia countries are profiting from this mobility.

Importing S&T governance alone will not entice the global best practices. It needs to be complemented with domestic S&T investment. Only local clan and trusted network can salvage the domestic S&T investment in an environment where law enforcement is very weak and intellectual property right can easily be violated. Actually, this local clan with their trusted network is the pioneer of technology transfer that utilizes market mechanism. If this agent of technology

transfer combined with carefully chosen limited government intervention will result in acceleration of ACAP development from founding to development stage. As an example of this emerging phenomenon, currently LIPI with a company in Lampung and Ministry of Research and Technology (MENRISTEK) with Ministry of State-Owned Enterprise are building local clans and trusted networks to commercialize their S&T.

The ineffective regime of appropriability for S&T in Indonesia provides no incentive for S&T market to operate efficiently. This regime has been deteriorated by low moral and awareness in the heavily structured institutions that are supposed to administer S&T. The intensified organizational politics within these institutions reduce their capability to coordinate and simultaneously kill creative S&T initiatives and build barrier for Indonesian scientists and engineers to mobilize globally. There is an urgent need to cut down these bureaucratic layers and simplify its procedures. ACAP at founding stage can evolve to the next higher stage only by simple procedure.

Having clutched to S&T global governance, built local S&T clan and trusted network and simplified S&T transactions, it does not mean that the ACAP development at the founding stage can smoothly progress to the development stage. It needs a driving force to cross the window of collapse between founding stage and development stage. This driving force is determined by (i) certain growth rate and duration of trade and investment that complements global and domestic demand and (ii) global mobility of Indonesian scholars and skilled workforce.

Competition for attracting foreign direct investment is becoming severe. This makes Indonesia in a disadvantage position to pick FDI selectively. The latest data indicates that only extractive and polluted industries such as mining, oil and gas adding their investments. Other companies such as Sony electronic have left Indonesia last year. Mitsubishi motor is starting to close down its Jakarta's car factory last week, whereas illegal import and logging is increasing. Indonesian trade and investment strategy is expected not only to provide incentives to FDI but it should also address and give rooms for the small born-global industry such as the one developed by Ms Anne Ahira, a young girl from

Banjaran village Bandung (Kompas, 20 march 2005). This is a new breed of small business that will assist Indonesia S&T in the absence of sound governance. Without significant growth in trade and investment, Indonesia economy will be muddling through and its ACAP S&T will never come out of its WoC. Any S&T investment made in this period except for education will be sucked up by black holes created by the corrupt governance.

Anxiousness of brain drain damaging economy in late 80s for India and China has not come to reality. Instead, today these countries are benefiting from brain circulation that not only brings the latest science and technology, access to global market, significant remittance, but also it reduces the need for expensive expatriate consultants, saves its foreign reserve, lessens foreign debt and increases its pride and bargaining power as a nation in global diplomacy. The history of globalization shows that best practices are channeled effectively by mobility of people. It is a myth to believe that information and communication technology or FDI can replace this channel.

Although there are plenty of cases on physical abuse and sexual harassment in their workplace, dispatching a massive number of Indonesian workers (75% domestic helpers or cleaners) to several countries is a good start for Indonesians and Indonesian institutions to have first hand experience and learn how to enter global job market. European Science and Technology Indicator 2003 illustrated that a worker that has ever been exposed to international experience or assignment for a certain significant period (not only 1-2 weeks seminar) has three times higher probability than his/her no-international-experience colleagues to look for and win a global job. Further, the Institute of Directors –UK' research concluded that after 28 years old, any international assignment or exposure could only provide of a little value to the worker's attitude and motivation in finding and winning a global job. These findings become a challenge for Indonesian universities and education authorities to provide international qualification to their students. It also needs to reduce time to graduate and time to global employment. In the short and medium term, the number and qualification of Indonesian worker seeking global job should be increased. Assistant Professor Nelson Tansu, a young 27 years old and bright Indonesian from Medan teaching at Lehigh University US is a success case in point. Many similar success stories Indonesians working in

Australia, the US or Europe are not yet documented.

Indonesia has lost many of its golden opportunities to create global workforce such as Pertamina in oil and gas, Perhutani in forest and wood technology, Aneka Tambang in mining, and recently BRI in micro-banking. I am very pleased when reading a first tier literature on micro-banking mentioning BRI as one of the best banks in the world in lending and managing micro-banking. But, when it comes to name experts in this field there is no single Indonesian name on the list. Hopefully in the future this case will not be repeated. The more Indonesians are entering global job market in a significant number the easier and faster its ACAP S&T to cross the windows of collapse.

Limited Choice for Indonesian S&T Policy

It will be a long and potholed journey for Indonesia after realizing that the future of its S&T is depending on the trade and investment growth and global mobility of its workforce. But the reward is promising.

Indonesia national budget will be deficit in the coming years. Within this limited state budget allocated for S&T there is only a limited flexibility left for S&T public policy makers to govern S&T properly. The government role is expected to provide context rather than content. Let market mechanism directs the development of S&T in the clusters of local clan and trusted network. S&T policy should not be isolated from trade and investment strategy. However, when the market fails or still in its early stage, government is expected to pull the activation trigger especially for domestic S&T investment that can attract global best practices.

The limited budget should be used to provide incentive for initiatives that clutch local S&T to global S&T governance. The policy should simplify the related procedures and make easy for Indonesian scholars and engineers to perform and mobile in the global job market. A policy is needed to allow young and promising government officers to work 5-7 years in the global job market after completing their studies in foreign universities before they go back to Indonesia. This will allow them to absorb tacit knowledge of a good governance system in the advanced economy. Indonesia needs a policy to enable, motivate and give incentive to its skilled workers to compete globally.

Another example of simplifying procedures at the macro level is that for the next administration, there is a need to merge the ministry of science and technology and the ministry of trade and industry. This will facilitate an effective and efficient coordination and also shape policies toward more on the technology transfer-based trade and industry policy.

Emphasizing domestic S&T investment and pleading FDI spill over will certainly benefit a Indonesia S&T development. But that view partly denies the world's history that people movement is an effective means to distribute best practices and cope with the barrier of knowledge stickiness and tacitness.

Indonesia has spent millions of dollars in debt for years just to learn a sentence that 'good governance matters'. And, only an idiotic nation will do the same again to realize after years that boosting trade and investment and mobilizing its workforce globally are the keys for its prosperity. Indonesia should not pay twice its tuition fee to build its efficient ACAP S&T and run a science and technology clock in Indonesia.

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Shaping the future science and technology in Indonesia

An imperative call for an efficient absorptive capacity

Marcellino Pandin

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Indonesian Science, Technology & Innovation Council

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Indonesian Science, Technology & Innovation Council

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Globalization

Globalization = distributed best practices (incl. S&T)

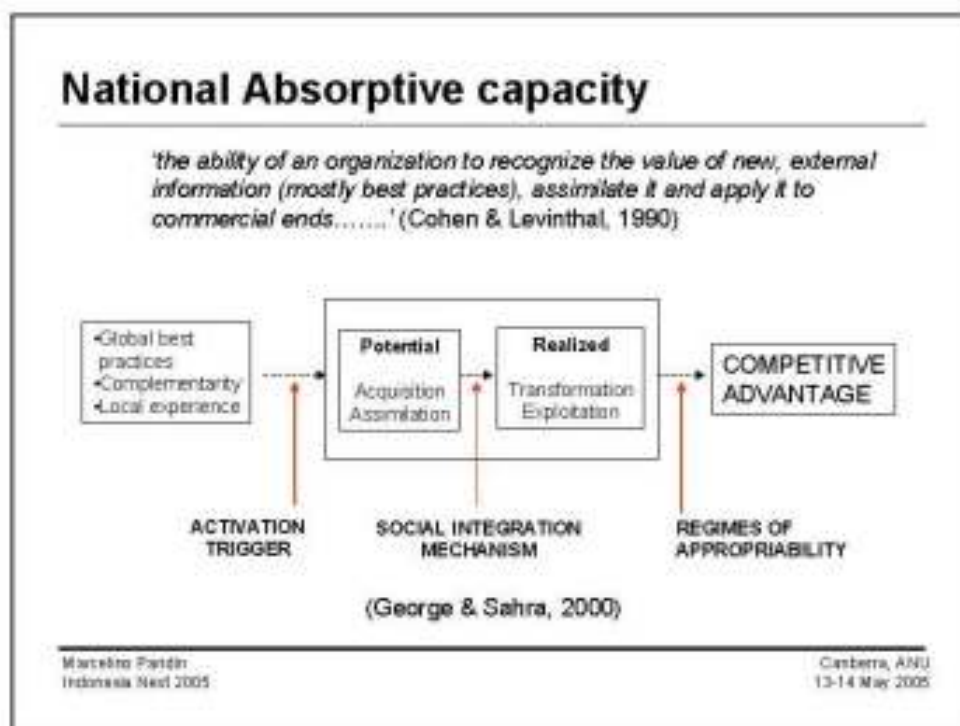
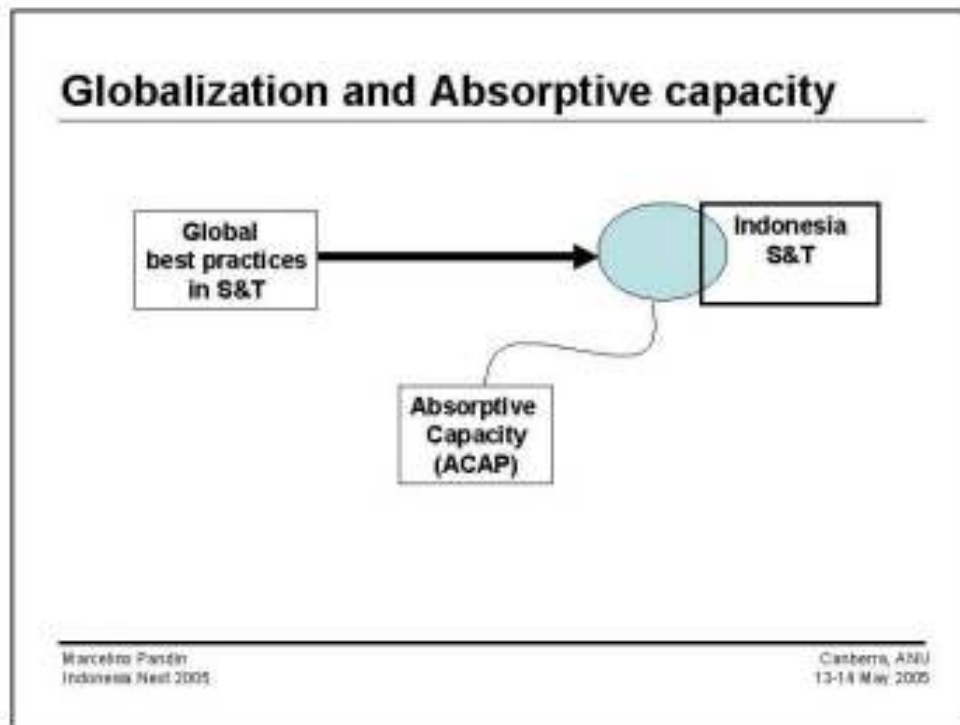
Forces = Low ICT, transportation and knowledge cost
Limited and maturity of local market

Mechanism (Silk road to post WWII)

- Aid industry (loan and grant) – from industrial requirements to organizational changes and institutional changes
- Social and humanitarian initiative (triggered by philanthropists)
- Market mechanism (forced by MNCs)

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Problem of Indonesia ACAP on S&T

$$1. \eta_{\text{efficiency}} = \text{RACAP} / \text{PACAP}$$

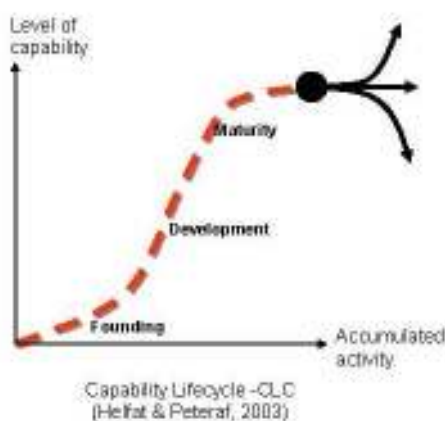
Indonesia
 $\eta \lll 1$

2. Activation trigger: broker to be techno-preneur
3. Social integration mechanism: from trust to contract
4. Regime of appropriability : public & private governance

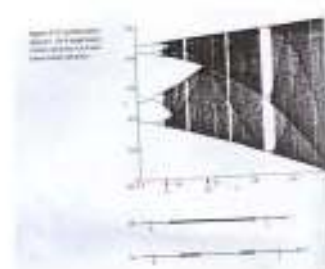
Marcelino Pandin
Indonesia Next 2005

Canberra, ANU
13-14 May 2005

S&T Capability development

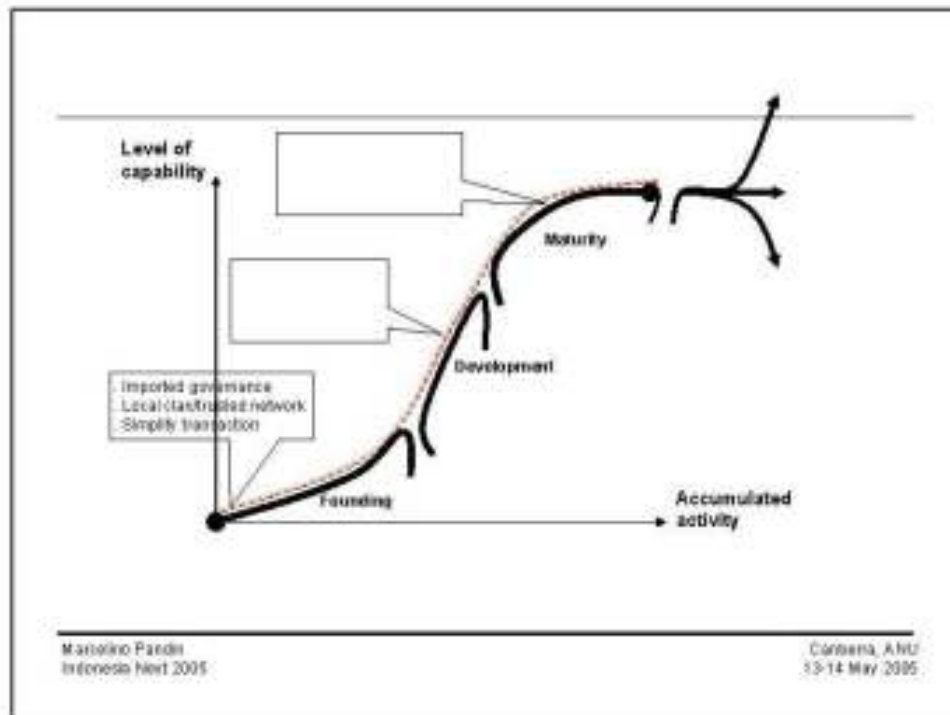


the existence of windows of collapse in the CLC*



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13-14 May 2005



Clutching global S&T governance

- substitution of weak or absence of sound and good public private governance
- poor domestic S&T infrastructure
- domestic S&T never enough for an efficient ACAP (Chesbrough, 2003)
- entering an era of global based open innovation and imitation

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Carlsena, ANU
13-14 May 2005

Innovation in the developing countries

Developed world economies

- R & D labs everywhere
- Best Universities
- Myriad institutions to support innovation
- Liquid financial market
- Venture capital
- Protection Intellectual PR
- Strong purchasing power

Developing countries

- Political instability
- Volatile exchange rate
- Poor infrastructure
- Weak institutions to support innovation
- Lack trained scientists
- Low quality universities
- Low disposable income

Sull, Ruelas-Gossi, Escobari, 2003:
the rate of innovation in developing countries is almost keeping equal pace to developed world economies which have 10 times higher per capita GDP

1. Know your customers' mindset
2. Innovate around-rather than through-the technology
3. Scour the globe for good ideas

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 Indonesia Next 2005

Canberra, ANU
 13-14 May 2005

Building local clan and trusted network

- Local experience investment fishes global best practices in S&T
- Weak protection of IPRs
- Substitution of contract enforcement

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 Indonesia Next 2005

Canberra, ANU
 13-14 May 2005

Simplify transaction

- Absence of S&T regime of appropriability
- No incentive on formal S&T network
- Too much organizational politics
killing coordination and diversified S&T initiatives

Waceline Pondit
Indonesian Next 2005

Carberra A-U
13-14 May 2005

Surfing at the WoC at founding stage

**Complementary
global-domestic
trade and investment**

e.g. Don't global recovery

**Global mobility of
Indonesian scholars
and skilled workforce**

- Brain circulation
- Cooper with diaspora & tech

Waceline Pondit
Indonesian Next 2005

Carberra A-U
13-14 May 2005

14. Mixing in Density-Driven Exchange Flows

with Possible Applications to the Indonesian Through-Flow

Tjipto Prastowo¹

Ross W. Griffiths, Graham O. Hughes and Andrew McC. Hogg

Abstract

The Indonesian Through-Flow (ITF) is a system of surface currents flowing from the western Pacific Ocean through numerous straits and sills within Indonesian seas into the Indian Ocean. The ITF carries a large amount of heat and water, thereby affecting climate on both regional and global scales. The magnitude and variability of the Through-Flow are still not well-known calling for more comprehensive studies by either direct measurements, numerical simulations or laboratory experiments. We use laboratory experiments and theoretical approaches to study the characteristics of mixing in density-driven exchange flows, and to examine similar situations occurring in natural geophysical flows, such as The Indonesian Through-Flow. The experiments have particular relevance to improving predictions of mixing in deep overflows, as well as to understanding the dynamics of exchange flows between water bodies such as estuaries, marginal seas and the open ocean. Vigorous turbulence is observed in all experiments, which leads to irreversible mixing and a reduction in exchange flux compared with theoretical predictions based on hydraulic theory. Possible applications of the experimental results to Indonesian sea settings will be discussed as the results are relevant to physical oceanographic problems in the Indonesian waters.

Key words: mixing, exchange flows, flux reduction

Introduction

Density-driven exchange flows through topographic constrictions that connect two bodies of water with different densities occur in many geophysical situations. Such constrictions include straits and sills, and affect flows in both the abyssal oceans and relatively marginal seas. In many cases, the rate of exchange of water and heat is hydraulically controlled by the dynamics of

stratified flow in the straits or over the sills. This control of mass flux has a large influence on heat and salt fluxes between parts of the oceans, and thus affects regional climate.

One major oceanographic problem associated with density-driven exchange flows is the Indonesian Through-Flow (ITF). The ITF carries water from the western Pacific Ocean to the Indian Ocean through a series of straits in the Indonesian Archipelago. It transports south through the Indonesian straits a large amount of heat and water from the warm surface waters of the western Pacific Ocean, and contributes to the coupling between ocean and atmosphere in the Pacific and Indian Ocean regions.

The ITF plays a key role in the heat and freshwater balances of the upper layer of the Pacific and Indian Oceans. Changes in magnitude of the Throughflow can affect patterns of heat exchange with the atmosphere in regions that are remote from the Indonesian straits. In turn, these altered heat fluxes result in a change in the coupled ocean-atmosphere model. Thus it is important to develop a greater understanding of the ITF in order to help assess how the flow affects climate on both the regional and global scales.

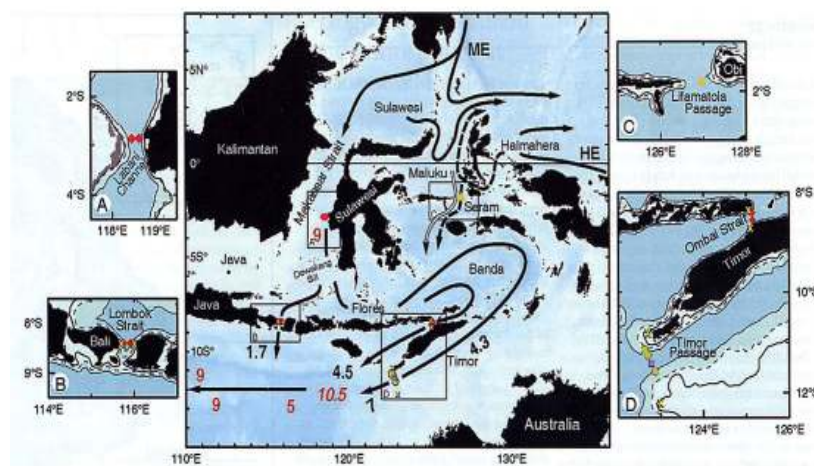


Figure 1. Possible routes of the Indonesian Through-Flow and its volume transport (taken from EOS, American Geophysical Union, Vol. 85, No. 39, September 2004).

Many authors (Field and Gordon 1992, Godfrey et al. 1993, Nof 1995; 1996, Godfrey 1996, Hautala et al. 1996, Ilahude and Gordon 1996) agree that the Throughflow is a predominantly North Pacific origin. It is also known that the Throughflow has a strong temporal variability at various time scales ranging from seasonal to interannual (Meyers et al. 1995, Bray et al. 1996, Fieux et al. 1996, Meyers 1996, Lebedev and Yaremchuk 2000, Hautala et al. 2001, Potemra et al. 2003, Sprintall et al. 2003). One important aspect of the ITF is its impact on the biological environment. According to Gordon et al. (2003), the ITF is almost two dimensional in the upper layer of the ocean. However, at greater depth there are significant vertical motions due to numerous sills encountered, leading to density-driven overflows. These overflows will, in turn, force water within the confined basins to be displaced vertically. Such a process maintains the properties of the confined water masses (e.g. temperature and salinity distributions, dissolved gases, and nutrients) in the local region implying a biological balance between the upper layer and the deeper waters. Thus vertical mixing in the straits of the Indonesian Archipelago is of great importance, and hence a better understanding of this process is required to predict the water properties more accurately.

However, the dynamics of the ITF is not fully understood from both observational and theoretical viewpoints. Estimates of the mass transport are still uncertain, partly due to the difficulty of making simultaneous and continuous measurements in the complex bathymetry of the Indonesian seas. Observational studies (Meyers et al. 1995, Fieux et al. 1996, Gordon and McClean 1999, Molcard et al. 2001, Vranes et al. 2002) show a wide range of estimates, 2-20 Sv for the magnitude of the Throughflow (see Figure 1), implying a large uncertainty in the variability of the Throughflow. Recent ocean circulation models (Lebedev and Yaremchuk 2000, Potemra et al. 2003, Wajsowics 2003) have also been used to study the transport variability of the Throughflow but still unable to adequately resolve the variability of the flow. Wijffels et al. (2001) argued that variation in the transport of the ITF is the dominant source of errors in the basinwide heat and freshwater budgets for both the Pacific and Indian Oceans.

In this paper, we present the dynamics of throughflow processes in the oceans

using both theoretical approaches and the results of laboratory experiments to examine exchange flows with mixing. A parallel development of a theoretical flow description will be an important element for the results to be applied to a range of specific ocean flows, which include flows through straits and over sills in the Indonesian waters. The results will also add to fundamental understanding of the fluid dynamics of stratified flows.

Background

Exchange flows through a constriction depend on the density difference across the constriction, the fluid properties, and the nature of the topographic constriction. These flows are commonly represented by two counter flowing layers, each having constant density and velocity. Internal hydraulic theory provides a useful tool to predict maximal exchange in the two-layer approximation. The hydraulic solution relies on the assumptions that flow is steady, inviscid, incompressible, hydrostatic, and non-rotating (Lawrence 1990).

The quantity of interest in most environmental exchange flows is the maximal exchange flux. The usefulness of the hydraulic theory in predicting the maximal exchange of both volume and mass through the constriction has been discussed in several papers (Hogg et al. 2001a; 2001b, Ivey 2001). Given some simple external parameters, such as the density contrast

$$Q = \frac{1}{4} b_o \sqrt{g} H^{3/2}$$

$$M = \frac{1}{4} \Delta \rho b_o \sqrt{g} H^{3/2}$$

When there is significant vertical transport of mass and momentum or internal mixing between layers, the exchange is less than the maximal predictions given above.

Recently, there has been increasing interest in exchange flows with mixing through a topographic constriction. Several authors have addressed the role of mixing in exchange flows and raised the issue of flux reduction attributed to mixing across density interfaces. These include laboratory experiments

(Helfrich 1995) and numerical investigations (Winters and Seim 2000, Hogg et al. 2001a, Stenström 2003). It was found that internal mixing plays a key role in reducing the net volume transport. This finding gives support to observational studies (Ffield and Gordon 1992, Bray et al. 1995).

Experiments

We carry out a laboratory study of mixing in an exchange flow through a contracting channel at the Geophysical Fluid Dynamics Laboratory in the Research School of Earth Sciences, The Australian National University. Experiments have been conducted in a long, flat-bottomed tank, which allows visualisation of the flow. An acrylic constriction is placed at the centre of the channel to model a strait (see Figure 2).

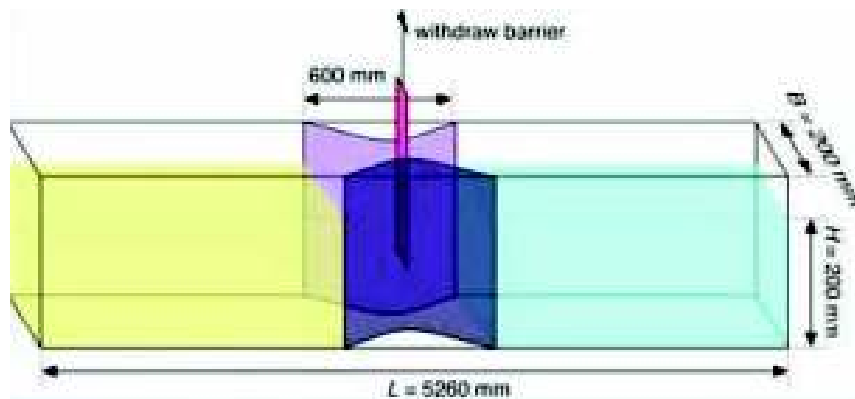


Figure 2. A contracting channel for an experimental use of exchange flows.

To run the experiment, we fill the tank with two fluids of different densities, and place a sliding gate in the middle of the tank. Once the gate is withdrawn, the density-driven exchange flow of salt and freshwater occurs, leading to shear instability and extensive mixing particularly in the vicinity of the constriction. Kelvin-Helmholtz (KH) billows grow on the strongly sheared interface within the constriction, generating overturns and vertical mixing between the salt and freshwater layers. These billows grow to large amplitude and then collapse, after which the mixed fluid is advected by the flow away from the constriction.

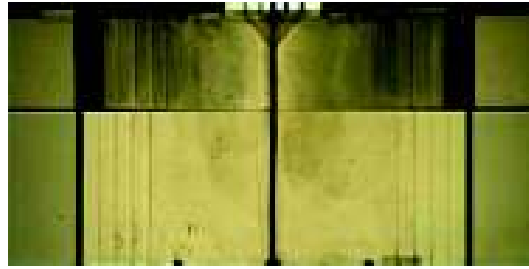


Figure 3. Intense mixing in the vicinity of the constriction leading to KH billows.

Exchange flows through a contracting channel that connects waters of different properties are subject to friction at the bottom, sidewalls, and the interface between the layers. Such frictional effects will reduce the rate of exchange. Pratt (1986) suggested that bottom friction is likely to be important for long and shallow straits while in short and deep straits such an effect is likely to be negligible. In our experiments, the influence of friction and internal mixing on the exchange flow is included in theoretically simple volume and mass flux formulations below,

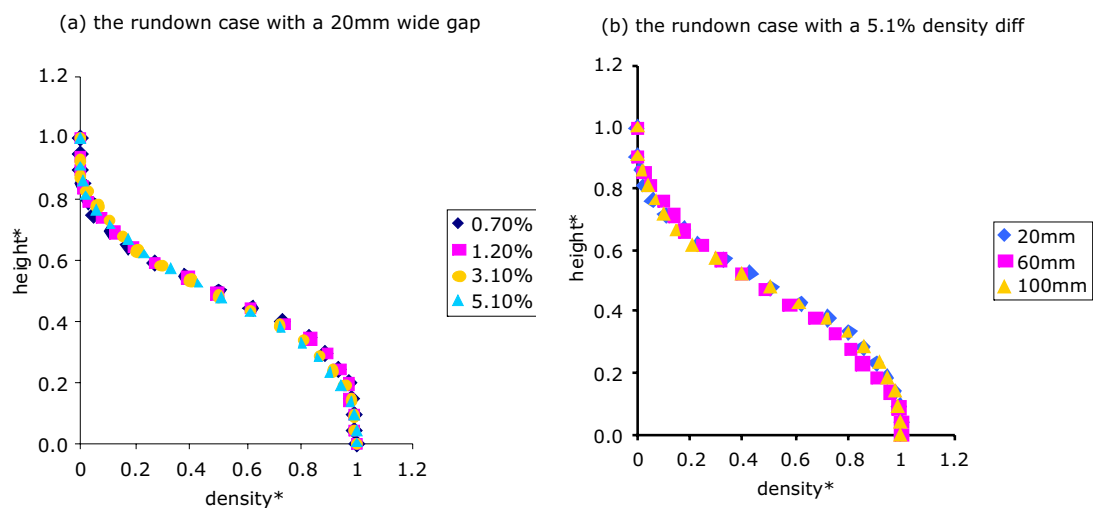


Figure 4a. Final density profiles of the rundown case for four different δ .
b. Final density profiles of the rundown case for three different δ .

It was found that the observed mass flux is approximately 80% of the hydraulic prediction. This suggests that the observed mass flux does not depend on the density difference but may depend weakly on the constriction width. There may be a small effect of friction on the observed mass flux. Using data obtained from the experiments, it can also be shown that mixing efficiency increases with density difference, and has only a small dependence on the width of the constriction.

Possible Applications

The laboratory experiments presented in this paper demonstrate several interesting features associated with the flux reduction and the mixing efficiency. Measurements of the net mass flux in the exchange flow through a topographic constriction provide good agreement with previous work using both laboratory experiments and numerical investigations. The results of the experiments compare well with the prediction for mass flux reduction. This suggests that sidewall and bottom friction are likely to have a little or no effect on the exchange flow.

The density profiles in Figure 4a and 4b suggest that mixing regions in both the open sea and relatively shallow waters lie in some depth below the surface. Waters near the surface and at the bottom have the same properties as the original sources. This knowledge can be used to estimate, to some extent, thermocline depth associated with mixing regions in the ocean - the most possible places to find marine food web, and hence fish. Vertical mixing acts in a similar manner to upwelling processes, which bring deep and cold, nutrient-rich waters near the surface where phytoplankton begins to grow as sunlight and natural foods are available. Wherever mixing takes place in the ocean, the surface waters will be enriched with additional nutrients required to initiate and maintain the ocean food chain. Thus it is clear that the properties of sea water are related to both physical and biological processes in the ocean.

As part of the global conveyor belt of the world ocean, the ITF plays a key role in regulating climate and rainfall across Indonesian regions. This is a considerably significant factor where severely natural events frequently occur in Indonesian

areas. For Indonesia, understanding the ITF will enable the government to make well-prepared management decisions, concerning with agricultural, water and fisheries issues as well as climate-related natural disasters (e.g. floods, droughts and forest fires). Indroyono Soesilo, the head of Indonesian Agency for Marine and Fisheries, says that measurements of mixed water in mixing regions of the ITF, such as the Flores and Banda Seas will provide a better understanding of such a process, which in turn maintains the properties of the water in the Seas, and hence fisheries stocks (www.marine.csiro.au).

In response to this, an international team of scientists from five countries (Indonesia, Australia, United States, France and Netherlands) established INSTANT (International Nusantara Stratification and Transport), a regional ocean monitoring program within Indonesian seas. This program includes the deployment of a series of moored instruments to directly measure sea-level and in situ temperature, velocity and salinity of the ITF at full depth. First moorings were already initiated in August 2003 using the Australian Research-Vessel (RV) Southern Surveyor, which will be followed by the second deployment in June 2005 using the Indonesian RV Baruna Jaya.

An interesting research of upwelling processes in relation to abundance of chlorophyll and fish catches in some coastal areas of the Indonesian seas was carried out by Hendiarti et al. (2004). During South-East (SE) monsoon from July to September 2001, they observed that upwelling occurring along the southeast of Java coastline brings nutrient-rich water from the deeper layer of the Sea into photic zone. In this zone, phytoplankton begins to grow as sunlight is available. They found that in places where upwelling occurs, chlorophyll concentrations are high maintaining the distribution and growth of phytoplankton, hence zooplankton and pelagic fish.

However, they did not investigate mixing and upwelling processes in eastern Indonesian seas, such as the Banda Sea where it is believed to be the place for seasonal wind-induced upwelling (Field and Gordon 1992). As discussed earlier, the Banda Sea appears to act as a mixing region between warm less saline ITF surface waters of North Pacific origin and deeper water masses of South Pacific origin. The Banda Sea also controls the bulk of ITF water, flowing through the Strait of Makassar and spending some time on mixing in the Sea

before curling southward into the eastern Indian Ocean through Timor passages (Ilahude and Gordon 1996). Thus a fully comprehensive understanding of the eastern Indonesian seas is of great importance. This can be achieved by either observational studies through the INSTANT program, numerical investigations through a series of simulations or laboratory experiments through an approach of geophysical fluid dynamics.

Conclusion

A theoretical and laboratory study of mixing in exchange flows through a contracting channel that connects two reservoirs of water with different densities is presented. In general, changes in the characteristics of water masses in the constricted channel occur through internal mixing, the process which may also occur in the eastern Indonesian seas. Existing internal hydraulic theory has been used to predict the maximal two layer exchange flux expected in the channel. The theory has also been extended to accommodate the effect of internal mixing on the flow. Two crucial issues were addressed - the amount of mixing in stratified exchange flows and the effect of mixing on the rate of exchange. The flow properties, the geometry of the constriction, and the experimental run time were found to be the primary parameters that affect the amount of mixing. While the mixing efficiency increases almost linearly with the density difference across the constriction, there is no clear dependence on the width of the constriction.

The most obvious effect of mixing in the exchange flow is to reduce the total horizontal transport compared with the hydraulic prediction. There is good agreement between the current research and previous work. Both confirm that the horizontal flux decreases as the intensity of vertical mixing increases. The reduction in net mass flux may be weakly dependent upon the constriction width, and was found to be around 80% of the maximal exchange based on the idealized hydraulic solution.

However, much remains to be understood about mixing in stratified exchange flows despite continual improvements in measurement techniques and numerical simulations. The observed time dependence of the mixing efficiency, for example, remains to be explained - whether this could be

associated with a strong temporal variability of The ITF. As thought to occur in The ITF where the exchange is largely in one direction, a mean flow can also be added in future experiments. This feature represents barotropic forcing, which is likely to be similar to the real situation, as compared with the current research, which is based on baroclinic exchange or density-difference exchange flows.

In order to improve understanding of the physical processes in the ocean that can benefit to Indonesia in terms of economic values, such as agricultural products and fisheries stocks particularly in the eastern Indonesian seas, we need to know about the net effect of mixing on sea-air fluxes and its efficiency. Two promising suggestions in relation to this are made. Firstly, further and intensive research on oceanography either physical or biological, which relates to environmental processes in the ocean is required to predict the quality of water within the Indonesian seas more accurately. Secondly, the Banda Sea and its surrounding seas must be taken into account in the research since they may give a solution to the government in improving low income rates among

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Mixing in density-driven exchange flows with possible applications to the Indonesian Through-Flow

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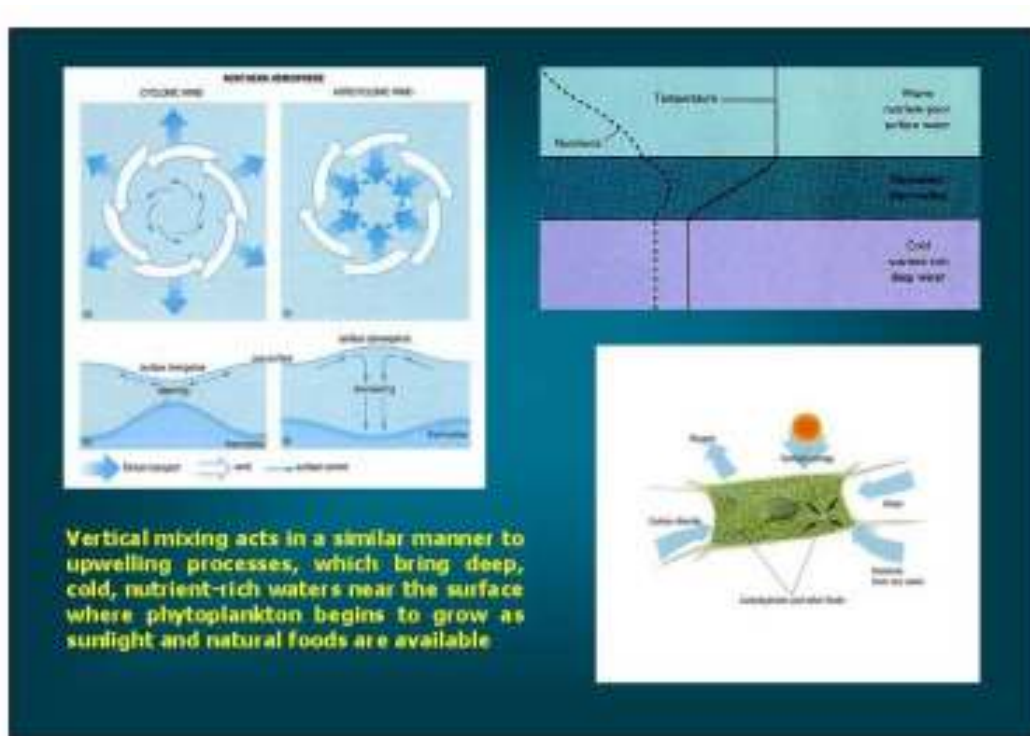


MOTIVATION

- Density-driven exchange flows
 - through straits
 - over sillsin both the abyssal ocean and marginal seas
- Some examples:
 - the Strait of Gibraltar
 - the Bosphorus
 - the Indonesian Through-Flow (ITF)

The rate of exchange of water and heat is **hydraulically controlled**

- ➡ influence on salt and heat fluxes
- ➡ affect climate

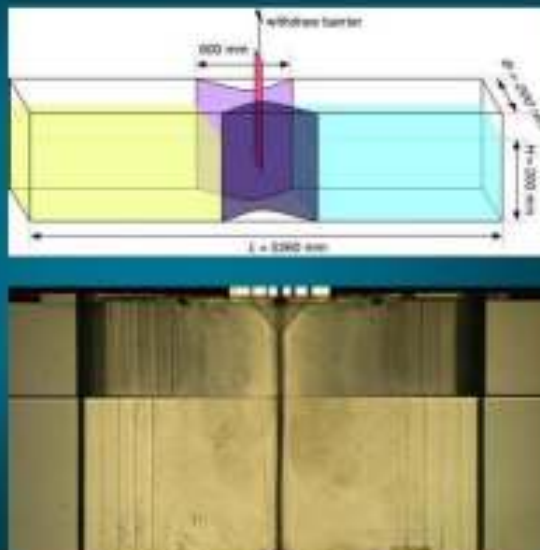


❖ In this study,

- To consider the dynamics of throughflow processes in the oceans:
 - ✓ theoretical approaches
 - ✓ laboratory experiments
- To quantify the amount of mixing and to investigate the effect of mixing on the rate of exchange
- To explore the possible application of the results to the Indonesian Through-Flow (ITF)

LABORATORY EXPERIMENTS

□ Apparatus



□ Experiment of exchange flow



intense mixing in the vicinity of the constriction



Observations and Suggestions

1. Changes in water mass characteristics in the constricted channel occur through internal mixing, the process which may also occur in the eastern Indonesian seas.
2. For Indonesia, understanding The ITF will enable the govt to make well-prepared management decisions, concerning with agricultural, water and fisheries issues, as well as climate-related natural disasters (floods, droughts and forest fires).

So, what are we waiting for ...

15. The Future of the Unitary State (Negara Persatuan) of Indonesia

Arsekal Salim¹

Abstract

In the early times of the nation-state formation of Indonesia, the Unitary State (Negara Persatuan) was unanimously accepted as a state ideal. For the founding fathers of Indonesia, this kind of state would neither fuse itself with the largest group nor allies with the strongest group of Indonesian population. Instead, it recognises and respects the rights of every group or individual in the sense that they should be conscious that they are an organic part of the state and feel obliged to strengthen the unity and harmony among those parts. The National Unitary State, however, was soon shadowed by the rising propensities of the Fragmentary State. The Fragmentary State not only has developed a particular legal system that differentiates citizens based on their religions, but also has built a religious block that might endanger the unity and harmony among the citizens.

This paper discusses the future of the Unitary State of Indonesia in light of the increasing effort to unilaterally confine the national identity. The equality between citizens and plurality in some aspects of life are politically at the stake here. In fact, one has observed that there might be a threat to the diversity as well as the wholeness of Indonesia as a nation. This paper is seeking to offer a solution by looking at several possible compromises that may lead to the creation of a consensus among Indonesian people.

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THE FUTURE OF THE UNITARY STATE OF INDONESIA

Arskal Salim

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1

OUTLINES

- Background
- Statement of Problem
- Terms Defined
- Historical Setting
- Current Situation
- Solutions

2

BACKGROUND

❖ Three Phases of the State in History:

- 1) The city state of the Classical Age
- 2) The universal religious state of the Medieval Age
- 3) The National State of the Modern Age

❖ Shifts in the world political order and world values since late 18th century:

- From being based on distinct religious line to a different national boundary
- From people discrimination and social segregation to fully embrace universal values of equality and pluralism

3

STATEMENT OF PROBLEM

THE UNITARY versus THE FRAGMENTARY STATE

My Argument:

“Although Indonesia was decided to be a National Unitary State, the Fragmentary State has shadowed its development”

4

THE UNITARY STATE (1)

- It neither fuses itself with the largest group nor allies with the strongest group.
- It transcends all groups, over individuals.
- It bonds all level of society.
- It does not mean a state without religious character. Instead, ... →

THE UNITARY STATE (2)

- Religious principles maybe included through democratic procedure and legitimate consensus
- The contestation between religious groups to dominate parliament in order to set state agenda that imbued with religious values

THE FRAGMENTARY STATE (1)

❖ The Millet System of the Ottoman

Millet = religion (literally)

Millet = sovereignty (technically)

Four Millets under the Ottoman (15th to 19th):

1. Orthodox Christian Millet
2. Jews Millet
3. Armenian Christian Millet
4. Muslim Millet

7

THE FRAGMENTARY STATE (2)

● The Millet System of the Ottoman:

- System of differentiation based on religious affiliation
- Each community autonomous to arrange its own business in religion, education, justice, fiscal & social security
- It deals a subject as member of community, not as individual
- It allows multi religions, but restrict plurality within a community.

8

Doctrine of Equality Erased the Millet System

- Shift From Millet to Nation (19th c.)
 - Granted civil and political rights equally regardless of ethno-religious background.

9

EARLY YEARS OF INDONESIA

- Debate within BPUPKI/PPKI
 - Laid the foundation stone of the Unitary State
- Establishment of the Ministry of Religion
 - Hampered proper operation of the Unitary State
 - It gradually makes the Unitary State under the shadow of the Fragmentary State

10

UNDER THE SHADOW OF THE FRAGMENTARY STATE (1)

● The Ministry of Religion

- Its presence was high achievement in term of corporate autonomy
- Leads to centralisation and autonomy for Islamic institution
- Creates Islam as “dominant millet” in Indonesia
- It is a new appearance of the Ottoman Millet System in Indonesia context

11

UNDER THE SHADOW OF THE FRAGMENTARY STATE (2)

- Develops a particular legal system that differentiates citizens based on their religions
- Creates ambiguity
- Engenders inequality

12

UNDER THE SHADOW OF THE FRAGMENTARY STATE (1)

- **The Ministry of Religion**

- Its presence was high achievement in term of corporate autonomy
- Leads to centralisation and autonomy for Islamic institution
- Creates Islam as "dominant millet" in Indonesia
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UNDER THE SHADOW OF THE FRAGMENTARY STATE (2)

- Develops a particular legal system that differentiates citizens based on their religions
- Creates ambiguity
- Engenders inequality

12

THE SHADOW OF THE FRAGMENTARY STATE MORE OBVIOUS: THE CASE OF ZAKAT LAW

- Provision on Tax Deductibility of Zakat Payment = Muslim prioritised, non-Muslim discriminated
- The Idea to amend Zakat Law = Plurality of Religious Interpretations and its Practices begun constraint

13

PROBABLE SOLUTION

- It is unrealistic to reverse or, indeed, to invalidate all what has been achieved
- By looking at possible compromises:
 - To limit to what extent to which the Fragmentary State give influence
 - To reach a lasting consensus of specific relationship between religion and state

14

16. Multiculturalism, Cultural Citizenship and Consumer Culture in Globalised Indonesia: Notes on Cinema and Moslem Fashion Indonesia

Amrih Widodo¹

Abstract

The inevitably intensifying industrialization and globalization in Southeast Asia has been accompanied by the weakening of nation-state regimes on the one hand, and an immense boost in mass communication, popular culture production and consumption-based identity formation on the other. This paper is an attempt to sketch the development of consumer culture in Indonesia by looking at the production, distribution and consumption of popular culture as important sites for identity formation and construction of social imaginary. It will particularly discuss creativity and negotiation on interpretations and representations of national and religious identity in film industry and Moslem fashion, treating them as cultural and political practices in the imagination of selfhood, community and nation. The paper will draw implications on state-society relations, cultural policies, and relationship between belief and everyday practices.

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17. Envisioning and Communicating Vision Process in Indonesia Autonomy Era

John Soeprihanto¹

Introduction

Republic of Indonesia is unitary state by a proclamation of independent on 17 August 1945. Following the proclamation, the 1945 Constitution (UUD 1945) has been used to settle a unitary country, which clearly stated in article 1 of the 1945 Constitution. Indonesia as the biggest archipelago country in the world is united by ocean around it. The unity power should be determined by power placed in the sea, as a uniting instrument. Experiences for centuries in social institution, political culture and natural challenges forming attitudes, point of view or concepts, have formed behavioral patterns of value order differing one environment to others. Each identifies itself in certain personality. Indonesian people have experienced their previous cultural history with various developing intensity and spread in unevenly distribution. Their characteristic differences appearing in realities and on surface of Indonesian people group's lives to face same general life challenges make each difference being strong potential to declare to struggle for same interest. Therefore, slogan *Bhinneka Tunggal Ika* (Diversity in Unity) is a manifestation of basic strategy for Indonesian cultural development that its position was very fundamental for biography of Indonesian country in future.

Various articles in the 1945 Constitution of the Republic of Indonesia and their explanation (article 32) basically determine characteristic strengthening supporting materialization of *Bhinneka Tunggal Ika* into: a. Territory/region of the State; b. National Culture taken from Tops of Local Cultures; c. Specific conditions of each region; etc. Thus, guidelines stated in UUD 1945 clearly show all unity of the traditional law society, it does not require to be uniformed. Dr. Soepomo and colleagues formulating UUD 1945 were really wise and perceptive on special characteristics and diversity of living villages as

sociological mirror in Indonesia.

In regards to vision, the 1945 Constitution does not formulate explicitly how the vision statement should be. However, in introduction of the 1945 Constitution states four main ideas which can become the inspiration and main resource for envisioning as follows (UUD 1945):

1. State shall protect or secure the entire nation and the motherland of Indonesia based on unity by creating social justice for all Indonesia citizenry.
2. State shall create social welfares for all Indonesia citizenry.
3. State bases on democracy and deliberation/representation.
4. State bases on the One God in justice and civilized humanity (Pancasila)

Furthermore, in New Order Era the 1945 Constitution and how Pancasila to be practiced are spelled out into The National Policy Guideline (GBHN) included its vision and the blueprint for running the government activities. Especially in the Reformation Era the formulation of the Indonesia vision in GBHN 1999-2004 was as follows:

The establishment of peaceful, democratic, just, competitive, developed, and prosperous community of Indonesia, in the Unity of Indonesia Republic umbrella which supported by Indonesian who health, independent, faithful, pious, lofty character, nationalist, environment and law awareness, science and technology, having high work ethic, and discipline (GBHN 1999-2004).

This vision constitutes of the four main ideas of the introduction of 1945 Constitution which clearly stated in detail as a vision formulation formally. After the President and Vice-President's directly election in 2004, however, the GBHN was not used as the national policy guideline. The question is what and where the Susilo Bambang Yudoyono and Jusuf Kalla government period's vision and the blueprint are?

Before exploring the envisioning and communicating vision process in Indonesia autonomy era, the discussion will explain the envisioning

theoretically as a part of the strategic management system (based on Kaplan & Norton balanced scorecard), including the shifting of the old paradigm (New Order Era: the development paradigm) towards new paradigm (Reformation Era: the service and empowerment paradigm). Furthermore, it will be explore the practice and implementation of the communicating vision process (as a part of strategic management system) in terms of the national system education in Indonesia autonomy era. Finally, this paper will share lessons learned from organizations that have taken the balanced scorecard journey in order to contribute the knowledge and practice of the envisioning and communicating vision process in Indonesia autonomy era.

Envisioning: Developing and Formulating Vision

Must each organization have a vision? The famous admonition in Proverbs 29:18 reminds us that: 'Where there is no vision, the people perish" (in Bryson, 1995, p. 156). According to Knauff, Berger, and Gray, 1991; Nanus, 1002; Kotter, 1995, each organization may not be necessary to have a vision in order to improve organizational effectiveness. Indeed, it is hard to imagine a truly high-performing organization that does not have at least an implicit and widely shared conception of what success looks like and how it might be achieved (cited in Bryson, 1995, p.156). Vision is a statement which tries to answer the question what the institution want to be? (Quigley, 1993) Theoretically, vision is crystallization and formulation of the fundamental values from all organization members, which figure out about the expected condition in the future, lead all the members, and inspire to all person in the organization for realizing or reaching their goals and objectives. In terms of a leader, vision is ability and capacity to think beyond the border of the current reality and to create the success looks like and how it might be achieved by this organization in the future. The desired future state can be expressed philosophically in terms of the belief system capable of moving the organization into the future, and practically in terms of what the organization wishes to accomplish, in the future.

How to develop and formulate a vision? Combining current information and future projections about the external environment with a renewed

organizational self-concept provides a basis for developing and formulating a vision of what the organization will be like in the future. According to Bartlett and Ghoshal, 1990 (cited in Minstberg and Quinn, 1998, p. 189-190) the vision must be crafted and articulated with clarity, continuity, and consistency: clarity of expression that makes organization objectives understandable and meaningful, continuity of purpose that underscores their enduring importance; and consistency of application across working units and geographical boundaries that ensures uniformity throughout the organization.

There are several approaches to developing this vision. For small to medium-sized nonprofit agencies, Barry recommends either a scenario or critical issues approach to future visioning (Barry, 1995). In the scenario approach, several alternative images of what the organization will be like in the future are developed and rated in terms of their fit with the organization's mission, the community needs, and financial feasibility. These are discussed with members of the organization and the best fit is selected, tested, and refined. The critical issues approach focuses on the challenges facing the organization. Critical issues are identified and prioritized, with possible solutions listed for each.

Ellis and others (cited in Barry, 1995) as community educators take a different approach. It focuses on the community rather than the organization in developing a vision for the future. They define envisioning as a future-focused, proactive process that can empower communities to take charge and creatively shape their own futures, rather than being caught off-guard by future changes. They identify four major tasks to be accomplished during the envisioning process:

1. Developing shared purposes for the community;
2. Detailing a broad-based vision for the future;
3. Organizing the vision into themes; and
4. Developing a broader vision for each theme

According to Kaplan and Norton (1996), the balanced scorecard is a performance management system that can be used in any size organization to align vision and mission with customer requirements and day-to-day work,

manage and evaluate business strategy, monitor operation efficiency improvements, build organization capacity, and communicate progress to all employees or members. In balanced scorecard approach, vision, mission, and strategy are decomposed into different perspectives, as seen in the interest of the organization owners, customers and other stakeholders, managers and process owners, and employees. In private sector (profit oriented organization), the owners of the organization are represented by the financial perspective, customers and stakeholders (customers are a subset of the larger universe of stakeholders) are represented by the customer perspective, managers and process owners by the internal business processes perspective, and employees and infrastructure (capacity) by the learning and growth perspective (figure 1) (Kaplan and Norton, 1992).

Basic Design of a Balanced Scorecard Performance System

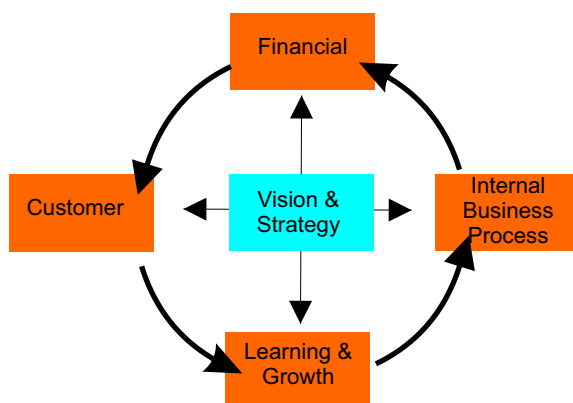


Figure 1 Basic Design of a Balanced Scorecard Performance System

Source: Kaplan, R. S., & Norton, D. P. (1992), "The balanced scorecard: Measures that drive performance", Harvard Business Review, 70 (1).

Generally speaking that "people and their managers are working so hard to be sure things are done right, that they hardly have time to decide if they are doing the right things." Accordingly, doing the right things and doing things right is a balancing act, and requires the development of good strategies and efficient operations to deliver the services required to implement the strategies. Performance improvement, reform pressures on public sector organization, and mandate that organizations continually worry about executing good strategy well, at the same time that they worry about running government operations efficiently. Today's organizations need to be both strategically and operationally excellent to survive and meet tomorrow's challenges. Based on information above and it mentioned before that this paper tend to choose the

balance scorecard approach for discussing the envisioning and communicating vision process in Indonesia autonomy era. The main reason is that this framework helps for achieving the required balance between vision, mission, strategy and operations included its measurement. The other reasons are that the decentralization system required the inter-relationship balance between central, province and district/municipality; and the autonomy system encourage the internal relationship balance in each province and district/municipality.

Communicating Vision Process through Balanced Scorecard

It mentioned before that originally developed as a framework to measure private industry non-financial performance, balanced scorecard systems are also equally applicable to public sector organizations. However, it need the changes are made to account for the government mission and mandates, not profitability, that are unique to almost all public sector entities. For example, some public organizations generate and use revenues to offset expenses and minimize the need for annual Congressional appropriations; their operations are more like a business than a government entity, and they could use the private sector scorecard model (Rohm, 2002).

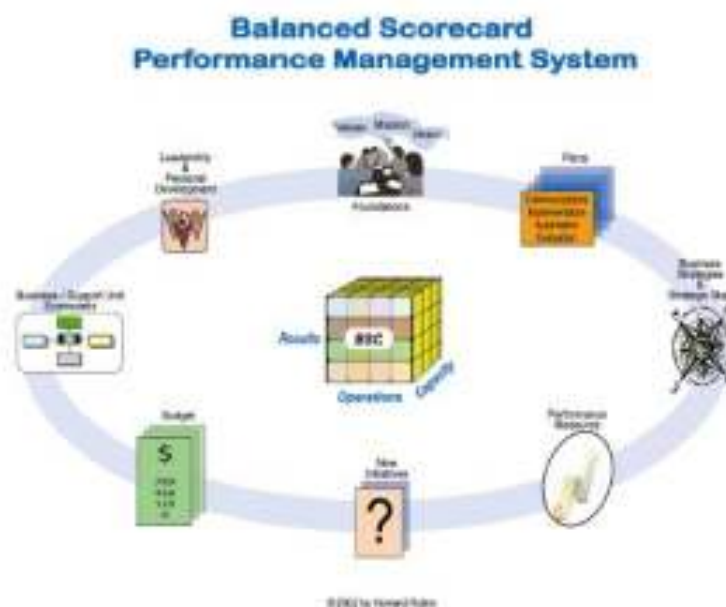


Figure 2. Balanced Scorecard Performance Management System

Source: Howard Rohm (2002), "Developing and Using Balanced Scorecard Performance System", the Balanced Scorecard Institute, U.S. Foundation for Performance Measurement, (Pre-Publication Release Copy – May 16, 2002)

Besides providing four perspectives above, the balanced scorecard systems also give us the ability to view three different dimensions of organization performance: results (financial and customer), operations, and capacity. The figure 2 also shows the components of a fully developed scorecard system:

Foundations includes vision, mission, and values; Plans includes communications, implementation, automation, and evaluation plans, to build employee buy-in and communicate results; Business Strategies and Strategic Maps includes to chart the course and define the logical decomposition of strategies into activities that people work on each day; Performance Measures includes to track actual performance against expectations; New Initiatives includes to test strategic assumptions; Budgets include the resources needed for new initiatives and current operations; Business and Support Unit Scorecards includes to translate the corporate vision into actionable activities for departments and offices; and Leadership and Individual Development includes to ensure that employee knowledge, skills and abilities are enhanced to meet future job requirements and competition. Thus, balance is achieved through the four perspectives, through the decomposition of an organization's vision into business strategy and then into operations, and through the translation of strategy into the contribution each member of the organization must make to successfully meet its goals.

It mentioned before that the traditional balanced scorecard model is not optimal for government organizations since conventional shareholder or equity-based measurements and targets are not appropriate. According to Rohm, 2002, variations in the basic design of balanced scorecard are common. Typical changes include changes in the categorization and numbers of perspectives. For example, innovation and learning or employees are in place of learning and growth and the number of perspectives (not just four perspectives) adding Stakeholders as a separate, as fifth perspective. When the balanced scorecard framework is applied to a public organization, such as a Federal government agency, a military unit, or a state and local government organization, the framework must be changed to capture the mission-driven nature of public organizations (in contrast to the profit-driven motivation of private businesses). Also, government reform initiatives at all levels of government are placing more emphasis on accountability and results to meet

citizen expectations for public services and products. The desired outcome for a private organization is a growing, profitable, competitive enterprise; for a public organization, desired outcomes center on the delivery of necessary, cost-effective services for citizens or members (for not-for-profits).

Public-Sector Balanced Scorecard



Figure 3. The Basic Design of Public Sector Balanced Scorecard

Source: Howard Rohm (2002), "Developing and Using Balanced Scorecard Performance System", the Balanced Scorecard Institute, U.S. Foundation for Performance Measurement, (Pre-Publication Release Copy – May 16, 2002)

The figure 3 above shows the basic design of a public sector scorecard system. Rohm (2002) pointed out that notes the changed emphasis on mission (included vision) as the key driver of a public sector organization, the change in the customer perspective to customers and stakeholders (mission driven customer requirements, subject to government mandates and limitations), and the changed positions of financial and customer perspectives. He prefers to use the term employees and organizational capacity for the learning and growth perspective for reflecting the importance of the human system and of capacity building through trained and knowledgeable employees and efficient information technology systems.

The figure 4 below shows the other version basic design of a public sector scorecard system. The focus is not on maximizing financial returns, but instead balancing financial accountability with customer/stakeholder service delivery to achieve the government organization's mission. Defining the measures and target in the customer/stakeholder perspective requires insight and care given

government's stewardship role. Sometimes a budget perspective is used in place of the financial perspective, to reflect the budget formulation and execution processes associated with public accountability of funds. All these changes require the clear definition of the agency's mission and desired strategic outcomes (SMG/Columbia, n. d.)

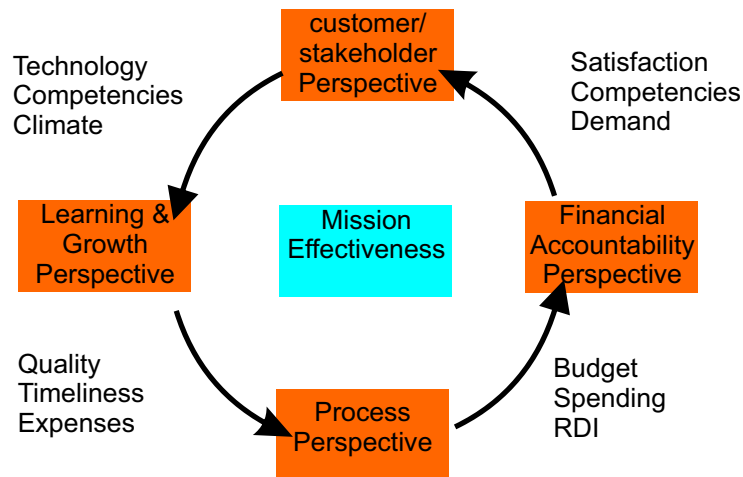


Figure 4. The Basic Design of Public Sector Balanced Scorecard (other version)
 Source: SMG/Columbia (n.d.),

Kaplan and Norton (1996) emphasize that the balanced scorecard is more than a tactical or an operational measurement system. Innovative organizations are using the scorecard as a strategic management system, to manage their strategy over their long run. The strategic management system as a strategic framework for action consists of four component (Kaplan & Norton, 1996, pp. 10-18):

1. Clarify and translate vision and strategy
2. Communicate and link strategic, objectives and measures
3. Plan, set targets, and align strategic initiatives
4. Enhance strategic feedback and learning

Based on those four perspectives, the balanced scorecard process starts with the top and senior executive management team working together to clarify the vision, mission and strategy through envisioning process and to translate into specific strategic objectives. The second step is to communicate and link the balanced scorecard's strategic, objectives and measures to all internal and external stakeholders through any kind selective media. The scorecard also

provides the foundation for communicating and gaining commitment to local unit's strategy with regional and central level. Thereby it encourages a dialogue between local, regional and central executives and legislatures, not just about short-term financial objectives, but about the formulation and implementation of a strategy for breakthrough balance performance for the future. Kaplan and Norton (1996) conclude that communication and linkage process, everyone in all level of the organization should understand the business's unit long-term goals, as well as the strategy for achieving these goals. They added that individuals have formulated local actions that will contribute to achieving business unit or local/regional level unit objectives. Thus, through this process all organizational efforts and initiatives will be aligned to the needed change processes. In terms of the Indonesia national reform, these processes relates closely with the National Education System, especially for National Character Building process. This step is too critical process for shaping and achieving the national goals. However, to what extent the National Education System, in particular start from Kindergarten up to High School has been reinforced? Part of this discussion will focus on little part the education process in Indonesia, but it is beautiful for emerging the National Character Building of Indonesia.

The third step is to plan, set targets, and align strategic initiatives. Kaplan and Norton (1996) advised that senior executives should set targets which align strategic initiatives for the scorecard measures (again: based on at least four perspectives), three up to five years out, it should transform the organization. Through a series of cause-effect relationship embodied in the balanced scorecard, these capabilities eventually become translated into superior performance. They added that the balanced scorecard also enables an organization to integrate its strategic planning with its annual budgeting process.

The fourth step of management process embeds the balanced scorecard in a strategic learning framework. Kaplan and Norton (1996) consider this process to be the most innovative and most important aspect of the entire scorecard management process, because this process provides the capability for organizational learning to the entire organization, especially for executives level.

Actually, the process of strategic learning starts with the first step, the clarifying and translating of a shared vision, mission and strategy through envisioning process that the entire organization wants to achieve. The learning process is continued by the reinforcement of the communication and alignment process which mobilized all individuals into actions directed at achieving the organizational objectives. They pointed out that the emphasis on cause and effect in constructing a scorecard encourages and emerges the dynamics system thinking toward individuals in the organization. The organizational learning process will be supported by the third step, the defining the specific, quantitative performance goals for the entire organization in terms of at least four perspectives of outcomes and performance drivers. By comparing of the expected performance goals with current levels provides the performance gap that strategic initiatives can be design to solve. At this point Kaplan and Norton (1996) conclude that the balanced scorecard not only measures the changes, but it fosters the changes for the future.

They argue that the first three critical management processes are the linear process for establishing a vision and strategy, communicating and linking the vision and strategy to all organizational participants, and aligning organizational action and initiatives to reaching long-run strategic goals to be an example of a single-loop feedback process (Kaplan and Norton, 1996, pp. 16-17). They added that the strategies for information age organizations cannot be this linear or this stable, but the organizations need double-loop learning. Accordingly, the double-loop learning occurs when managers inquiry their underlying assumptions and reflect on whether the theory under which they were operating remains consistent with the current evidence, observations, and experience. In this case, Indonesia as a huge and information age organization can adopt and adjust the balanced scorecard, not just for a measurement system, but as a performance management system in supporting the national and local management reform.

Long Term and Comprehensive Planning: New Order Era

Before 1999, the Indonesian local and provincial governments were only discussed in relation to central government. The picture that emerges from a review of the administrative structure and bureaucratic culture is that national

government tends to limit initiative at lower levels and concentrate decision making at the top. In principle, the regional office of the appropriate ministry is responsible for more technical decisions and planning, while their local government counterpart is responsible for more routine implementation (Crane, 1995, p. 141).

There was existing the Indonesian government comprehensive planning of system focuses mainly on the central government that was called Long Term Development Plan (LTDP: Rencana Pembangunan Jangka Panjang/RPJP). Local, provincial and regional governments were only discussed in relation to central government.

Furthermore, Crane added that the planning process for project selection and eligibility remains dominated by the central government, even for the use of many local resources. Much of the current literature was concerned with the central government development planning which was distributed to each provincial and local government, but which was examined only from a central government administrative perspective and from a formal system. For that reason, the planning up to controlling were centralized and homogenized for all local government.

In the New Order Era, basically the planning process involves a process of planning goals at the national (included the national vision and mission in the National Policy Guideline or GBHN: Garis-Garis Besar Haluan Negara), provincial and local government level, followed by Repelitas at each level, followed then by annual programs at each level, and followed finally by budget documents (APBN and APBDs). These are used as guideline for the 'bottom-up process', though the central ministries appear to dominate throughout (Crane, 1995, p. 146). Moreover, the system for financing and delivering local public services in Indonesia is also highly centralized. Centralization of developmental management for such wide regions of the Republic of Indonesia, if it shall be applied using background of pragmatism, certainly will prioritize uniformity and authoritative attitudes in controlling. A directly consequence of this centralism system shall be less regarded initiative arose from bottom. Also, the local government capacities have not been adequately developed and emerged because of this higher dependency on the central government. In

terms of cultural point of view, too many local people have been losing their creativity and initiative through freezing or stagnation in their lives, as humans with nature to act based on their self-decisions.

Indonesia's new order regime that came into power in March 1966 had failed in 1997 (Kompas-online, 1998). A financial crisis that had its onset in the last six months of 1997 and that was closely linked to similar crises in other South East Asian countries translated into economic, social, and politic crisis. All these contributed to a number individual, local group movement or organizational both national and international which pushed the central government to reform, reinvent and provide real autonomy to regional authorities. The fall of Soeharto regime has opened some opportunities to reform the system of management government in Indonesia.

The Major Changing after Reformation

One of the major national policy reforms of the present government in Indonesia is the implementation of substantive reforms in local government administration or management. The first major change was refining the previous local government Law 5 of 1974 through the promulgation of a new law, Law 22 of 1999 (revised by Law 32/2004) on Local Government and Law 25/1999 (revised by Law 33/2004) about fiscal balance between Central and Local since fiscal year 2001.

Since 2000 through those legislations passed by the national government in Jakarta in 1999 establish the new legal framework for the local government system in Indonesia, especially on regional or local autonomy. The new laws bring a number of substantial reforms. One of the most substantial revisions introduced with the new laws were changing the central-local relationships, the structure and administration (management) of the local government system. Both of them have provided a new paradigm to shift the old paradigm (based on Law No. 5/1974). The old paradigm is based on development. Development became the value of foundation which becoming reference for all government policies. While the new paradigm that comes from these legislations is based on servicing and empowering the community, especially each local community (Syaukani, Gaffar, and Rasyid, 2002, p. 171).

Moreover these legislations have established the legal framework for government management system reform, especially in providing the larger authority to local government for running their activities. One of the authorities is the arrangement of the Long-term Local Development Planning (RPJP) and other planning documents (included vision, mission, goals, strategies, program, etc).

It mentioned before that the definition of vision is a crystallization and formulation of the fundamental values from all members of an organization. Theoretically and practically, the Indonesian values and vision constitute inherent and abundantly in the 1945 Constitution especially in its introduction. In other word, the core values, core believes and vision of the Indonesia State has been crystallized explicitly in Introduction of the Basic Constitution 1945. Furthermore, each new regime of the Indonesia government needs to formulate or reformulate the vision based on each condition in its time being.

In terms of planning document, the elected president 2004-2009 put vision and mission in his campaign into Five Year National Development Planning (Rencana Pembangunan Nasional Lima Tahunan) and explained in detail into Annual National Development Planning (Repeta Nasion al). For the United Indonesia Era (Era Indonesia Bersatu), the Vision and Mission of Susilo Bambang Yudoyono (as president) and Jusuf Kalla (as Vice President) are as follow (Yudhoyono 2004):

Vision 2004-2009

- We envision an Indonesia that has become a society, nation and country that is secure, united, harmonious and peaceful. An Indonesia that is imbued with Unity in Diversity
- We envision an Indonesia that has become a society, nation and country that upholds the law, the essential equality of all human beings and human rights
- We envision an Indonesian economy that is capable of providing job opportunities and a decent standard of living for the Indonesian people, and a strong foundation for future development.

Mission 2004-2009

- to bring about, ensure and maintain security, peace and the national unity of

Indonesia

- to bring about a socially just and democratic society, nation and country of Indonesia that is absolutely free of discrimination against any ethnic group, race, religion or gender
- to bring about sustainable and equitable prosperity in Indonesia

This vision constitutes of the at least three main ideas such as Unity in Diversity, equality of all human beings and human rights, and sustainable and equitable prosperity. Thus, these main ideas are imbued by main idea of the introduction of 1945 Constitution. On the other word, this clearly stated vision and mission 2004-2009 is derived from the 1945 Constitution especially its introduction.

Furthermore, each central agency (Dept/LPND) shall arrange the strategic planning of Dept/LPND, that then be put into the strategic planning of General Directorate (Ditjen) to the strategic planning agency/working unit lead by echelon functionary II to Annual Development Planning (Repeta) of Departement/LPND. The strategic planning of Departement/central working unit shall be arranged on Central authority as main function and tasks of related Department, and containing vision, mission, policy direction, strategy and indication of annual program planning measurably. Annual program shall be derived from five yearly programs, that the strategic planning shall to be arranged briefly, carefully and accurately. Activity program of Department/LPND implicating on local must be socialized to local in the frame of synergic policies, program synchronization, avoiding duplication and also giving chances for local to prepare themselves to receive the program. Socialization can be performed through mechanism and development coordination meeting (Rakorbang) forum.

In the province level, the elected governor shall put vision and mission of his/her campaign into province strategic planning (Renstra: 5 years) and explained in detail into province strategic planning of agency. Based on PP No. 25/2000, the strategic planning of Province shall be arranged following provincial authority limit. While province strategic planning of agency shall be arranged equal with main function and tasks. Each program implicating on regency and municipality must be coordinated with regency/municipality, while that relating public service shall be consulted to public through the

community aspiration network (jaring asmara) forum.

In the district/municipality level, the elected Regent/Mayor also shall put vision and mission of his/her campaign into local strategic planning (Renstrada: 5 years) and explained in detail into the strategic planning of agency (Renstrain). Renstrain shall be arranged following regency's/municipality's authority limit. While the strategic planning of agency shall be arranged equal with main function and tasks. Each program requiring coordination with province must be coordinated with province, while relating public service shall be consulted to public through the community aspiration network (jaring asmara) forum. Program planning and annual activities shall be derived from five-yearly program and shall be arranged measurably following priority scale. Determination of types of activity to conduct each year shall be performed through the development coordination meeting (Rakorbang) forum.

Balance Scorecard as a Discussion Framework

It mentioned before that the balanced scorecard process starts with the top and senior executive management team working together to clarify the vision, mission and strategy through envisioning process and to translate into specific strategic objectives. The balanced scorecard philosophy boiled down to simplest terms requires an organization to address four performance perspectives to maximize organizational performance today and also in the future. Through adjusted balanced scorecard (public sector version) as the framework for analyzing the formulated vision can be spelled out as follow:

Table 1. Vision in GBHN 1999-2004:

No.	Perspective	Phrase
1.	Customer: stakeholder/citizen	The establishment of peaceful, democratic, just, competitive, developed, and prosperous community of Indonesia,
2.	Internal process	which supported by Indonesian who health, independent, faithful, pious, lofty character, nationalist, environment and law awareness,
3.	Learning and empowering	understanding science and technology, having high work ethic, and discipline,
4.	Financial accountability	in the Unity of Indonesia Republic umbrella

Thus, 2004-2005 vision in GBHN which formally formulated fulfills relatively four perspectives of the balanced scorecard. It mentioned before that this 1999-2004 vision constitutes of the four main ideas of the introduction of 1945 Constitution. However, this version states explicitly the internal process and learning & empowering perspectives. The vision with the completed four perspectives will help both central and local government for spelling out and deriving into mission, goals, objectives, strategies, program, etc. It will help the government for establishing the blueprint of the development and public services. The next turn is the SBY vision 2004-2009:

Table 2. SBY Vision 2004 - 2009

No.	Perspective	Phrase
1.	Customer: stakeholder/citizen	an Indonesia that has become a society, nation and country that is secure, united, harmonious and peaceful, an Indonesia that has become a society, nation and country that upholds the law, an Indonesian economy that is capable of providing job opportunities and a decent standard of living
2.	Internal process	Unclear
3.	Learning and empowering	a strong foundation for future development
4.	Financial accountability	Unclear

Based on information above, 2004-2009 SBY vision which formally formulated doesn't fulfill relatively four perspectives of the balanced scorecard. However, this 2004-2009 vision constitutes of the four main ideas of the introduction of 1945 Constitution. And also this version doesn't states explicitly the internal process and learning & financially accountability. The vision with the uncompleted of four perspectives tends not guiding and directing the government for spelling out and deriving into mission, goals, objectives, strategies, program, etc. Therefore, the government executives (and also legislatives) should be aware for not forgetting to incorporate those perspectives into blueprint of the development and public services. The second step of balanced scorecard process is to communicate and link the vision, goals, strategic, objectives and measures to all internal and external stakeholders through any kind selective media. Through this communication and linkage process, everyone in all level of the organization should understand the business's unit long-term goals, as well as the strategy for achieving these goals. Kaplan and Norton (1996) argue that no single program or event can carry out this alignment of an organization which involved many people. They

mentioned that the large organizations use at least three interrelated mechanisms to translate the strategy and the balanced scorecard into local objectives and measures, such as (Kaplan and Norton, 1996, pp.200-210):

1. Communication and Education
2. Goal Setting Program
3. Reward System Linkage

They summarized that a consistent and continuing program to communicate and to educate a variety of the organizational constituents on the components of the strategy, as well as reinforcing this education feedback on actual performance, is the basic foundation of organizational alignment. Once a base level of understanding emerges, individuals and teams through out the organization both central and local must translate the higher level strategic objectives into personal and team objectives. Because alignment and accountability will clearly be enhanced when individual and team contributions to achieving scorecard objectives are linked and motivated to recognition, promotion, and reward-punishment programs.

Thus, again that to establish and reinforce the National Education System at least with three inter-related mechanism above is basic foundation and the most important for shaping and reinforcing the National Character Building. According to Nawawi (2000, p.17) the National Education System has five components such as educators, students, the objectives of education, the relation of education and, socio-cultural structure. The big question is to what extent has our National Education System been established and reinforced, particularly the basic and middle education level (pendidikan dasar dan menengah) in terms of establishing the National Character Building? Who is responsible for communicating (back) and educating the value and vision toward all constituents or stakeholders? Formally the Department of Education and its agencies directly relates with the National Character Building. In terms of the embedding the value and vision for shaping and establishing the cultures of a nation, we have to start from early education such as Kindergarten (playgroup & TK), Primary School (SD), Junior High School (SLTP), Senior High School (SMU/SMK). According to educational psychology experts, on this basic and middle education levels (pendidikan dasar dan menengah), the attitude and character shaping is very sensitive and more

feasible for embedding value and educating, so the best way is to start as early as possible. The other educational experts advice that education should be started on pre-natal. Thereby all teachers of TK, SD, SLTP, and SMU/SMK (included parents) have great contribution in establishing and shaping the National Character Building of Indonesia. Their roles in communicating and embedding the value and vision of this nation formally and directly, agree with each teaching subject and levels. Indeed, teachers as agent of changes and development should reinforce together cohesive with student parents, community, and government continuously and consistent.

Who is responsible for paying close attention to and reformulating our value and vision? Formally the People's Consultative Assembly (MPR) and House of Representatives (DPR) together with Central Government and openly towards all community directly relates with the National Character Building (1945 Constitution). How has it been done? More than three decades, our efforts in the education experiences have been lack of feasible portion for the National Character Building. Our education system especially the basic and middle education levels have faced serious problems. The education system at least consists of three major components such as curriculum, the learning/teaching process, and the expected profile. The curriculum is the values and knowledge which want to embed to the students or audiences. The curriculum has always been evaluated mostly every the changes of minister of Education Department. However, the second and third components are rarely evaluated.

For example, in terms of the National Character Building, since primary school every Monday morning we have had experiences must attend 'Flag Ceremonial' (upacara bendera). What will be the value embedded to student? At least the answers are patriotism, nationalism, discipline, etc. Does the learning/teaching process (the actual ceremonial) conducive (the appropriate method) for embedding those values? We have never evaluated this actual flag ceremonial process in each school. Finally, have we ever evaluated the expected profile as result of the learning/teaching process at least in 12 years? We have the answer based on experience and our condition ourselves. For other examples we can remember our experiences during we studied at kindergarten, primary, junior high, and senior high school. This is our basic and great problem which we should have solved together. However, how do we

make priority to solve the problem? Based on my little observation in developed country, such as USA and Australia and literature, generally in terms of embedding the values they start as early as possible, concern with small things and more regular frequency, involve all level stakeholders to be responsible proportional agree with each level and area, always select and choose the appropriate learning/teaching method, link and match with punish-reward system, always create the conducive environment, always improve their ability for learning/teaching through training, conference, etc. Based on their experiences and the evaluation toward at least three components of education system; we establish the systemic design of the balanced scorecard's education system from national up to the bottom level (school based) as a sub-system of the national balance scorecard. On the other hand, we also benchmark to developed country for getting the best practices.

Conclusion

For improving the result of the envisioning and communicating the Indonesian vision we start with clarifying and translating of a shared vision, mission and strategy that the entire organization wants to achieve. The emphasis on cause and effect in constructing a scorecard encourages and emerges the dynamics system thinking and learning organization toward individuals in the organization. At this point Kaplan and Norton (1996) conclude that the balanced scorecard not only measures the changes, but it fosters the changes for the future. Their argument that the first three critical of the management process is the linear process and an example of a single-loop feedback process; it is insufficient for an information age organizations, but the organizations need double-loop learning. In this case, Indonesia government management reform both national and local as a huge and information age organization need not just for a measurement system, but as a performance management system, such as the adjusted balanced scorecards.

Because of my limitation, I realize that these suggestions need more supporting data, explanation, efforts and time for discussing this problem and solution. I do agree that this forum discussion will be continued after all of us

back to our position in Indonesia regularly for contributing the National Character Building and other living aspects.

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**Envisioning and Communicating
Vision Process
in Indonesia Autonomy Era**
John Soeprihanto

Introduction

**Bhinneka Tunggal Ika
Introduction of the 1945 Constitution
New Order Era the 1945:GBHN included its
vision and the blueprint
Indonesia Vision in GBHN 1999-2004**

Introduction

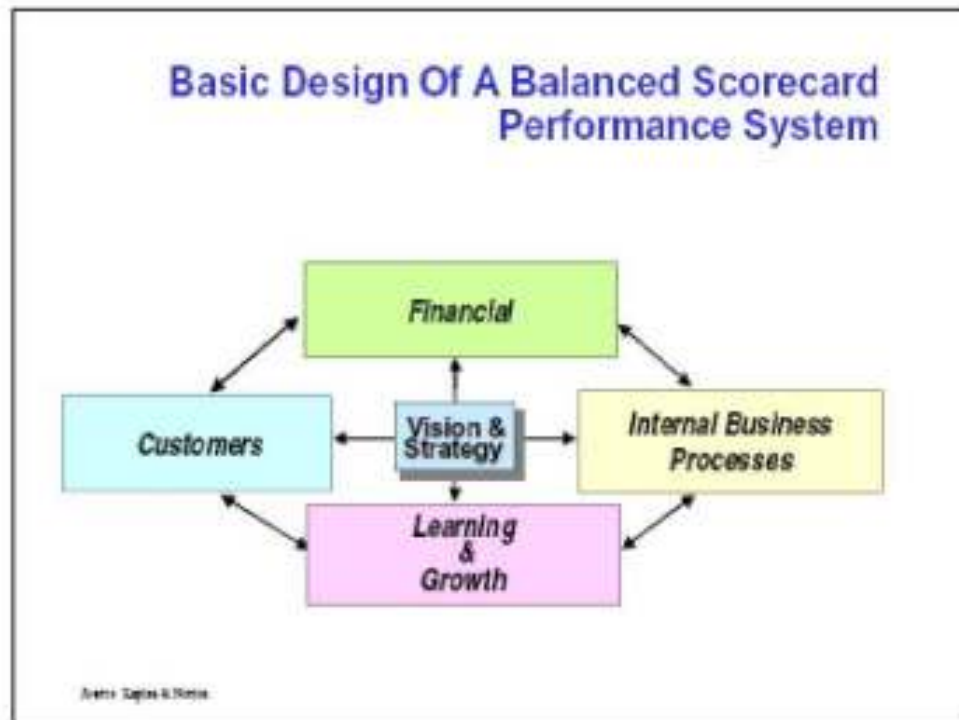
- **After the directly election in 2004**
- **What and where the SBY and JK period's vision & the blueprint are?**
- **Envisioning & communicating as a part of the strategic management system (Balanced Scorecard)**

Developing and Formulating Vision

- **Must each organization have a vision?**
- **Definition of vision**
- **Visionary leader**
- **Bartlett and Ghoshal, 1990: vision must be clarity, continuity, and consistency**
- **There are several approaches to develop the vision**

Developing and Formulating Vision

- **The balanced scorecard can be used in any size organization to align vision and mission with customer (Kaplan & Norton (1996))**
- **Basic Design of a Balanced Scorecard consists of four perspectives**



Communicating Vision Process through Balanced Scorecard

- **Doing the right things and doing things right is a balancing act.**
- **Today's organizations need to be both strategically and operationally excellent to survive and meet tomorrow's challenges**
- **The reasons of adopting the balanced scorecard for public sector**

Communicating Vision Process through Balanced Scorecard

- The figure 2 also shows the components of a fully developed scorecard system
- Balance is achieved through the four perspectives and the translation into the contribution each member of the organization to meet its goals.

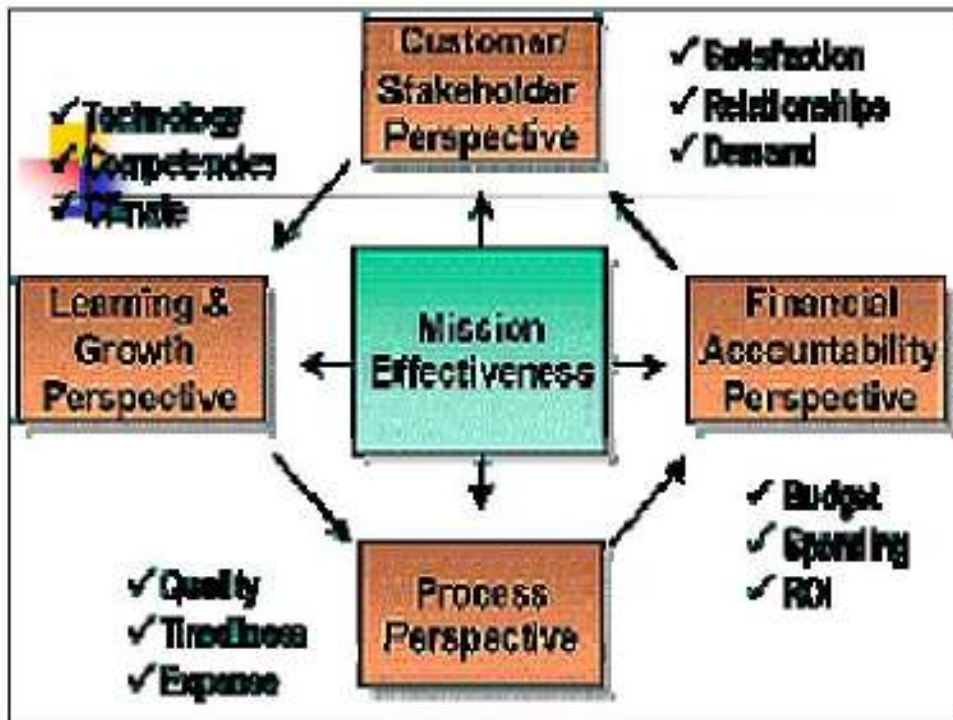


Communicating Vision Process through Balanced Scorecard

- The traditional balanced scorecard model is not optimal for government organizations.
- Variations in the basic design of balanced scorecard (Rohm, 2002)
- Figure 3 shows the basic design of a public sector scorecard system pointed out some changes (Rohm, 2002).
- Figure 4 shows the other public sector version.

Public-Sector Balanced Scorecard





Four components of the strategic management system

- Clarify and translate vision and strategy
- Communicate and link strategic, objectives and measures
- Plan, set targets, and align strategic initiatives
- Enhance strategic feedback and learning (Kaplan & Norton, 1996)

Communicating Vision Process through Balanced Scorecard

- Everyone in the organization should understand long-term goals, as well as the strategy for achieving these goals (Kaplan & Norton 1996).
- Re-communicating vision process towards all organization's stakeholders will change the vision to become shared vision.
- In Indonesia national reform, these processes relates closely with the major task of the National Education System

Communicating Vision Process through Balanced Scorecard

- **The first three critical management processes is a single-loop feedback process**
- **The strategies for information age organizations need double-loop learning**
- **Indonesia can adopt and adjust the BSc as a performance management system**

Long Term and Comprehensive Planning: In New Order Era

- *GBHN* is used as guideline for the 'bottom-up process', though the central ministries appear to dominate throughout (Crane, 1995).
- New Order regime that came into power in March 1966 had failed in 1997 (Kompas-online, 1998).
- The fall of this regime has opened opportunities to Indonesia government reformation.

The Major Changing after Reformation

- The major change was refining the Law 5/1974 through Law 22/1999 on Local Government & Law 25/1999 about fiscal balance between central and local.
- The new laws bring a number of substantial reforms.

The Major Changing after Reformation

After 2004, *GBHN* was not used as the national policy guideline.

- SBY & JK Vision 2004-2009 (Yudhoyono 2004):
We envision an Indonesia that has become a society, nation and country that is secure, united, harmonious and peaceful. An Indonesia that is imbued with Unity in Diversity
We envision an Indonesia that has become a society, nation and country that upholds the law, the essential equality of all human beings and human rights
We envision an Indonesian economy that is capable of providing job opportunities and a decent standard of living for the Indonesian people, and a strong foundation for future development.

Adjusted BSc (public sector) as the framework for analyzing

No	Perspective	Phrase: 1999-2004 vision GBHN
1	Customer: stakeholder/citizen	The establishment of peaceful, democratic, just, competitive, developed, and prosperous community of Indonesia,
2	Internal process	which supported by Indonesian who health, independent, faithful, pious, lofty character, nationalist, environment and law awareness,
3	Learning and empowering	understanding science and technology, having high work ethic, and discipline,
4	Financial accountability	in the Unity of Indonesia Republic umbrella

Adjusted BSc (public sector) as the framework for analyzing

NO	Perspective	Phrase: 2004-2009 SBY vision
1	Customer: stakeholder/citizen	an Indonesia that has become a society, nation and country that is secure, united, harmonious and peaceful, an Indonesia that has become a society, nation and country that upholds the law, an Indonesian economy that is capable of providing job opportunities and a decent standard of living
2	Internal process	Unclear
3	Learning and empowering	a strong foundation for future development
4	Financial accountability	Unclear

The mechanisms to translate the strategy and the balanced scorecard

Kaplan & Norton, 1996 mentioned three interrelated mechanisms

1. Communication and Education
2. Goal Setting Program
3. Reward System Linkage

- A consistent and continuing program to communicate and educate constituents is the basic foundation of organizational alignment
- To establish and reinforce the National Education System is basic foundation for the National Character Building.

Shaping the National Character Building

- Our education system has faced serious problems.
- The education system at least consists of three major components such as curriculum, the learning/teaching process, and the expected profile.
- The curriculum has always been evaluated. The second and third are rarely evaluated.
- Examples: Flag ceremonial, etc.

Making priority to solve our problem

- Establish the systemic design of the BSc's education system from national up to the bottom level (school based) as a sub-system of the national BSc and benchmarking.
- The BSc's education system always concern with principles of education such as starting as early as possible, small things, etc.
- Examples: Flag Ceremonial

Conclusion

By emerging and empowering the dynamics system thinking and learning organization in the organization, the balanced scorecard not only measures the changes, but it fosters the changes for the future (Kaplan and Norton, 1996).

Thank You

18. Indonesian and Australian Cultural Divergences: A View of the Future of Indonesia-Australia Relations

Wahdi S. A. Yudhi¹

Introduction

It cannot be denied that Indonesian and Australian cultures are different; however, it can be difficult to illustrate those differences in a simple and straightforward manner, particularly within an academic setting. Thus, through the application of the theories of Geert Hofstede, it is possible to paint a picture of the cultural differences between the two neighbouring nations. It is through this, that hope springs for the development of a greater understanding and eventual acceptance of the differences between cultures. This paper is also based upon research completed and compiled in the completion of Wahdi Yudhi's PhD thesis at La Trobe University.

Concepts of Culture

In order to understand the cultural differences between Indonesia and Australia, it is prudent to consider the two following explanations of culture, being explanations from Geertz and Hofstede. Geertz (1973)² explains that culture is just as much a fundamental part of social life as it is a societal construct. The notion of culture used in this research is the concept of culture as an embedded feature of social life. It refers to the values, attitudes and beliefs of a cultural group and how these characteristics influence the relationships and behaviour within these groups. The concept of culture in the following discussion refers to Hofstede's (1997)³ idea that culture is, in fact, the collective programming of the mind, which differentiates between members of groups of people.

In this sense, culture is comprised of value systems and culture of a specific group or nation. The term “cultural values” refers to the concept of how things

are supposed to be in a society. Culture in a particular group or nation is denotes the fact that nations or groups may respond differently to particular situations.

Four Cultural Divergences

In determining cultural divergences, Hofstede (1997)⁴ utilizes four dimensions of cross-culture in a society: power distance (PDI), individualism versus collectivism (IDV), masculinity versus femininity (MAS) and uncertainty avoidance (UAI). These dimensions are then expressed through indices that illustrate the differences between two nations or cultural groups.

Power distance refers to the amount of physical and figurative distance that cultures place between subordinates and superiors; individualism versus collectivism is a reference to whether a culture encourages individuality or collectivity, while the uncertainty avoidance index is based upon how a culture will usually respond to uncertainty and ambiguous situations. Finally, the terms masculine and feminine are used to illustrate attitudes to success and relationships. Masculine cultures emphasise acquisition of material goods and an objective approach to people and relationships, whereas feminine cultures emphasise the people oriented aspects of relationships.

In the 1970s, Hofstede calculated the power distance index of Indonesia and Australia to be 78 and 36 respectively. For individualism versus collectivism, the scores were 14 and 90; for masculinity versus femininity, they were 46 and 61; and for uncertainty avoidance, they were 48 and 51.

Characteristics of Power Distance Index (PDI), Individualism Index (IDV), Masculinity Index (MAS) and Uncertainty Avoidance Index (UAI)

Power Distance Index (PDI)

Power Distance indicates the beliefs of a culture in regards to issues of the distribution of institutional and organisational power, whether equally or unequally, as well as the way in which the decisions made by those in power are viewed, that is whether it challenged or accepted. Essentially, people from cultures that have a high power distance are more accepting of large

differences in status than those from low power distance cultures.

Some of the predictors of power distance include issues like climate, population, and distribution of wealth. Climate is categorised as moderate or cold and tropical; cultures in moderate or cold climates lean towards low PDI scores, while cultures in tropical climates tend to have higher PDI scores. Population is a large issue in the Power Distance Index; generally, cultures that come from a highly populated area tend to be subject to greater power distance. Similarly, cultures that are subject to an unequal distribution of wealth usually have a higher power distance.

The consequences of Power Distance are most obvious in family customs, the relationship between students and teachers, amongst age groups, organisational practices and language systems.

- Indonesia, which tends towards a high PDI, has characteristics in the General norm, family, school, and workplace as follow⁵:
- Inequalities among people are both expected and desired
- Less powerful people should be dependent on the more powerful; in practice, less powerful people are polarized between dependence and counter-dependence
- Parents treat children obedience
- Children treat parents with respect
- Teachers are expected to take all initiatives in class
- Teachers are gurus who transfer personal wisdom
- Students treat teachers with respect
- Both more and less educated persons show almost equally authoritarian values
- Hierarchy in organizations reflects the existential inequality between higher-ups and lower-downs
- Centralization is popular
- Wide salary range between top and bottom of organization
- Subordinates expect to be told what to do
- The ideal boss is a benevolent autocrat or good father
- Privileges and status symbols for managers are both expected and popular

While in Politics and ideas, the characteristics are as follow:

- Might prevails over right: whoever holds the power is right and good
- Skills, wealth, power and status should go together
- The middle class is small
- The powerful has privilege
- Powerful people try to look as impressive as possible
- Power is based on family or friends, charisma, and ability to use of force
- The way to change a political system is by changing the people at the top (revolution)
- Domestic political conflicts frequently lead to violence
- Autocratic or oligarchic governments based on co-optation
- Political spectrum, if allowed to be manifested, shows weak center and strong wings
- Large income differentials in society, further increased by the tax system
- Prevailing religions and philosophical systems stress hierarchy and satisfaction
- Prevailing Political ideologies stress and practice power struggle
- Native management theories focus on role of managers

Australia, which tends towards a low PDI, has characteristics in the General norm, family, school, and workplace as follow:

- Inequalities among people should be minimized
- There should be, and there is to some extent, interdependence between less and more powerful people
- Parents treat children as equal
- Children treat parents as equal
- Teachers expect initiatives from students in class
- Teachers are experts who transfer impersonal truths
- Students treat teachers as equal
- More educated persons hold less authoritarian values than less educated persons
- Hierarchy in organizations means an inequality of roles, established for convenience
- Decentralization is popular
- Narrow salary range between top and bottom of organization
- Subordinates expect to be consulted

- The ideal boss is a resourceful democrat
- Privileges and status symbols are frowned upon

While in Politics and ideas, the characteristics are as follow:

- The use of power should be legitimate and is subject to criteria of good and evil
- Skills, wealth, power and status need not go together
- The middle class is larger
- All should have equal rights
- Powerful people try to look less powerful than they are
- Power is based on formal position, expertise, and ability to give rewards
- The way to change a political system is by changing the rules (evolution)
- The use of violence in domestic politics is rare
- Pluralist governments based on outcome of majority votes
- Political spectrum shows strong center and weak right and left wings
- Small income differential in society, further reduced by the tax system
- Prevailing religions and philosophical systems stress equality
- Prevailing political ideologies stress and practice power sharing
- Native management theories focus on role of employees

Individualism Index (IDV)

Individualism – Collectivism is the way in which a culture's reliance and allegiance to the self or the group is described. The IDV can be predicted depending on economic development and climate. Generally, wealthier cultures have a tendency towards individualism, while poor cultures lean towards collectivism. Interestingly, the climate also plays a part in determining the Individualism Index; cultures in colder climates tend to be individualistic and cultures from warmer climates have a tendency towards collectivism. Furthermore, there is a strong negative correlation between a culture's PDI and IDV. That is, cultures with a high PDI tend to be collectivistic, whereas low PDI cultures lean towards individualism.

Generally, collectivistic cultures tend to be group oriented, loyalist and impose psychological distance upon those not of the group. There is a strong emphasis

on saving face, avoidance of conflict and the use of intermediaries. Individualistic cultures, however, do not tend to impose such distance between group and non-group members. There is a strong emphasis placed on attributes like self-expression, consider speaking out to be a problem solving strategy, and tend towards confrontation in interpersonal problems.

The characteristics of a High IDV, or individualist, and Low IDV, or Collectivist, can be seen in Hofstede's book⁶. Indonesia, which leans towards a low IDV or Collectivist, have the following characteristics in General norm, family, school, and work place:

- People are born into extended families or other in-groups which continue to protect them in exchange for loyalty
- Identity is based in the social network to which one belongs
- Children learn to think in terms of 'we'
- Harmony should always be maintained and direct confrontations avoided
- High-context communication
- Trespassing leads to shame and loss of face for self and group
- Purpose of education is learning how to do
- Diplomas provide entry to higher status groups
- Relationship employer-employee is perceived in moral terms, like a family link
- Hiring and promotion decisions take employees' in-group into account
- Management is management of groups
- Relationship prevails over task

While in politics and ideas, the characteristics are as follow:

- Collective interests prevail over individual interests
- Private life is invaded by group (s)
- Opinions are predetermined by group membership
- Laws and rights differ by group
- Lower per capita GNP
- Dominant role of the state in the economic system
- Economy based on collective interests
- Political power exercised by interest groups
- Press controlled by the state
- Imported economic theories largely irrelevant because unable to deal with

collective and particularist interests

- Ideologies of equality prevail over ideologies of individual freedom
- Harmony and consensus in society are ultimate goal

Australia, which has a high IDV score, or tends to be characterised as Individualist, have the following characteristics in the General norm, family, school, and work place:

- Everyone grows up to look after him/herself and his/her immediate (nuclear) family only
- Identity is based on the individual
- Children learn to think in terms of 'I'
- Speaking one's mind is a characteristic of a honest person
- Low-context communication
- Trespassing leads to guilt and loss of self-respect
- Purpose of education is learning how to learn
- Diplomas increase economic worth and/or self-respect
- Relationship employer-employee is a contract supposed to be based on mutual advantage
- Hiring and promotion decisions are supposed to be based on skills and rules only
- Management is management of individuals
- Task prevails over relationship

While in politics and ideas, the characteristics tend to be as follow:

- Individual interests prevail over collective interests
- Everyone has a right to privacy
- Everyone is expected to have a private opinion
- Laws and rights are supposed to be the same for all
- High per capita GNP
- Restrained role of the state in the economic system
- Economy based on individual interests
- Political power exercised by voters
- Press freedom
- Native economic theories based on pursuit of individual self-interests
- Ideologies of individual freedom prevail over ideologies of equality
- Self-actualization by every individual is an ultimate goal

Masculinity Index (MAS)

Masculinity – Femininity, also known as achievement – nurturance is an indicator of how a particular culture values behavioral attributes like assertiveness, achievement, social supports, quality of life, acquisition of wealth or caring for others. Cultures with high MAS tend to emphasize achievement, ostentatious manliness and ambition. They also tend to hold strongly to prescribe gender roles and sexual inequality is seen as being beneficial. Conversely, low MAS cultures tend to place less emphasis upon external achievement and are more concerned with helping others and aiming for a high quality of life. Low MAS cultures are less likely to subscribe as vehemently to prescribed gender roles and aim for equality between the sexes. In low MAS cultures the expectations of each gender tend to be somewhat ambiguous. Again, the MAS of a culture can be predicted according to the climate the culture lives in. Warmer climates tend to produce masculine cultures, while feminine cultures are likely to be located in colder climates.

The national characteristics of High and Low MAS are conveyed by Hofstede and are cited here to explain the attributes of Indonesia, which leans towards a High MAS in general norm, family, school and work place⁷:

- Dominant values in society are material success and progress
- Money and things are important
- Men are supposed to be assertive, ambitious, and tough
- Women are supposed to be tender and to take care of relationships
- In the family, fathers deal with facts and mothers with feelings
- Girls cry, boys don't; boys should fight back when attacked, girls shouldn't fight
- Sympathy for the strong
- Best student is the norm
- Failing in school is a disaster
- Brilliance in teachers appreciated
- Boys and girls study different subjects
- Live in order to work
- Managers expected to be decisive and assertive
- Stress on equity, competition among colleagues, and performance

- Resolution of conflicts by fighting them out

While in politics and ideas, the characteristics tend to be as follow:

- Performance society ideal
- The strong should be supported
- Corrective society
- Big and fast are beautiful
- Maintenance of economic growth should have high priority
- Government spends relatively small proportion of budget on development assistance to poor countries
- Government spends relatively large proportion of budget on armaments
- International conflicts should be resolved by a show of strength or by fighting
- A relatively small number of women in elected political positions
- Dominant religions stress the male prerogative
- Women's liberation means that women will be admitted to positions hitherto only occupied by men

Australia, which leans towards a Feminine or low MAS tends to have the following characteristics in general norm, family, school and workplace:

- Dominant values in society are caring for others and preservation
- People and warm relationships are important
- Everybody is supposed to be modest
- Both men and women are allowed to be tender and to be connected with relationships
- In the family, both fathers and mothers deal with facts and feelings
- Both boys and girls are allowed to cry but neither should fight
- Sympathy for the weak
- Average student is the norm
- Failing in school is a minor accident
- Friendliness in teachers appreciated
- Boys and girls study same subjects
- Work in order to live
- Managers used institution and strive for consensus
- Stress on equality, solidarity, and quality of work life

- Resolution of conflicts by compromise and negotiation

In politics and ideas, Australia has a tendency towards characteristics as follow:

- Welfare society ideal
- The needy should be helped
- Permissive society
- Small and slow are beautiful
- Preservation of the environment should have highest priority
- Government spends relatively large proportion of budget on development assistance to poor countries
- Government spends relatively small proportion of budget on armaments
- International conflicts should be resolved by negotiation and compromise
- A relatively large number of women in elected political positions
- Dominant religions stress the complementarity of the sexes
- Women's liberation means that men and women should take equal shares both at home and at work

Uncertainty Avoidance Index (UAI)

Uncertainty Avoidance Index is in reference to the way in which a culture feels when faced by ambiguous or uncertain situations and the tendency to establish more structure as a means of avoiding them. A high UAI score is indicative of a low tolerance for ambiguity. Cultures with a high UAI score generally prefer formal rules to avoid uncertainty and ambiguity. Cultures with low UAI scores are not as greatly disturbed by uncertain and ambiguous situations and advocate acceptance, taking risks and trying new things. In general, modernising cultures, those that are experiencing a high rate of change, tend to have a high UAI score. Whereas low UAI cultures tend to have stabilised in their modernisation and their rate of change is more predictable. As a result, cultures with high UAI scores are dependent upon the development of rules to control social behaviours, while low UAI cultures have a lower dependency on such rules.

Hofstede also divulges the national characteristics for High and Low UAI. Indonesia, which leans towards a High UAI⁸, tends to be classified in general

norm, family, school and workplace, as follow:

- The uncertainty inherent in life is felt as a continuous threat which must be fought
- High stress; subjective feeling of anxiety
- Aggression and emotions may at proper times and places be ventilated
- Acceptance of familiar risks; fear of ambiguous situations and of unfamiliar risks
- Tight rules for children on what is dirty and taboo
- What is different, is dangerous
- Students comfortable in structured learning situations and concerned with the right answers
- Teachers supposed to have all the answers
- Emotional need for rules, even if this will never work
- Time is money
- Emotional need to be busy; inner urge to work hard
- Precision and punctuality come naturally
- Suppression of deviant ideas and behavior; resistance to innovation
- Motivation by security and esteem or belongingness

While attributes in politics and ideas tend to be as follow:

- Many and precise laws and rules
- If rules can not be respected, we are sinners and should repent
- Citizen in competence versus authorities
- Citizen protest should be repressed
- Citizens negative towards institutions
- Civil servants negative towards political process
- Conservatism, extremism, law and order
- Negative attitude towards young people
- Nationalism, xenophobia, repression of minorities
- Belief in expert and specialization
- Many doctors, few nurses
- There is only one Truth and we have it
- Religious, political, and ideological fundamentalism and intolerance
- In philosophy and science, tendency towards grand theories
- Scientific opponents can not be personal friends

Australia, which leans towards a Low UAI, has the following attributes in general norm, family, school and work place:

- Uncertainty is a normal feature of life and each day is accepted as it comes
- Low stress; subjective feeling of well-being
- Aggression and emotions should be shown
- Comfortable in ambiguous situations and with unfamiliar risks
- Lenient rules for children on what is dirty and taboo
- What is different, is curious
- Students comfortable with open-ended learning situations and concerned with good discussions

- Teachers may say 'I don't know'
- There should not be more rules than is strictly necessary
- Time is a framework for orientation
- Comfortable feeling when lazy; hard-working only when needed
- Precision and punctuality have to be learned
- Tolerance of deviant and innovative ideas and behavior
- Motivation by achievement and esteem or belongingness

While in politics and ideas, there is a tendency to have the following attributes:

- Few and general laws and rules
- If rules can not be respected they should be changed
- Citizen competence versus authorities
- Citizen protest acceptable
- Citizens positive towards institutions
- Civil servant positive towards political process
- Tolerance, moderation
- Positive attitude towards young people
- Regionalism, internationalism, attempts at integration of minorities
- Belief in generalists and common sense
- Many nurses, few doctors
- One group's truth should not be imposed on others
- Human rights: nobody should be persecuted for their beliefs
- In philosophy and science tendency towards relativism and empiricism
- Scientific opponents can be personal friends.

Based on the aforementioned characteristics, the two nations, Indonesia and Australia, are culturally different, in issues of PDI, IDV, MAS and UAI. However, when inspected, from the existing scores, the two countries are not excessively different. In fact, these differences are tending to become even smaller. This last issue can be seen in the following analysis.

Cultural Dimension Values – Indonesia and Australia 1970's & 2003

Through observing and analyzing Indonesian and Australian culture in this research, and utilizing Hofstede's theory and early research into the cultural dimension values of Indonesia and Australia, it is possible to see not only the cultural differences between Indonesia and Australia, but also the way in which such differences have changed over the years. ,

Table 1: Cultural Dimension Values Indonesia Australia
(Hofstede's Calculations 1970's)

	PDI	IDV	MAS	UAI
Indonesia	78	14	46	48
Australia	36	90	61	51

In the table above, it can be seen that Indonesia is quite extreme as a bearer of a high PDI index (Power Distance Index) and contrasts substantially with Australia which has a relatively low PDI. Furthermore, it can be seen that Indonesia's IDV index (Individualism Index) is relatively low. This is a great contrast compared with Australia's IDV which is relatively high. The MAS (Masculinity Index) and UAI (Uncertainty Avoidance Index) indices between the two nations are not too different; so there is no need pay them a lot of attention. However, there is still cause for an analysis, because, as is the case with PDI and IDV, MAS and UAI have also experienced a shift. The index obtained by the researcher is as follows:

Table 2: Cultural Dimension Values Indonesia Australia
(Calculations by the researcher – 2003)

	PDI	IDV	MAS	UAI
Indonesia	53	38	52	54
Australia	49	64	48	39

The occurrence of differences in the PDI index results in being able to see the existence of a shift and the PDI index between the two nations becoming less different. The IDV index, although experiencing a shift, still presents a substantially large difference. The MAS and UAI indices have experienced a shift. In this case, the Indonesian and Australian positions have become opposites. Although the differences are quite small, the aforementioned data still needs to be turned into a comprehension for those concerned with cross-cultural relations, particularly regarding the features of countries which have a tendency towards high/low MAS and UAI indices in accordance with the characteristics of each society.

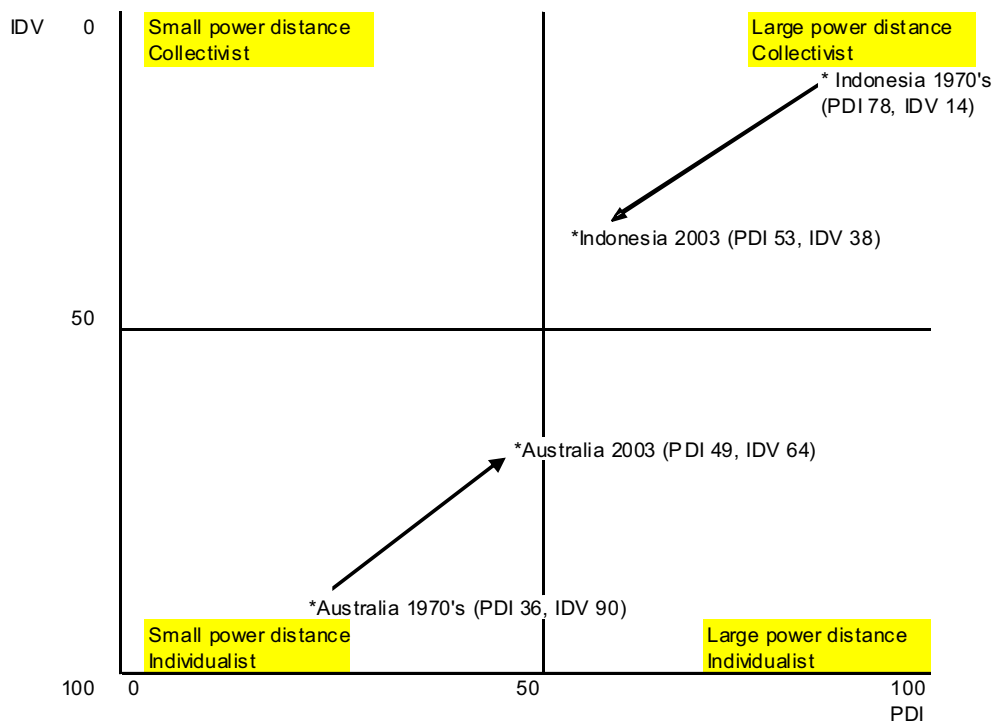
Closer Relationship

Keeping in mind that on average both countries are not too different in the four indices above, it can be comprehended that the occurrence of the tendency of both countries to have characteristics which are increasingly similar. However, it can be ascertained that Indonesia still tends towards a high PDI index and has a tendency towards characteristics of countries with a high PDI index. On the contrary, Australia tends to be a country with a low PDI index. Likewise, Indonesia still tends to have a low IDV index, tending towards countries which characteristically have low IDV indices. In contrast, Australia is included as a country which tends to have high IDV indices with all of the characteristics which adhere within. Indonesia, at this moment, tends to have a high MAS compared to Australia, consequently Indonesia can be seen as having characteristics in accordance with the characteristics of countries with high MAS indices. Conversely, Australia, which has a smaller MAS index has the opposite tendency. Indonesia's UAI index is higher than Australia's, as a result it can be seen that Indonesia has a tendency as a country characterised in accordance with countries with high UAI indices. Conversely, Australia tends to have the characteristics of a country with a small UAI index.

The researcher results are furthermore in accordance with the theory, presented by Hofstede, regarding the relationships between each element, that is the reversed relationship between IDV and PDI, MAS and PDI, UAI and MAS, and IDV and UAI, an interesting shift can be seen.

According to Hofstede's research, a number of nations that have a high PDI have a low IDV, and vice-versa. Therefore, the relationship between PDI and IDV occurs negatively: countries that have a high PDI lean towards collectivism, and countries that have a low PDI tend to be individualistic.

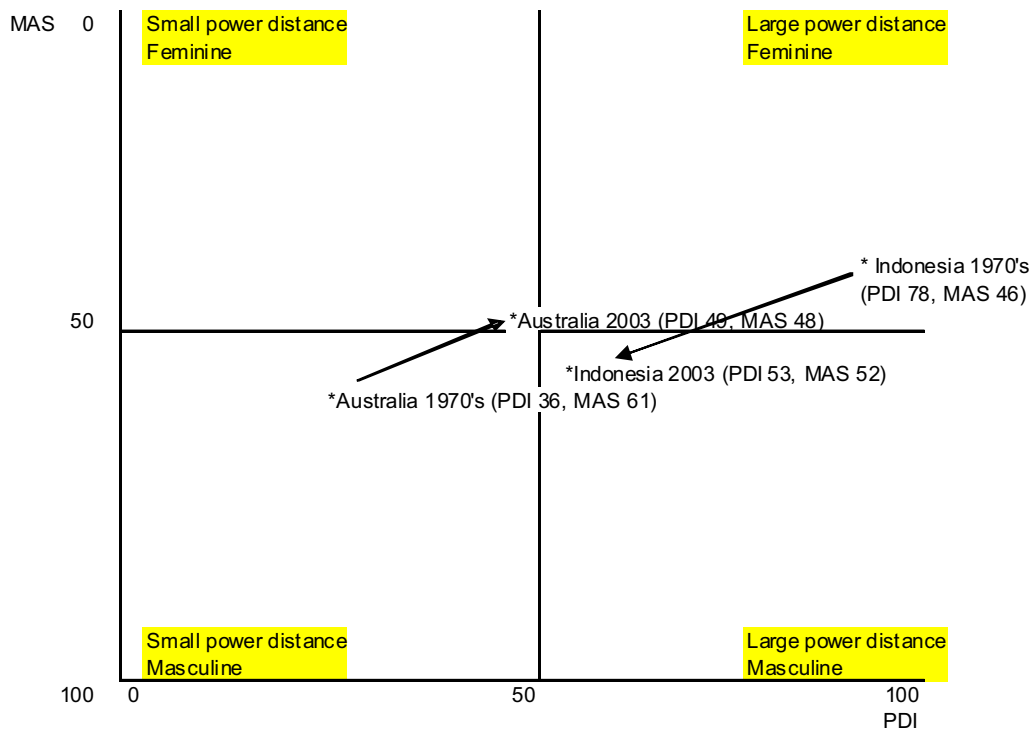
Figure 1- PDI versus IDV



In the IDV versus PDI figure above, a shift occurs in Indonesia's index which was PDI:78 and IDV:14 and became PDI:53 and IDV:38. While still in the Large Power Distance and Collectivist boxes, it is interesting to observe that Indonesia is experiencing a shift towards a middle/blended IDV and PDI index. It should be noted that, from the research of Hofstede and the researcher, it is evident that Indonesia still tends towards the characteristics of a Large Power Distance and Collectivist nation. Conversely, Australia is still in the box of countries that have the tendency to be characterised as Small Power Distance and Individualist nations.

In his book, Hofstede also makes a negative connection between PDI and MAS. 50 countries and 3 regions researched demonstrate that a tendency towards a high PDI will correlate with a low MAS, and vice-versa.

Figure 2 - MAS versus PDI

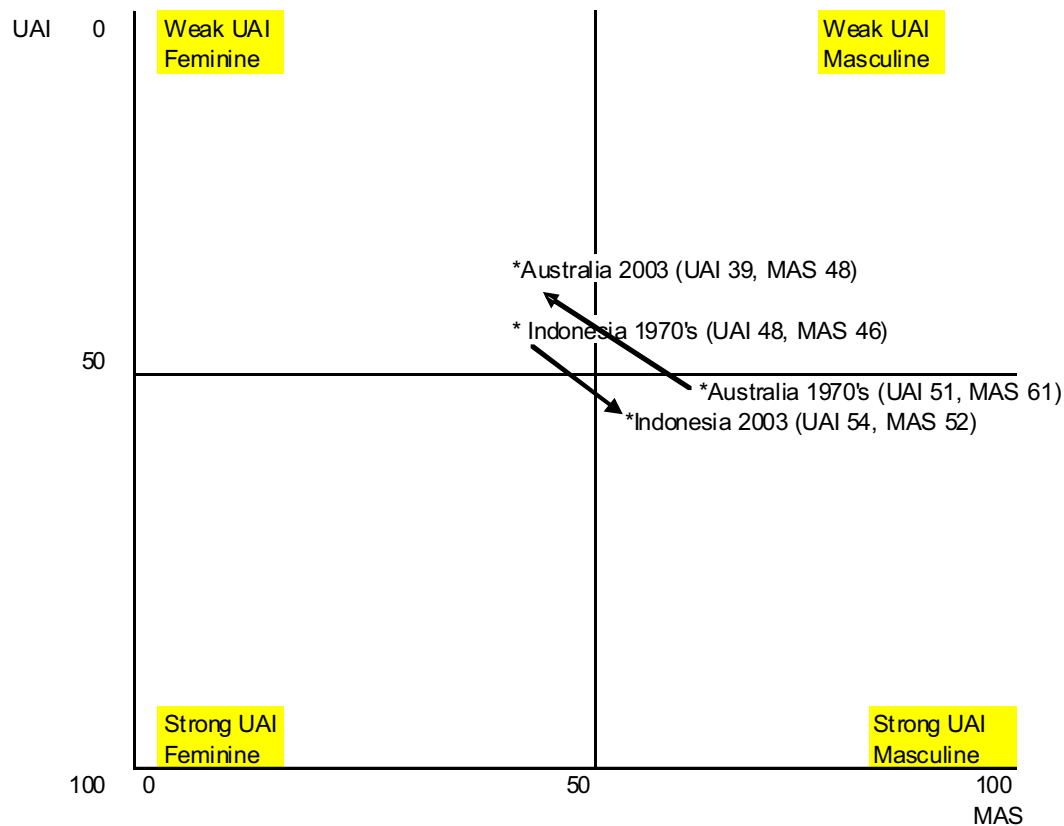


It is interesting to observe in the MAS vs. PDI figure above, that Indonesia, which appeared in the Large Power Distance and Feminine box, is shifting to Large Power Distance and Masculine. Thus, it certainly needs to be considered that Indonesia's characteristics are in line with the characteristics of nations that have experienced this shift. The Australian side is experiencing a shift that is the opposite of Indonesia's. Australia, which was previously in the Small Power Distance and Masculine box, has shifted to the Small Power Distance and Feminine box. Thus, it needs to be considered that Australia's characteristics are in line with those of nations that have Small Power Distance and Feminine characteristics.

In his book, Hofstede also attempted to negatively draw a connection between MAS and UAI, that is, countries that have a high MAS actually have a low UAI,

and those with a high UAI have a low MA, and those with a high UAI have a low MAS.

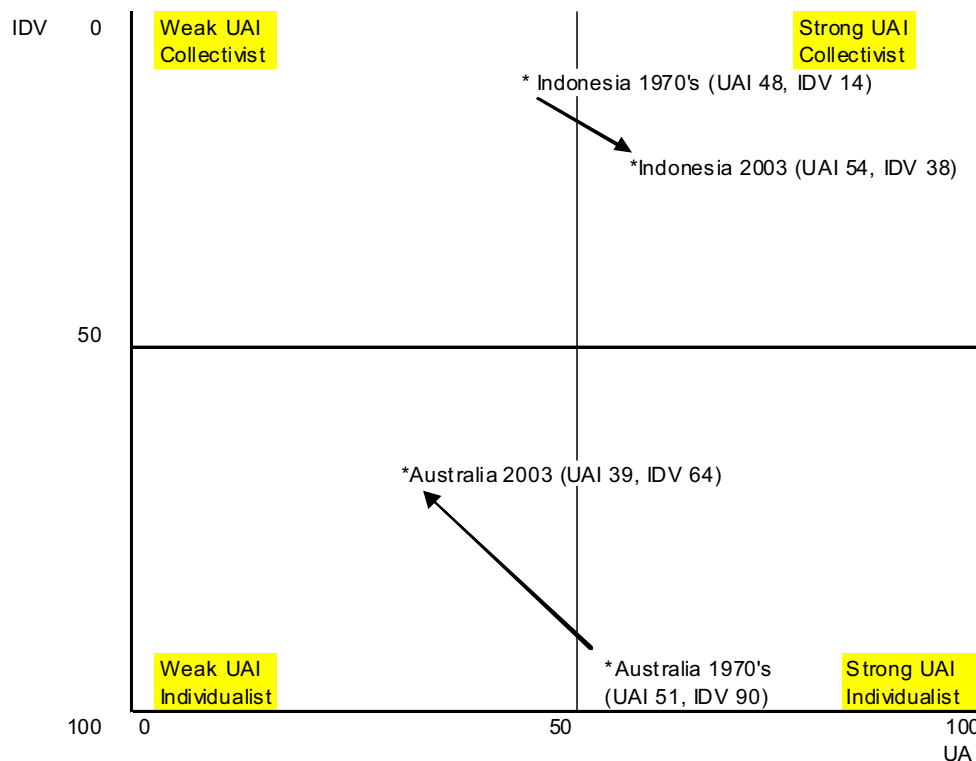
Figure 3 - UAI versus MAS



The correlation between UAI and MAS scores is certainly an interesting one. As seen in the diagram above, the Australia and Indonesia of Hofstede's research in the 1970's have virtually reversed. Previously, Australia was a masculine society with a high UAI score, while Indonesia tended to be feminine and rank low in the UAI. In the 2003 survey, Australia scored as a feminine society with a low UAI, while Indonesia took Australia's previous position of a masculine nation with a high UAI.

In 1970s, Hofstede also attempted to draw an obviously negative correlation between UAI and IDV. Countries with a high UAI have a low IDV, and vice-versa, those with a low UAI have a high IDV.

Figure 4 - IDV versus UAI



While the UAI scores of each country have changed dramatically since the 1970's, it is clear from the diagram above, that although some change has been experienced in regards to the IDV score, Indonesia is still a collectivist society. Australia, on the other hand, continues to favour individualism.

Conclusion

Through compiling and analysing the cultural dimension values of Australia and Indonesia, a clear image of the cultural differences between the two countries appears. Furthermore, through an analysis of the apparent changes between the research results of Hofstede in the 1970's and the results of the researcher in 2003, a trend becomes visible. That is, the cultural gap between Indonesia and Australia, while still substantial, does appear to be narrowing. By this, it can be assumed that as the two nations become more culturally compatible, and levels of international understanding rise, the relationship between Australia and Indonesia will continue to develop into everlasting bonds of friendship. It is vital, however, that the cultural divergences between Indonesia and Australia

continue to be studied and understood; for it is only through the understanding, acceptance and appreciation of each neighbour's culture that there is hope for a mutually beneficial, happy and prosperous relationship between Indonesia and Australia in the future.

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² Geertz, Clifford (1973) *The Interpretation of Cultures*, Basic, New York

³ Hofstede, Geert (1997) *Cultures and Organizations: Software of the Mind*, McGraw-Hill

⁵ The characteristics of High and Low PDI can be seen in Hofstede, Geert (1997) *Op cit*, page 37 and 431

⁴ Hofstede, Geert (1997) *Op cit*

⁶ Hofstede, Geert (1997) *Op cit*, page 67 and 73

⁷ Hofstede, Geert (1997) *Op cit*, page 96 and 103

⁸ Hofstede, Geert (1997) *Op cit*, page 113 and 125

⁹ Hofstede, Geert (1997) *Op cit*

¹⁰ Hofstede, Geert (1997) *Op cit*

¹¹ Hofstede, Geert (1997) *Op cit*.

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19. The Strengthening of National Identity, the Appreciation of Pluralism, the Development of Self Reliance Oriented Education toward a Just, Dignified, and Prosperous Indonesia

Haidar Bagir¹

Although it has always been controversial, nationalism is never so strongly questioned as it is now. It has been challenged strongly by another school of thought that is almost its antithesis, i.e. globalization. It is challenged even more by a tendency that is also a symptom of this post modernistic era, i.e. ethnic tendency.

My position has been that globalization is our necessary future. We can not – and need not – reject it. What we need to do is to contribute to the creation of a more just global coexistence between people. In a situation in which a group of people that has a collective consciousness – whether it is historical, cultural, ethnical, linguistic, and religious – is at a risk to be treated unjustly by another group of people, nationalism and the strengthening of national identity is then necessary. Still, however, the strengthening of national identity has to be understood as a means to achieve a more just global life and not a goal in its self. Exactly in accordance with Martha Nussbaum's observation : “... emphasis on patriotic pride is both morally dangerous and, ultimately, subversive of some of the worthy goals patriotism sets out to serve -- for example, the goal of national unity in devotion to worthy moral ideals of justice and equality. These goals, I shall argue, would be better served by an ideal that is in any case more adequate to our situation in the contemporary world, namely the very old ideal of the cosmopolitan, the person whose primary allegiance is to the community of human beings in the entire world. that we should give our first allegiance to

no mere form of government, no temporal power, but to the moral community made up by the humanity of all human beings.”

Is -- apart from that -- nationalism and the strengthening of national identity are no longer relevant? Certainly not. National identity is needed for national integrity. And certainly national integrity is needed not only to mobilize people against any injustice inflicted upon a group of people by another group of people. It is needed to allow any national program be launched successfully and with maximum result. Be it political, economical, social, educational, etc. On the other hand, the strengthening of national integrity is crucial to preserve national unity – as cliché as it is. This is more important for a country with territory, population, as well as ethnic, cultural, linguistic, and religious diversity as big and rich as Indonesia's.

Finally, efforts to develop a pluralistic attitude toward other groups of people are needed so that the strengthening of one group's identity would not result in a kind of xenophobic and chauvinistic attitude. And this includes mutual understanding and tolerance, even appreciation and mutual cooperation between people. Only through this kind of efforts a balance between nationalism and global conscience can be created.

Factors involved in the development of pluralism are basically the same – social and economic justice. I dare to say that a multiethnic, multicultural, and multi-language, even multi-religious society can live a peaceful life as long as justice for all can be preserved. While conflict can always emerge within a homogenous society once injustice appears. Historical facts and researches are abounding to support this thesis.

So, without disregard to the traditional factors that are important for the strengthening of national identity such as history, culture, language, and religion this paper would focus on the more substantial components of national conscience mentioned above, i.e. social and economic justice.

Here, I do not really agree with the criticisms launched by some observers that questioned the global orientation of our education. As I also mentioned, education oriented toward the strengthening of national identity to my

opinion is needed only as far as it contributes to the achievement of a just global life. More than that, it is a matter of preserving social and cultural richness and diversity.

¹ Director of Mizan Publishing

20. Gender Disparity in Education in Indonesia: A Cultural or a Legal Issue?

Muhamad Wayong¹

Despite more than half century of independence, Indonesia is a country of wide gender inequality in education. It can be witnessed across geographical areas, urban and rural, between western and eastern parts of the country, and among groups of people with varying incomes and cultures. It is assumed that the main reason for the large gender gap lies in culture and the attitude towards education. The dominant explanation is low demand among families for females' education particularly those with economic problems and who live in remote areas. Parents' reluctance to send their daughters to school is attributed to the low cultural value of girls compared with their brothers. Another important influence on women's poor access to and participation in education is an overwhelming image of women as subordinate both in the family and in society. Also, the formal education process contributes to disempowering women and reinforcing their subordination in an already patriarchal context.

However, the poorer access to educational provision for girls compared with boys has dominated debates about gender, education and development in Indonesia over the last two decades, especially in the era of transition to democracy. This indicates a high concern of Indonesian government and some non-government organizations with respect to women's better access to education. It is reflected in a number of government policies aimed at opening equal access to all levels of education, including the Presidential Instruction No. 9 Year 2000 on gender mainstreaming in national development (Ministry for Women's Empowerment, 2002).

The purpose of this paper is to discuss Indonesian efforts in addressing issues affecting females in education in Indonesia. To conceptualise this problem three main areas are examined. First, the paper looks briefly at the government priorities in educational development chronologically. Second, the past and

current educational experiences of women in Indonesia are assessed. This paper compares male and female access to education and analyses the contributing factors to gender inequality in this respect. Finally, the paper looks at educational policy in the country and considers the importance of it with respect to women's empowerment. It also considers how educational policy effectively empowers women in an already patriarchal Indonesian society.

Gender Issues with Respect to Priorities in Education

Under the first president of the country, between 1945 and 1965, Indonesia did not prioritise educational development. This was mainly due to political instability and economic crisis. The country faced hard time to normalize political condition during this era. This is because apart from the arrival of the Dutch soldiers to re-establish colonial rule in the archipelago, the government also faced a number of local rebellions. Because of this, government funding was mainly dedicated to security purposes instead of economic and educational development.

However, in the era of the New Order government when the security issue was soon normalized the government started developing the country in many sectors including education. The five-year development plan was the New Order government development strategy, which started in 1969. Education was one of the main targets in the five-year development plan. The plan covered four main areas of development: economy, religion and culture, politics, and security and defense. Each of these areas comprises a wide range of sub-development areas in which education is a part of the development plan in the area of religion and culture (Department of Information RI, 1970).

The first five-year development plan, 1969-1973, was targeted to develop seven major educational problems. These problems consist of the provision of educational facilities to accommodate the whole school-age population; encouraging more enrolment in vocational training schools particularly in agricultural institutions; and reducing the dropout rate in elementary education. The government also increased the ratio of students who advanced from primary to secondary education. In addition, the government reduced illiteracy rates in the adult population, increased the number of qualified

teachers and improved the efficiency of educational management at all levels of educational institutions (Department of Information RI, 1970).

During the first five-year development plan the government did not place gender issues as a priority. Despite the government plan to provide educational facilities to the whole school-age population, in reality, the project gave more advantages to male students compared to their female counterparts. The reason for this is that the provision of educational facilities and qualified teachers was concentrated in schools in urban areas. Female students living in rural areas lacked the opportunity to study in better-equipped schools in the urban areas. This is due to rural parents' reluctance to send their daughters, instead of sons, to schools in cities mainly because of the security reasons.

Apart from this, the government development priority in vocational schools during the first five-year development plan was another issue in terms of gender justice. The vocational schools, which concentrated mainly on Agricultural and technical disciplines, mainly accommodated male students. Although such schools are for both male and female, it is widely accepted that both agricultural and technical disciplines are considered to be a male realm in Indonesian culture. Therefore, enrolment rate in these disciplines might increase, but gender inequality remains.

In the second five-year development plan, 1974-1978, educational development focused on the improvement of the quality of education and the level of education of Indonesian people (Department of Information RI, 1973). At the onset of this plan, the government introduced the INPRES (Presidential Instruction) program for primary schools and facilities in which tens of thousands of new schools had been constructed at the end of the fourth five-year development plan, 1988, throughout the country. At the same time, expenditure on the recruitment and training of teachers was dramatically expanded. Primary school fees were abolished in 1977 in an effort to further improve access and equity (United Nations, 1998).

It is obvious that the abolition of primary school fees at this stage demonstrated that the government was enthusiastic to improve access and equity, the quality and the level of education of Indonesian people. However,

this policy did not significantly improve equal access to education for both male and female students. This is because the school boards continued to collect money from students for different reasons, for example, for the contribution of school development and maintenance. The parents with poor economic condition can hardly afford to pay this in addition to the school uniforms, books and the transport to school every day. Under such conditions, parents who have many children normally make decisions about who will be to send to school, and in many cases preference is given to the sons rather than daughters.

In the third five-year development plan, 1979-1983, the government encouraged the family and society to participate in the development of education. At this stage, the plan concentrated on the development of private higher education, community educational programs, and the improvement of the quality of education. The government also extended the provision of basic education, developed public higher education and the role of higher education and research centers in the activities of national development. Other government priorities in this development plan were to increase sports education, Indonesian language education, to develop the national library, and to integrate the development of general and vocational education (Department of Information Indonesia, 1978).

The family and local society participation in educational development at this stage seems to be an interesting point to consider. It is argued that local community participation in educational institutions may accommodate the community interests in education. In curriculum development, for example, the local community can contribute to any locally initiated elaboration or addition to the national curriculum for the purpose of the development of the local culture. Despite this, the man always represents the local community participation in schools, instead of a woman. The only occasion a female participates in the school is when she is the head of the family because she is a widow and does not have an adult son. Thus male-dominated or gender bias in educational institutions in Indonesia continues to be a reality.

In the fourth five-year development plan, 1984-1988, the government focused on the development of agriculture and supplementary industries that would

meet the basic needs of the people. The goal of the fourth five-year development plan was focused on economic progress with the expectation that development in the area of education would underpin it. (Department of Information Indonesia, 1984). The focus in the development of education at this stage did not vary much from that advanced in the third five-year development plan except that concern for the quality of education at the middle level of schooling was an addition to the focus of growth in primary education. Also, at the start of this five-year development plan, the president of Indonesia declared the first six years of education to be compulsory in Indonesia (Achmad and Xenos, 2002). The term compulsory suggests that a six-year education should be universal; that every Indonesian child, normally between 6 and 12, should have the right to at least six years of education.

Obviously, the six year-compulsory education is an effective way to narrow the gender gap in elementary school level. Despite this, it is considered to be very late to introduce this program. Why was such an important program initiated after 40 years of independence? Why did the New Order government, which was more politically stable and economically improved, introduce it in the 20th year of its power? These questions underlined the poor priority of the Indonesian government towards educational development in general, and women's education in particular.

The fifth five-year development plan, 1989-1993, was oriented more towards the improvement of educational quality at all levels of education. Education at middle school level, in particular, was expected to provide the knowledge and skills required for economic progress (Department of Information Indonesia, 1989). And the last New Order government's five-year development plan, 1994-1998, introduced another important policy, the 1994 Law. This Law increased the mandatory education requirement from six to nine years, six years of elementary education and three years of junior high education (CIDA, 2001). The purpose of this was to further increase the level of student enrolment and literacy rate in the country.

Clearly, educational development in Indonesia was aimed at supporting the country's economic progress. As the economic basis of the country is mainly

agriculture leading to industry, education in Indonesia is designed to support this. That is why vocational training schools in Indonesia mainly concentrate to agricultural and technical areas. In terms of gender justice, females have very little opportunity to attend these schools compared to males, because most parents think that it is less relevant for women to enrol in these areas. This is assumed to be one of contributing factors to gender disparity in student enrolment and literacy rate.

Despite this, the outcome of the government's five-year development strategy was very impressive in increasing student enrolment and literacy rate. In fact, the gross primary enrolment climbed sharply. According to BPS, BAPPENAS and UNDP (2001), at the start of the New Order government, 1965, the proportion of gross primary enrolment was about 67 percent. This figure increased steadily to 88 percent in 1975 and between 1975 and 1980 there was an abrupt increase and the proportion reached 100 percent before 1985. This figure outnumbered that in other countries in the region. Similarly, enrolment at secondary school and higher education levels followed the upward trend that of elementary school. In line with this, the government was also very successful in reducing the illiteracy rate. In 1961, the illiteracy rate for the age 10 and above was 56.5 percent. This decreased to 14 percent in 1993 and 10 percent in 1999.

Despite this, there will be more problems persist particularly when we look education in Indonesia in the geographical context. It is assumed that geographical factors play a critical role in determining educational access and participation. The national statistics of Indonesia (2001) compares illiteracy rates between rural and urban people age 10 years and above. The fact shows that the illiteracy rate for people in the 50s was 43.6 and 24.2 percent for rural and urban people respectively. The gap was wider for the age group 25 to 29, which is 4.39 percent for rural and 1.06 percent for urban people, or a ratio of 1 urban to 4 rural people. For the age group of 10 to 14, the illiteracy rate was 2.14 and 0.69 percent for rural and urban people respectively.

Clearly, Indonesian government has invested in education, endeavouring to expand its formal educational system. The investment is expected to benefit the community at large regardless of gender, ethnicity, and geography. This

section also shows that increasing enrolment ratio at all levels of education and reducing the illiteracy rate was achieved through a series of legal reforms following the government engagement in a massive school building program throughout the country. However, the achievement in increasing student enrolment and literacy rate showed by the statistics does not explain the extent to which the principles of equity and equality are implemented to the whole community. It is assumed that more problems will arise when we look at education in Indonesia in the context of gender justice. This issue is analysed below.

Educational Policy in Indonesia

Education in Indonesia is mainly under the supervision of the Ministry for Education and Culture and the Ministry for Religious Affairs. Students could choose between state-run public schools supervised by the department of Education and Culture or religious schools supervised by the Department of Religious Affairs. Schools under the Ministry for Education and Culture are co-educated and secular in nature, as the system is derived from Western education. Due to better quality and facilities, parents favour these schools for their children. In fact, although 85 percent of the Indonesian population is registered as Muslim, according to the National Census (1990) less than 15 percent attended Islamic schools, and the rest go to the state secular public schools.

Educational policies in Indonesia are based on the national philosophy, Panca sila. However, the national philosophy has never been satisfactorily implemented as the way of life of Indonesia people. The principle of democracy in the National Philosophy, for example, is contradictory with authoritarian practices implemented by the New Order regime. Also, the social justice principle is far from being implemented. In fact, the right of Indonesian women, which form more than half of the total population, have been segregated in nearly all aspects of life. Government did not address women's advancement as such but rather the improvement of their status within the family.

How can educational policies in the country be appropriately implemented when they are based on the National Philosophy, which is not implemented properly? It is argued that the failure in implementing the National Philosophy is a contributing factor to the failure in educational policy implementation. In fact, it is recognized that educational policy in Indonesia was very strongly controlled by the central government. The school curriculum, for example, was already overloaded with prescribed materials designed by the central government. Therefore, any locally initiated elaboration or addition to the national curriculum for the purpose of the development of the local culture, including gender issues, was unlikely to take place. Such policy obviously discouraged the local people, particularly women, to take part in developing education.

Recognizing this limitation, the government passed the first Law on the National Education System (Act of the Republic of Indonesia Number 2, Year 1989 on National Education System). This Law replaced the Educational Law Number 4, Year 1950, which had framed the development of education from 1950 to 1989. The 1989 Educational Law is concerned with innovations at the local level, which are made for the development of education in the local culture, from which educational changes in the years ahead will be made (Department of Education and Culture, 1991: 17).

One of the outstanding features of this Law is the enhancement of community participation in developing education. The community as a partner of the government is given ample opportunity to take part in the conduct of national education development (Department of Education and Culture, 1991). This is in line with the government policy, which promotes Indonesian people not merely become the object but also the subject of national development. Despite this, the Indonesian government introduced the National Education System and involved the community in educational development after 44 years of its independence. It can be inferred from this evidence that educational development in Indonesia was not based on the community aspirations, instead it was strongly shaped by the New Order political interest.

In the era of transition to democracy, after the fall of Soeharto, the government of Indonesia has developed a new vision of education as part of the reform in the country. The reform emphasizes the implementation of the principles of

democracy, autonomy, decentralization and public accountability. Guided by the new vision, a new Law on National Education System was enacted in July 2003. The government argues that Act Number 2/1989 on the National Education System is no longer appropriate and it needs to be changed and adjusted in order to implement the principles of democracy and justice in education (Department of Education and Culture, 2003).

The adoption of the new legislation shows that the Indonesian government has a commitment to create equality of opportunity in education. The outstanding feature of the Law is the implementation of compulsory basic education, free of cost, for all Indonesian citizens (Department of Education and Culture, 2003). It ensures that basic education is made available to all, including those belonging to economically disadvantaged or socially marginalized groups, and those living in remote areas. To that end, the Law reflects certain fundamental principles, notably universal access to basic education without gender bias, non-discrimination, equality of opportunity, and equity in education.

However, how can the government effectively implement this Law in an already patriarchal community? The evidence indicates that a number of similar Government Policies and Laws formulated with respect to gender justice could not be implemented effectively, and therefore did not achieve the target, because of strong patriarchal culture. Some of the examples for this are the ratification of the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) under Law No. 7 of 1984. As well as the President Instruction Number 9 Year 2000 on Gender Mainstreaming in National Development, and the General Election Law, Year 2003. All these Laws are in essence to promote gender justice, but in practice their position is very weak. For example, despite the Law No. 7, 1984 on CEDOW, parents continue to prioritise sons' education compared to daughters' when they have to make priority due to economic problem. Considering this issue, it is claimed that law enforcement is an important point to consider in terms of women's empowerment in education.

Conclusion

The government's intensive school development project to accommodate all school-age population has been very successful to increase literacy and school enrolment rate at all levels. In spite of this, gender disparity in education in Indonesia is still very wide, particularly in rural areas. A number of contributing factors to this have been identified. Parents in rural areas in particular tend to favour sons' education instead of daughters' particularly when they have to make choices due to economic problems. They are also reluctant to send their daughters to better schools in urban areas because of safety and moral reasons. In addition, vocational schools developed to support government economic program are culturally male dominated, which further deepen the gap between the two sexes.

The government policies on education in Indonesia have been addressed to narrow, even to close the gap, particularly the 2003 Educational Law on the National Education System, with the commitment to implement compulsory basic education without gender bias, free of cost, for all Indonesian citizens. Nevertheless the issues remain mainly because of patriarchal culture, which has shaped the community for centuries.

It is recommended, therefore, that law enforcement is vital to challenge the resistance to change. This may be through intensive socialization program for the community, particularly those who live in rural areas. It is also recommended that separate literacy target for women living in rural areas, in particular, need to be set. In addition, with respect to the government policy to raise the educational level of the population as a whole, this concern has to be translated into a comprehensive policy statement on women's education, coincide with a campaign by schools and women's federation to convince parents of the necessity of educating daughters. Finally, considering the evidence of discrimination against females' education particularly when parents have to make priority because of economic problem, it is essential that the government take a strong lead on the issue.

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21. The Importance of Reproductive Health Education and Services for Young People in Indonesia: What Can We Learned from Australia?

Iwu Dwisetyani Utomo

Abstract

Young people in Indonesia are experiencing extremely rapid and bewildering changes in values, attitudes and behaviour towards the opposite sex. Premarital sex, pregnancy, abortion and STDs are increasing among young people in urban as well as rural areas. Young people are becoming more liberal in public expressions of sexual feelings. Age at marriage and educational attainment are increasing. Parents and society increasingly expect young people to have higher education and professional careers although marriage is still a universal goal. Even though premarital sex and premarital abortion are increasing, Indonesian young people are still seen by the government as non-sexual beings because the right to information and services relating to reproductive health is only given to married couples. As a result young people's reproductive health needs are under-served, and they remain under-informed, marginalized and disadvantaged. The government still treats sex as a private matter and not as a public concern. Consequently, sexuality remains marginal in the health and education agendas. Sex education is not generally given at school and parents are reluctant to talk about sex to their children. Despite the sexual pressures that young people in Indonesia are experiencing, their lack of knowledge on sexual and reproductive health issues puts them at risk of STDs including HIV/AIDS, premarital pregnancy and abortion, early marriage, and maternal and child health related problems. Other effects may be the loss of economic and educational opportunities through premarital pregnancy and early marriage.

This paper is based on field research in both Australia and Indonesia during August-December of 2000. The Australian Department of Education, Training

and Youth Affairs sponsored the fieldwork through the Merdeka Fellowship program. The data collected covered policy and programs designed specifically for young people in the field of reproductive health by both the government and NGOs. The fieldwork in Australia aimed to learn about modules and programs, both in school and out of school, that have been implemented, and to try to adopt and modify them to fit an Indonesian setting. In Indonesia, in-depth interviews were conducted with relevant officials, NGO staff, educators, religious leaders, politicians, parents and youth activists to see whether the integration of reproductive health education in school is visible and the need for information and services concerning reproductive health and sexuality among young people is being met.

The aim of this paper is to analyse how the Indonesian socio-cultural, religious and political settings of reproductive health education and services for young people have evolved to see whether any progress has been made since the 1994 ICPD (International Conference on Population and Development) Program of Action was implemented, and to understand why the Indonesian government still demonstrates a very conservative approach towards sexuality even though an increasing number of cases of STDs/HIV/AIDS is apparent among young people. The other issue that will be addressed is the extent to which Indonesia can learn from, or modify, policy and programs on reproductive health education and services that have been established and implemented in Australia.

Socio-Cultural and Political Aspects of Adolescent Reproductive Health in Indonesia

Please don't expel junior high or high school pregnant students, whether the pregnancy is caused by rape or premarital sex... the school should ask them to have a 'break' and start school again after they have delivered their baby...don't expel or discriminate against them. This is an alternative solution so they can still have opportunities to develop their career and also to prevent premarital abortion (Khofifah, Kompas 2001).

...existing national family planning information and services are still far from reaching the goals of ICPD, as they have not addressed several elements of reproductive health. They are designed almost exclusively to meet the needs of married women...Almost nonexistent reproductive health care services and inadequate IEC programs for adolescents and unmarried young adults clearly indicate a need to focusing on them. Without appropriate and adequate information and services on reproductive health, they face great constraints in making responsible and informed choices about sexual health, marriage, and family planning. More important, we cannot ensure the new generation of men and women, who will shape the world in the 21st century, are aware about their reproductive rights and that they respect each other's rights (Tumkaya 1998: 4).

The justification for this paper is that the government of Indonesia still does not see single young people (15-24 years old) as **sexual beings** who need information and services related to reproductive health. The result is that their reproductive health needs are under served, and they remain under-informed, marginalized and disadvantaged. The government still treats sex as a private matter and not as a public health concern. Consequently, sexuality remains marginal in the health and education agendas. Access to contraception and reproductive health services is highly restricted for single people. Sex education is not given at school and parents are reluctant to talk about sex to their children. Despite the sexual pressures that young people in Indonesia are experiencing, their lack of knowledge on sexual and reproductive health issues puts them at risk of STDs including AIDS, premarital pregnancy and abortion, early marriage, and maternal and child health related problems (Utomo 1997b). Other effects may be the loss of economic and educational opportunities through premarital pregnancy and early marriage (Bongaarts and Cohen 1998; Buvinic 1998).

The above quotations demonstrate how the Indonesian government treats their young people who have problems resulting from their lack of knowledge on reproductive health issues, premarital pregnancy and premarital abortion

that might happen, discrimination in accessing information and services as compared to those who are married and discrimination towards the continuation of schooling if experiencing premarital pregnancy. Even though the Indonesian government signed the 1994 International Conference on Population and Development (ICPD) Program of Action agreeing the rights of young people who are still single to access reproductive health information and services, policy and program in this regards is still continually developing and reproductive health education is not given in the formal school curricula.

The Indonesian Government may realize that unsafe premarital sex, premarital pregnancies, unsafe premarital abortion and changing attitudes, values and practices toward sexuality among single young people are increasing. The government is also aware of the STDs/HIV risk due to unsafe sex and maternal death cause by unsafe abortion experienced by Indonesian young people and increasing number of HIV/AIDS cases among young people who uses injecting drugs and shared needles, but still the Indonesian Government wants to demonstrate and maintain their ideal value that sex only happens within legal marriages. Most government officials, educators and also religious leaders still believe that reproductive health education will motivate young Indonesian to engage in premarital sex, although studies in Western settings and also in Indonesia have demonstrated that sex education delays premarital sex and those who have practised premarital sex are more responsible in dealing with it and practise safe sex (Baldo, Anggelton and Slutkin, 1993; Grunseit and Kippax 1993; Utomo 1997b).

Despite the adverse consequences of not providing reproductive health education and services for single young people, Indonesia will face a tremendous economic loss, and ill-effects on the young generation in the near future if the government does not take strong action in this matter. The future of young Indonesians should be taken into account, as 20.7 per cent of the population are aged between 15 and 24 years old (see Table 1 Appendix). Their future seems to be frightening, as more and more young people are 'trapped' with drug use (see Table 2 Appendix) and the number of HIV/AIDS cases is also increasing. The past several years have been marked by the increasing numbers of in-house private rehabilitation centres as well as pesantren for young people

who have drug related problems, institutions that was not as urgently needed in the past.

In the HIV/AIDS policy and program area, a substantial development has been accomplished. Today on the National Health Week Celebration, President Soesilo Bambang Yudhoyono has declared to fight against HIV/AIDS including other infectious diseases for example dengue fever, malaria, polio and TB (Kompas 2005a, Kompas 2005b, Support 2003). During her presidential appointment, President Megawati Soekarnoputri has made the availability and cost effective antiretroviral (ARV) made possible and the launching of the Indonesian ARV by PT Kimia Farma. She has also declared that HIV/AIDS in Indonesia is a national problem that has to be overcome as it is related to human resources that might be lost, empowerment of HIV/AIDS cases and elimination of discrimination stigmas attached to those living with HIV/AIDS (Kompas 2003a, Kompas 2003b). The government has also been very open in dealing with HIV/AIDS cases as many cases have come forward and publicly acknowledge that they are HIV+. Stories about those who have revealed their HIV+ status have been covered widely in the media, television and radio. Non Government Organisations, Yayasan Pelita Ilmu and Yayasan Spiritia have opened shelters and assistance for people living with HIV/AIDS. A network of people living with HIV/AIDS has been developed by NGOs so that they can support each other, find treatment and drugs without being discriminated and if at all possible secure their employment.

The 1999 fiscal year marked a significant moment for Indonesia. It was in this year that Ibu Khofifah Indarparawangsa (Minister of Women Empowerment and Head of the National Family Planning Coordinating Board) initiated a new Adolescent and Reproductive Rights Protection Directorate at the National Family Planning Coordinating Board (NFPCB) and a division at the State Ministry of Women's Empowerment. Five years after the 1994 ICPD Population Program of Action and after more than a decade of debate on the need of policy and programs on Adolescent Reproductive Health (ARH) Khofifah, the innovative Minister had the strong courage to start thinking about national strategies on this issue. Even though sporadic programs have been implemented as pilot projects in several provinces, ARH programs funded by

donor agencies, mainly UNFPA and the Ford Foundation, concentrated on 'out-of-school' and peer education programs. The Department of National Education has also been quite successful with the out-of-school programs but not as successful in developing and implementing ARH education in schools, which has been a 'hidden agenda' for many years.

Khofifah made another remarkable policy shift when she declared that pregnant students should be given a chance to finish their schooling. Pregnant students should not be expelled from school but be given a 'break' from school during their pregnancy. By this, two goals can be achieved, giving the pregnant student an opportunity to proceed with her education-career development and also avoiding the incidence of premarital abortion. Even though this statement was disapproved by some people, thinking that the policy would encourage more students to become pregnant, Khofifah strongly disagreed and thought that people would rather take preventive curative steps. She also strongly preferred that emergency contraceptives should be given to those who experience premarital abortion (Kompas 2001). This is a big policy leap into an area that was once very controversial, and of which discussion was taboo. Towards the end of 2000, several policy discussions were held by policy makers in the Health and Education Departments to emphasize the importance of providing reproductive health education in the school curriculum (Kompas 2001 and Suara Pembaruan 2001).

Other significant periods can be identified as turning points for the Indonesian government to emphasize concerns and focus on issues relating to sexuality-ARH. The first was in 1992 when the Population Development and the Development of Happy and Prosperous Family law was established. In this law only married couples are recognized as sexual beings who can have access to family planning information and services. During the Megawati era, the National Family Planning Coordinating Board has been trying to revised this law but up to this period it is still awaiting for it's final revision. Other law regulating the families are the Indonesian Marriage Law no. 1 1974 that regulates marriage, age at marriage for men (19 years) and women (16 years), husband-wife obligations in marriage, divorce, and the welfare of the children when divorce happens. In this marriage law, the property rights after divorce

are also clearly stated. For government employees, special regulations related to marriage and divorce is covered by PP10/1983. This law stressed the obligation to report the event of marriage and to get permission from one's superior when asking for divorce before proceeding to the marriage court. It also stated how to deal with support and welfare when divorce happens. The weakness of all these laws and policies only recognized married couples, ignoring single young people who are seen by policy makers as **non-sexual beings**.

In 1994 the policy makers took an urgent step by effectively implementing the National AIDS strategy (NAS) (Dharmaputra, Utomo, and Ilyanto1997). Then the next significant period was the 1998 May rioting when systematic group rapes occurred and many Chinese women were raped (Tempo 1998). But because of the idealized morality and state image that the Indonesian government is trying to sustain, the government denied these incidents, even though there were 160 women raped in Jakarta and other urban areas. On 24 July 1998 Indonesian government officials formed a team to investigate the incidents. Indonesian NGOs interested in reproductive health rights and gender inequality stepped forward and formed Forum Kesehatan Perempuan (Forum on Women's Health), campaigning, protesting and seeking government attention to women reproductive health rights.

There has been an overwhelming of both implicit and explicit sexual behaviour and pornography images on Television and published materials, but the government and the community have not done anything to stop it. Most of the media coverage on sexual activity of young people has centred on bizarre and sensational images that can influence values in the community. The fact that sexuality is discussed openly on television and radio programs and in newspapers and magazines indicates a degree of liberality that did not exist in the past; but there is a certain degree of irresponsibility involved in the publication by the Jakarta press of sensational stories about adolescent sexual activity. Most stories in the media indicate that girls who are still at school engage in sex with adult men for fun or for profit. The image conveyed is that junior high school and high school girls and female university students are free agents who voluntarily engage in this activity. The emphasis placed upon girls

in school engaging in sex is clearly evocative of conventional male fantasies, also the portrayal of very young girls engaging in prostitution for fun is exploitative. This dresses up what is in fact child abuse by adults as something to titillate readers. The obvious effect (and perhaps, intent) of such publicity is to blame young girls, rather than men who exploit young girls. Nevertheless, stories of young school girls engaging in sex are in the public domain and need to be considered as part of the overall picture of changing attitudes to sex (Utomo 1997b: 129).

In the past decade, media focus on sexual harassment and sexual violence has increased. Advertisements about sexual harassment (pelecehan seksual) have also started (Kompas 31 December 1994; Republika 5 June 1994). But a study by Abrar (1997) on sexual harassment and violence based on media articles (Kompas, Republika and Pos Kota) stated that the media have not given much priority to such news.

Indonesia's policies and laws, and the way the community and the media try to convey sexual matters, disregard single young people, young women in particular, and only recognize sex within legal marriage. Gender inequalities in the media, novels and television are evident. Sexual double standards among both single and married men in their values on virginity for single girls and mistresses for married men strongly persist. The idea of women not losing their virginity until marriage was very important to the older generation of Indonesians, who have tried to pass on this way of thinking to the next generation. Some single men seem to prefer sexual relations with prostitutes so that their girlfriends may remain virgins until they are married. Extramarital relationships, even among government employees, are quite common.

Double standards regarding sexual matters and in regard to the public and private persona of government officials seem to be strong. The Indonesian Government tries to impress its people that idealized morality is being sustained, and pretends that single young people do not need access to reproductive health information and services. Even though Khofifah has started her strong move to implement ARH policy, many more years will still be needed for the right approach to ARH education and services.

Studies in developed and developing countries have shown the negative health consequences of unsafe premarital sex, unsafe premarital abortion and teenage pregnancy, not to mention the economic loss of future opportunities for the young people involved (McDevitt et al. 1996; Utomo 1997; Buvinic 1998; Zabin and Kiragu 1998). Thus if the government does not take immediate actions towards reproductive health education and services for young people, because of the large size of this age group the national economical burden and future human resource development will be at stake.

What is available for young Indonesian as compared to young Australians?

In 1991 the importance of providing counselling and education, and access to family planning was recognized at the Adolescent Sexual and Reproductive Health Conference in Paris as follows:

It was strongly advised throughout the workshop that counseling and education services must also be sure that they can meet the demand that they are creating, and that it is unethical to educate young people about the risks of HIV and unwanted pregnancy without then providing them with the means to protect themselves (Brandrup-Lukanow, Mansour and Hawkins 1991: 19).

The 1994 ICPD strongly emphasized the importance of adolescent reproductive and sexual health (UN 1995: 14). The importance of education, information and access to services on reproductive health issues among adolescents is stressed. But many countries, especially those dominated by Moslems, usually do not permit access to reproductive health services for their single young people. Thus how far can Moslem countries, especially Indonesia, go in meeting their obligations on young people's reproductive health programs in line with the Cairo Program of Action? If the Indonesian government wants to take serious action on this aspect it cannot just promote giving access to information and education on sexuality and reproductive health, but also has to provide access to reproductive health services for single young people. But if the Indonesian government does not start now, there will be an increased burden of HIV/AIDS and STDs among young people, unhealthy mothers and infants through early childbearing, and economic and

educational loss to young mothers will widen.

Ford Foundation Jakarta has been most active in supporting reproductive health matters and has sponsored activities such as seminars, panel discussions, publishing reproductive health books and disseminating information on reproductive health issues. UNFPA Jakarta gave great emphasis to the adverse effects of the economic crisis on reproductive health and rights as well as ARH (Tumkaya 1998). Population Council Jakarta is also very supportive to the development of ARH in Indonesia in publishing materials on this subject. USAID and AUSAID have also given support and have conducted research in several provinces in Indonesia on knowledge, attitude and practice of HIV/AIDS and reproductive health seeking behaviour.

After analysis the existing ARH programs in Indonesia, it seems that there have been many programs designed and developed for non-formal education but not for the school curriculum. Of course this is in line with the existing policy that ARH education is not meant to be given in school. The sporadic pilot projects on ARH by donor agencies are very valuable and useful and the existing educational material can be brought together and modified for school educational purposes. For example Population Council Jakarta and also the office of NFPCB have published books on ARH for counsellors, young people and parents who have teenage children (See Appendix for ARH materials included in these books). The Indonesian Planned Parenthood Association (IPPA) has also published similar material as have other NGOs working on HIV/AIDS related issues. In addition, regional IPPAs in West Java and DI. Yogyakarta have published material specifically designed for young people using their own local language in posters, leaflets, stickers and pocket books on issues relating to dating (Gaya Pacaran) and safe sex. A Website called CERIA has been developed by the NFPCB consists of important information on reproductive health issues packed using popular youth culture and language.

IPPA is in the forefront of providing consultation for youth relating to dating, sex, premarital pregnancy and abortion. Youth Centres in several urban areas providing similar services came much later after the IPPA Clinics and NGOs were already working on HIV/AIDS. Shelters for pregnant teenagers are very

scarce and mostly organized by churches; I have only come across two during my fieldwork, one in Jakarta and one in Yogyakarta. But in most cases if a teenager becomes pregnant she will have a hard time finding a place to seek consultation and medical assistance. Even a simple talk or consultation about relationships and sexuality would be hard to find for young Indonesians.

In Australia it is very different. Sexual matters are publicly discussed. The government acknowledges that health promotion and education in school has many advantages for the students. Integrating health promotion and education in school in collaboration with home and community services gives more support to students (NSW Health Department 2000). Educating young people about relationships, sexual behaviour and sexual rights is a public issue.

Abortion policy, even though it differs from state to state, is practical. A girl of 16 can have an abortion without parental consent, after going through a consultation. The fee is also affordable as if she cannot afford it immediately she can pay a deposit of A\$50 from the total of A\$205-\$230 and the rest was be paid weekly according to the amount of her pocket money. In some cases the pregnant teenager comes to seek advice with her partner or boyfriend and if they decide to have an abortion, the fee will be shared between them.

A 'health fair' is a common annual event in colleges where students are situated in a comfortable party like environment to learn about all aspects of health. The one that I attended was held in Hawker College In Canberra. The following organizations participated in the fair and provided complete information, demonstration kits, and contact addresses in case services were needed:

1. AIDS Action Council of the ACT Inc.
2. ACT Community Care, an ACT Government service
3. Canberra Community Housing for the Young
4. Women's Centre for Health Matters
5. AXYS Youth Service for Young People
6. Mental Health Foundation ACT Inc.
7. Karinya House
8. Lifeline Canberra Inc.
9. Centrelink, Linking Australian Government Services

10. Alcoholics Anonymous
11. School of Nursing
12. Women's Information and Referral Centre
13. Family Planning Association, Health Promotion Centre
14. Canberra Rape Crisis Centre
15. Service Assisting Male Survivors of Sexual Assault (SAMSA)
16. The Resolution Centre
17. Women's Information Resource & Education on Drugs and Dependency (WIRED)
18. Marymead Child and Family Centre, Young Carers Association
19. Domestic Violence Crisis Services Inc.
20. Family and Adolescent Counselling Service

The students had to seek information about each organization, collect signatures from every organization and write a brief report in the booklet provided by the school; they could get rewards from each organization if they could answer some simple questions related to health or the role of the organizations. Posters, leaflets, booklets, balloons, sweets and condoms were distributed for free. Messages about safe driving and car maintenance were also demonstrated. Thus all aspects of health including mental health, reproductive health, nutrition and diet, sexual violence, drugs and alcohol, shelters and accommodation, counselling services in case of emergency were covered at the health fair to educate the students and let them know that they could get help and services relating to their problems.

To make sure the voice of young Australian is heard, a National Youth Round Table, established by the Federal Government since 1999, is held twice a year at the Parliament House. The Round Table brings together 50 young people who have been selected and have undertaken a series of consultations with their peers across Australia. Therefore, the youth representatives have developed a comprehensive understanding of the views and attitudes of young people in the region that they represent; these which are then reported back to the Government. Topics at the Round Table 2000 were Health and Well-being; Education; Employment; Participation in the Community; Rural, Regional and Remote Communities and the Environment; National Perspectives and

Lifestyle. The message of the Health and Well-being group is: 'We advocate an Australia in which young people are socially connected, emotionally developed, and physically strong'. Topic discussed in this group included: mental health, drugs and alcohol, physical health and discrimination (National Youth Roundtable 2000).

Australian NGOs support and give services to young people in various aspects of reproductive health, including support for rape victims and victims of domestic violence; personal counselling; information on alcohol and drug use, and mental health. AXYs Youth Service for example provides both open and closed groups in their programs. Open groups are held at more accessible locations for all young people between 12 and 25 years, and closed groups are run in schools and other places that are generally not open to the public. AXYs Youth Service is a free and confidential health, information and support service for all 12-25-year-olds in Canberra. AXYs manages groups on health related topics, provides personal support and develops and implements community development projects. Table 1 gives an example of AXYs activities.

Family Planning ACT provides reproductive health services for young people. Family Planning ACT and other Family Planning organizations in Australia also provide health promotion support, campaigning in the secondary schools for Safe Behaviours which include safe-behaviour advocacy on sex, drugs, Sexually Transmissible Infections, Hepatitis A, B and C, risk-taking and safety, relationships, decision-making and communication and negotiation for safe behaviour. On the other hand Relationships Australia concentrates more on relationships skills, communication and negotiating.

Table 1 - Youth activities conducted by AXYS Youth Service, Canberra, 2000

Open group for young people aged 12-25 years		Closed group for young people aged 12-25 years	
Type	Description	Type	Description
Young Parents	Collaborative project with Youth in the City (YTC) for young parents 25 and under.	Breakfast Club	Collaborative project with Erindale Youth Centre at Ginninderra High, providing students with breakfast and access to youth workers.
The Junction In-time	AXYS have an 'in-time' at the Junction Youth Health Service where AXYS provide personal counselling and support for young people	Majura Youth Centre (MYC) Living Skills	Living skills and independence issues for MYC's clients.
Sex, Drugs, and Techno	15-18 years on safer sex, drug awareness and techno music.	Futures Project	Transition program for year 6 students at several primary schools.
Relationships Group	Exploring topics such as anger, loss, friendships and personal relations.	Lanyon High	Young Men's group coordinated by Erin dale Youth Centre at Lanyon High
Self Esteem and Assertiveness	An open group for young women exploring self esteem and assertiveness skills	Melrose High	Young women's group
		Eclipse Young Women's Group	Health and well-being group for young women at Eclipse School program

Source: AXYS Canberra, 2000.

The big difference between the Australian and the existing Indonesian approaches is that the Australian approach stresses topics such as relationships, drug awareness, Hepatitis A/B/C, gender relations, negotiating power, decision making, safe behaviour, values and beliefs and how to say no to sex, drugs or other risky behaviour (See Appendix for example of materials relating to relationships). Apart from the inclusion of reproductive health and interpersonal relationships in the school curriculum and in health fairs, guest speakers from NGOs often visit schools and routinely conduct workshops on issues relating to the above topics. Students are actively participating in the discussions that give them an opportunity to identify their problems the pressures they are under and their sources, from and how to deal with them. More explicitly, students are assigned to do research projects and presentations in school subjects such as science and human biology in relation to reproductive issues.

Another big difference is that the existing Indonesian materials are just starting to be disseminated and are not yet uniform; there is much work to be done to design the appropriate materials according to age groups. Interestingly, the existing Indonesian materials are 'heavily concentrated on the biological functioning of the body and reproductive organs'. This can also be the reason

why the community in general, religious leaders and policy makers reject to the idea that sexuality-reproductive health education should be given at school.

Very useful themes that can be adopted from the Australian approach include the stress on the importance of communicating problems of relationships; delivering attitudes, values and beliefs relating to sex, drugs and sexual preferences, gender roles, gender and power, decision-making and negotiation for safe behaviours. These kinds of material and approaches can be modified and used as a start for reproductive health education in Indonesia. If this were done there would be greater acceptance of laws to include reproductive health education in Indonesian schools.

Another advantage that can be gained by providing education on attitudes, values, beliefs, relationships and gender roles are that young Indonesians would gain a lasting skills in expressing themselves, communicating, bargaining about risk behaviour, feeling comfortable about their body and sexuality; and would have more power and control in decision making.

In sum, after reviewing policy and materials on reproductive health education for young people in both Indonesia and Australia several conclusions can be made:

1. The Australian government has acknowledged the importance of reproductive health education integrated in the school curricula that vary from state to state.
2. Titles vary for the subjects that cover reproductive health, sex education, personal development and interpersonal relationships; they include 'Health and Human Relations', 'Human Development', 'Safety and Human Relations' or integrated in a number of subject areas that promote health education (Wolcot 1987; Family Planning ACT Inc. 1998).
3. While the Indonesian government has not legalized the integration of reproductive health education or sex education into the school curriculum, much has been done for out of school and peer education programs mostly designed and delivered by NGOs.
4. The existing Indonesian sex education materials mostly focus on the

biological and physiological aspects of reproduction. The Australian material has expanded the subject to include personal and interpersonal development and safe behaviour: a more comprehensive approach to human development and relationships.

The following quotation described how young people are 'trapped' in seeking reproductive health information and services. As young people are socially categorized by the society as not in the adult category, they are most often does not have authority to decide for themselves, especially relating to getting support and services for their reproductive health well-being as well as in case they experienced premarital pregnancy or STDs related diseases. This in many ways disadvantage their lives and living them with no place to go or consult.

Adolescents are often not free, autonomous individuals...They are, therefore, subject to the authority of adults, and many institutions, including religious bodies, the family, and the educational system, have vested interests in shaping the growth, behaviors, and values of young people. Often legal and social restrictions exist on adolescents' rights to acquire information about sexual activity and the use of contraceptives or condoms, on their access to reproductive health services, and on their freedom to engage in certain sexual behaviors and deal with the reproductive consequences of their actions, unless they are married or have already begun bearing children (Gage 1998, 155).

Sources and usefulness of information on reproductive health

Even though formal education on reproductive health is not given in school or, presumably, in the family, young Indonesian knowledge on these issues is not necessarily absent. As with other young people in the region (Khan, nd) their most common informal sources of information are the media (printed material) and friends, who are equally uneducated on this subject and therefore may provide the wrong messages. In my 1994/1995 Jakarta Marriage Values and Sexuality Survey I found that the most useful sources of information perceived by the respondents were printed materials, radio and television, school, counsellors and teachers (Table 2). With regard to printed material, radio and television, it is necessary to be cautious, as information on sexuality and reproductive health from these sources can be fragmented and misleading. Respondents from non-Moslem backgrounds are more likely to have received explanations about sex from their family than are Moslem

respondents. Daughters received more useful information from mothers and other family members than did sons and the differences are statistically significant.

Table 2 - Percentage of respondents' sources and usefulness of information on sex by age, sex, and religion, Jakarta, 1995a

	Age		Sex		Religion	
	15-19	20-24	Male	Female	Moslem	Non-Moslem
Ever have information on sex	78.4	91.1**	79.1	85.0	84.9	70.2**
Source of information on sex						
Boyfriend/girlfriend	30.5	41.4*	33.6	34.3	33.0	37.2
Mother	47.4	49.7	35.7	58.9**	46.9	53.2
Father	16.6	26.1	19.6	19.6	18.2	25.5
Other family member	39.3	39.5	32.8	45.4**	38.0	45.7
Friends	55.7	72.0**	57.9	62.9	62.3	53.2
School, counsellor, teacher	57.9	67.5*	54.9	66.1*	60.8	60.6
Printed material (magazines, newspapers, novels, scientific books)	66.2	83.4**	69.4	73.2	73.8	60.6*
Radio and television	59.8	72.6*	62.1	65.0	65.6	55.3
Usefulness of source of information						
Boyfriend/girlfriend	17.2	31.2**	20.4	22.5	21.7	20.2
Mother	40.4	43.3	26.0	54.6**	40.8	43.6
Father	12.5	21.0*	14.9	15.4	13.7	21.3
Other family member	27.4	30.6	22.1	33.9**	27.1	34.0
Friends	41.3	59.2**	42.1	50.7	48.3	39.4
School, counsellor, teacher	50.4	58.6	46.8	58.2*	53.3	51.1
Printed material (magazines, newspapers, novels, scientific books)	56.2	80.9**	60.0	66.8	65.8	54.3*
Radio and television	48.5	64.3**	51.5	54.6	54.2	48.9

Note:

Data are from the 1994/1995 Jakarta Marriage Values and Sexuality Survey; test of significance difference is based on Chi Square,

** Significant difference at less than one per cent, * significant difference at less than five per cent.

The same issue was raised in the focus-group discussions (see Table 3). All the respondents in the focus-groups (FGD 1J, 2J, 3J, 4J and 5J) emphasized the importance of sex education in school because the majority of respondents did not receive sex education from parents. Among the female high school students (FGD 5J), even though one respondent said that her mother talked to her about sex and she would also feel free to talk to her mother about sex, the majority in the focus-group only received explanations about how to use a sanitary pad when menstruating. Among the male high school students (FGD 3J), getting information on sex from friends, books and magazines is a universal phenomenon; this was not always the case for the female high school students (FGD 3 J and 5J). Among the young adults of both sexes, television, books, magazines and sex columns have been important sources of information on sex.

Other institutions that should provide sex education, suggested by the university student groups (FGD 1J, 2J and 4J), include doctors and the media. Most university students living with their parents participating in the focus-group (FGD 4J) agreed that parents have difficulty in talking about sexual matters with their children. This was not the case with most of the young adults of both sexes living in boarding houses (FGD 1 J and 2 J); these had in general received information about sex from their parents. Sex education is essential because these young women think that it can at least prevent girls from getting pregnant: lots of girls get pregnant because they do not understand the nature of sex. One young man living with parents and one living in a boarding house stated that religious values and teaching in the family are very important for children so they know what is regarded as appropriate in sexual behaviour.

The Baseline Survey of Young Adult Reproductive Welfare in Indonesia, conducted among 8084 male and female respondents (15-24) in four provinces (West Java, Central Java, East Java and Lampung) found that 46.2 per cent of the respondents still think that women cannot become pregnant after only one sexual encounter. These misunderstandings were more common among males (49.7 %) than females (42.3 %). In the survey, only 19.2 per cent understand that the risk of getting STDs will increase if one has multiple partners, but 51 per cent of the respondents think that they can only acquire HIV by having sexual intercourse with commercial sex workers (Demography Institute,

Faculty of Economic-UI and NFPCB, 1999a, b).

In Australia, recent studies among young people have indicated that they have a high level of knowledge about HIV and its modes of transmission, but they know less about other sexually transmissible infections, and about safe sex practices (Family Planning ACT Inc. 1998). Similar findings were also made in study conducted by Wyn (1993) among 95 young women (16-18 years). Ninety-five per cent of these young women thought that young people should worry about STDs, but only 39 per cent thought that they personally should worry about them. Among those in a steady relationship there is little knowledge of safe sex practices.

The Australian education campaign and promotion recognized that practising safe sex is very important. Thus a broader agenda on practising 'safe behaviour' relating to sex, drugs and alcohol, STIs, Hepatitis and HIV is being implemented. Studies have shown that there is much stigmatization attached to practising safe sex. Rosenthal and Reichler (1994) found that the belief that love provides safety is strong especially among the young women in their survey, so the practice of unsafe behaviour is considered normal in relationship based on "love", and to raise the subject of safer behaviour can be difficult. Wyn (1993) in her study demonstrated that gender roles identities which can be learnt as messages from the society are strongly related to safe sex practices. For example: a young woman who wants to appear feminine may find it difficult to question her boyfriend's sexual health or ask him to use a condom, while, a young man who wants to 'act like a man' may find it difficult to discuss safe sex with his partner. In a heterosexual relationship, it is common for women to express a sense of 'powerlessness' regarding sex, and this means that having sex without a condom is a symbol of trust.

Table 3 - Sex education in Jakarta, DI. Yogyakarta, and Palembang, 1995a

Sex education	Provinces		
	Jakarta	DI. Yogyakarta	Palembang
In school	Initiated in junior high school or in some Catholic and Protestant schools in special intensive sessions.	Initiated in first year of high school.	Initiated in high school or university.
Integrated subject	Biology, geography.	Biology	Biology, <i>bahasa Indonesia</i> , and basic science.
Type of information given	The anatomy of the body, the process of ovulation, methods of contraception, family planning, consequences of premarital pregnancy, sex organs and abortion.	The anatomy of the body, the process of ovulation.	The anatomy of the body, the process of ovulation and the nature of sex.
Method of delivery	Male and female students should be separated. Parents would feel uncomfortable, owing to cultural barriers to talking about sex with their children.	Male and female students should be separated. Parents would feel uncomfortable, owing to cultural barriers to talking about sex with their children.	Only to interested parties, for example high school students in their biology class, medical school students, couples getting married. Parents would feel uncomfortable, owing to cultural barriers to talking about sex with their children.
Who should give sex education	Teacher of the same sex as the students.	Teacher of the same sex as the students. The teacher should also understand youth culture so he/she does not have difficulties in communicating with the students.	No comment was made on this issue.
Sources of information			
Parents	The majority of respondents did not receive information from parents, but young adult respondents of both sexes living in boarding houses generally received information from parents.	The majority of respondents did not receive information from parents, but among the majority of young women, information on the norms of sexuality was given very vaguely.	The majority of respondents did not receive information from parents, but some received advice and norms related to sexual values that were given implicitly.
Others	Adolescent male respondents tend to get information from friends, books and magazines, but this was not always the case for adolescent females. In addition to these sources of information young adults of both sexes also seek information from sex columns.	Adolescent respondents of both sexes tend to get information from books and magazines and adolescent male respondents also from their friends. In addition to these sources of information young adults of both sexes also seek information from sex columns.	Adolescent male respondents tend to get information from friends, books and magazines, but this was not always the case for adolescent females. In addition to these sources of information young adults of both sexes also seek information from sex columns.

Note:

a. Information on sex education was summarized from focus-group discussions among male and female high school (FGD 3 J) and university students (FGD 4J) living with parents, male (FGD 1J) and female (FGD 2 J) university students (FGD 1J) living in boarding houses. For Jakarta one additional female high school students' group was added (FGD 5J).

Is reproductive health education enough?

Is integration of reproductive health education in the school curriculum, a myth?

Respondents' levels of knowledge and sexual attitudes and behaviour were analysed (Table 4). Respondents with high levels of knowledge acquired from family members, school, media and/or peers have less experience of personal sexual behaviour than respondents with low levels of knowledge and the difference is statistically significant at less than one per cent level. This finding is strong evidence that sex education does not motivate respondents toward promiscuity or premarital sexual intercourse. It also strongly suggests that sex education should be given to young people.

The importance of providing reproductive health education cannot be denied. Voices from the International Youth Parliament 2000 held in Sydney in 2000 stated 'the need for sex education to be taught in all schools to ensure that everyone has the information they need about sex'. Studies in both developed and developing countries have also demonstrated this need (Grünseit and Kippax 1993; Smith, Kippax, and Aggleton 2000). But how reproductive health education should be delivered in the Indonesian schools is another matter, which still needs to be investigated. Other issues that need to be analysed are: at what age should reproductive health education be addressed in the school curriculum? Should the subject be integrated within science, health education studies, population education, religion or elsewhere, or should it be a subject on its own and also include issues relating to relationships, communication skills for example to negotiate about relationships and sexuality, family values, safe behaviour and safe sex and gender roles and empowerment?

Table 4 - Index score: ever experienced premarital sexual behaviour, acceptable sexual behaviour while dating and for engaged couples by level of knowledge on sex among respondents, Jakarta, 1995a

Variable	Level of knowledge on sex ^b	
	Low	High
Index score for experience of premarital sexual behaviour^c		
Low	10.8 (13)	37.9 (133)**
Medium	36.7 (44)	41.3 (145)
High	52.5 (63)	20.8 (73)
Index score for attitude to premarital sexual behaviour while dating		
Low	11.5 (14)	23.7 (80)**
Medium	41.0 (50)	46.6 (157)
High	47.5 (58)	29.7 (100)
Index score for attitude to premarital sexual behaviour when engaged		
Low	12.3 (15)	24.7 (87)*
Medium	49.2 (60)	44.0 (155)
High	38.5 (47)	31.3 (100)

Notes

a. Data are from the 1994/1995 Jakarta Marriage Values and Sexuality Survey; test of significance difference is based on Chi Square, ** significant difference at less than one per cent, * significant difference at less than five per cent.

b. Low level of knowledge is categorized by respondents who have not received any kind of information on sex and respondents who have received information on sex but found that the information was not useful. High level of knowledge is categorized by respondents who have received useful information on sex from family members, school, media and peers.

c. Ten forms of sexual behaviour, holding hands, hugging, intense hugging, kissing cheeks, kissing lips, breast fondling, genital fondling with/without clothes, masturbation, petting and petting with intercourse have been combined into a single index. The sexual behaviour index is calculated as the sum of a series of weights. The weight used for each variable is the reciprocal of the proportion of respondents who had practised that form of behaviour. For each form of behaviour that the respondent has experienced, he or she scores this weight. The sum of the weights describes the intensity of sexual behaviour. If a respondent is engaged in more intense (and, hence, less common) sexual behaviour (for example premarital sexual intercourse), then the score would be high, while respondents who have engaged in holding hands receive a lower score. To simplify the analysis, the sexual behaviour index score is categorized into three groups, low, medium and high. The survey also included two questions that addressed whether or not each of the ten forms of sexual behaviour would be acceptable if (1) the couple was dating and (2) the couple was engaged. Indices of the level of acceptance of sexual behaviour whilst dating and sexual behaviour when engaged are calculated using the same procedure as that used for the respondent's own sexual experience.

Reproductive Health Services for young people

Young people appear to fall between two categories; hence, since they have grown out of childhood they can not go to pediatric services. Specifically, because their reproductive health problems and needs are not similar to those of adults, they cannot be addressed except by health professionals specially trained for the purpose. There are also other cultural stigmas attached to providing reproductive services for young people, for example, societal denial that young people have sex and the social stigma of STDs/HIV. In most societies, single young people are not welcome at maternal and child health clinics and do not feel comfortable to visit (Khan 1996). For married young people this is not a problem, but it is a major problem for the unmarried.

In Indonesia the law covers reproductive health services only for married couples, thus one can imagine the difficulties and stigmas attached to the provision of such services for unmarried young people. But it cannot be denied that premarital unsafe abortion is increasing and that there is a need for friendly integrated reproductive health services for single young people. These services can include counselling, pregnancy tests, contraceptives including emergency pills, diagnosis and management of STDs/HIV, safe abortion and maternal care.

The provision of such services must be given in a friendly environment, with a high level of confidentiality, uncomplicated procedures and record keeping, and affordable fees within reach of young people. It is most important that these services should be given by trained health professionals who see the patient as someone who really needs help and not as someone who is the 'victim' of sexual misconduct. Such services have been implemented in Australia but for Indonesia, there is still discussion and debate whether they should be made available. The Indonesian Planned Parenthood Association with its youth program and services is the only institution which gives counselling and referral services to single young people who have sexual problems, experiencing premarital pregnancies and abortions.

The National Family Planning Coordinating Board is testing a Reproductive Health Counselling Centre in some provinces. Besides giving support through

correspondence, telephone counselling and home visits, the Centre had also started a radio program on ARH dialogue and discussion. Adolescent Reproductive Health Youth Guidance and Counselling Groups (BKR) operating at the village level, designed for parents of young people, have also been developed (Omastik 1998; Hasmi 2000). This program is run by volunteers from women's associations, and aims at managing regular meetings with parents. But as the program is to maintain the 'family role' and parents as the medium to pass on reproductive health knowledge, the efficiency of such programs is strongly questioned.

In sum, the first priority for the Indonesian government is to implement school-based reproductive health and relationships education as this is more acceptable. Providing friendly integrated reproductive health clinics for young people is the second major policy step that should be taken, as giving information and education must be supported by services.

Discussion and Policy Implication

In some countries, particularly Moslem and Asian countries, young people have little access to information and services for reproductive health. Young people are not identified as sexual beings with biological needs. Government officials in some of these countries are in a state of denial about the reproductive health problems of young people (Utomo 1997 a and b).

Policies and programs related to young people should receive top priority, especially policies and programs related to young people's reproductive health (Brandrup-Lukanow et al. 1991; Friedman 1992; Johnson 1995; De Silva 1997: 46; Mundigo 1997: 329) because of the large proportion of young people, who constitute one-fifth of the world population (Population Reports 1995: 3). Eighty three per cent of these young people live in developing countries of Africa, Asia (Japan not included), and Latin America. In Indonesia young people constitute 20.7 per cent of the total population.

In the era of rapidly changing demographic, social and economic environment (Jones, 1997: 1), with the emerging AIDS pandemic and other consequences of

premarital sexual activity, investing in policies for young people, especially their reproductive health, will make a difference. Educating young people on sexuality and reproductive health will have a long-term effect not just in saving young people from sexually transmitted disease, unwanted pregnancy, maternal morbidity and mortality, unsafe abortion, and early marriages, but also in investing in the future so that young people will become knowledgeable parents who can educate their children on reproductive health issues.

Living in a rapidly changing social environment with simultaneous exposure to conflicting traditional and modern values on sexual behaviour, young Indonesians are left alone to decide their sexually related behaviour. This situation is made worse by the globalization of information and the mass media images of sexuality, violence, and gender roles that influence young people's values and material aspirations. In Indonesia the printed media exploit young girls and give images of a sexual double standard; the cultural values and conventional gender roles implicitly support the situation. With very limited knowledge of the nature of sex and no access to reproductive health counselling and services, young people are 'trapped' in ignorance if confronted with problems related to relationships with the opposite sex, sexual activity and reproductive health.

At the international level, even though the importance of population issues was discussed at the first World Population Conference in Rome in 1954, in Belgrade in 1965, in Bucharest in 1974 (United Nations 1974) and in Mexico in 1984 (United Nations 1984; Berquo` 1997: 341), it was not until 1994 at the Cairo International Conference on Population and Development (ICPD) that issues related to reproductive health and young people's reproductive health were emphasized (Johnson 1995). For the first time, the right to sexual and reproductive health was established beyond the simple right to family planning or contraception (Family Care International 1994: i; Berquo` 1997: 345; USAID 1997:1).

Before the Cairo conference, in 1989 increasing importance was given to adolescent health by the World Health Organization, United Nations Population Fund (UNFPA), UNICEF Joint Statement on the Reproductive Health

of Adolescents (WHO 1989), the Technical Discussions on the Health of Youth during the 1989 World Health Assembly, the endowment of the Adolescent Health program in WHO in 1990, and a series of resolutions on the health of youth and the prevention of pregnancy before maturity. The number of governments formulating adolescent health policies, and of NGOs and, professional and scientific associations whose activities relate to this issue, is also increasing (Friedman 1992: 277).

Of course, the political will and increased priority for young people's reproductive health need to be supported by financing programs. Even though governments and donors usually classify services that constitute reproductive and sexual health under various budgetary categories like health and population (Zeitlin, Govindaraj and Chen 1994: 236), it is hard to say whether funding for young people's reproductive health has been made a priority. In 1990, from the total of US\$4.8 billion allocated for health and population assistance, 46 per cent (US\$2.2 billion) was allocated for reproductive health programs. From this budget allocation, the majority (41.9 per cent) is for population, nutrition (21 per cent), maternal and child health (16 per cent), child survival (13 per cent) and safe motherhood (0.2 per cent). IPPF has allocated substantial funding for young people's reproductive health, as have USAID through Policy Project global research programs, and the Population Council. But funding for young people's reproductive health ideally should come not only from external assistance but from governments as well.

Regarding the implementation of young people's reproductive health policies and programs, Satia (1997: 358-359) concluded that almost all programs are initiating reproductive health activities for young people. But in Asia, generally such activities are limited to information, education and communication, while in contrast in Africa and Latin America they also include services. In general these programs have one or more of the following activities: reproductive health education for adolescents in and out of school, training and supporting a network of peer group educators, establishing youth centres, and activating a service delivery network. Satia further criticized these programs as too 'activity-oriented' and not using a 'public health approach'. The coverage of these programs in the community is also not comprehensive, so it is often

difficult to affect young people's responsibility and safe sexual behaviour and to reduce teenage pregnancies.

This paper attempts to provoke Indonesian policy makers, religious leaders, community activists, educators and parents to understand that their attitudes of denial and beliefs about young people's reproductive behaviour and problems are misguided. They have to acknowledge that there is a serious problem with young people's sexual activity and reproductive health. This is crucial because young people are still regarded as non-sexual with the result that their reproductive health needs are under-served, and they remain under-informed, marginalized and disadvantaged. Government officials in some countries, especially Indonesia, simply deny the reproductive health problems and rights of young people, even though social research routinely indicates increases in premarital pregnancies, abortions, and STDs among unmarried young people. Numerous small-scale studies on reproductive health of young people have been conducted since the 1970s in Asia but data on these issues are very limited (Sittitrai and Barry 1989: 174; De Silva 1997: 26) owing to political policies and socio-cultural and religious reactions to research on sexuality. This is why I have critically studied young people's sexual values, attitudes and behaviour, especially in the environment of moral sensitivity and widespread public uncertainty over matters of sex and reproduction among Indonesian young people.

While some young people in developed countries are turning to a more traditional and conservative approach to sex (Roche 1986) by delaying premarital sexual intercourse, practising abstinence, saying 'NO' to sex, minimizing the number of sexual partners, being afraid of acquiring STDs including AIDS, and practising safe sex, young Indonesians are following Western young people's path in the early stage of the sexual revolution. Today, however, sex education at school, and health and social services relating to sexuality and reproductive health are given by developed countries to their adolescents. If the Indonesian government does not become more liberal in reproductive health policies for young people, this can become an alarming issue with life-threatening effects for young people.

Conclusion

In conclusion, Indonesia and also other countries in the region may adopt the reproductive health promotion, education and services that have been developed by Australia. The Australian programs should be tailored specifically to suit the socio-cultural and religious setting of each country. The most important lesson learnt from Australia's approaches to ARH is that the promotion, education and services do not just concentrate on reproductive health issues, but also on building interpersonal relationships, gender role, negotiating and decision making skills, as well as practising safe behaviour in all aspects of life.

There are still many years to come before Indonesia can develop and implement ARH education and services. Even though sporadic programs have been developed for out-of-school young people, more commitment should be given to developing ARH materials for the school-base program. More importantly, a strong political will is needed to deliver ARH education in schools and to develop a friendly integrated reproductive health services for single young people.

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APPENDIX

Table1 - Appendix. Total population by age group, 19980-2000

Year Age group	Number of population (000)			
	1980 a)	1990 b)	1998 c)	2000 c)
15-19	15,283.2	18,863.8	22,300.3	22,330.0
20-24	13,001.5	16,597.3	20,331.4	21,323.5
15-24	28,284.7	35,461.1	42,631.7	43,623.5
Percent to total pop.	19.27	19.72	20.85	20.74
Total population	146,776.5	179,829.8	204,423.4	210,438.6

Note: a) 1980 Population Census. b) 1990 Population Census. c) Projection

Table 2 - Appendix. Cases of narcotics user by characteristics, 1990-1993

Characteristics of Cases		1990/1991 n = 483 %	1991/1992 n = 470 %	1992/1993 n = 470 %
1. Sex :	Male	89.0	89.4	89.4
	Female	11.0	10.6	10.6
2. Ages :	14 – 16	11.4	16.6	13.8
	17 – 20	49.9	46.2	51.7
	21 – 24	33.5	33.2	30.0
	25 +	5.2	4.0	4.5
3. Education:	Elementary School	21.9	31.2	29.8
	Junior High School	47.4	44.0	39.8
	Senior High School	30.4	24.5	30.0
	University	0.3	0.3	0.4
4. Type of addictive essence:	Narcotics	9.3	3.2	3.0
	Alcoholic/Hard drink	25.9	7.8	10.0
	Danger drugs	35.4	75.3	73.0
	Multi drugs	27.3	13.7	14.0
	Not explained	2.1	0	0

Source: Indonesia Health Profile 1994.

Indonesian ARH materials incorporated in published books for out of school program:

Module 1

Reproductive Health and youth
Youth Development

Module 2

Pregnancy, delivery and post delivery

Module 3

STDs and HIV/AIDS

Module 4

Drugs and narcotics

Module 5

Sexual Harassment and Rape
Media and Sexuality

Module 6

Young Professional

Note: Other publications also give detailed and separate information for young people aged 11-13, 14-18 and 19-21. For the more older group, the information include: sex and pregnancy, when can sex cause pregnancy, when is the fertile period, risks involved in teenage pregnancy, gray areas in dating, risky sexual behaviour and its consequences, homosexuality and bisexual, anal sex, oral sex, youth delinquency. The above summary is concluded after reviewing several books published by NFPCB and NGOs.

Imaginary Relationships: present couples of different cases, for example:

Andrew and Anni are 17 and 15. They are at school and college in year 10 and 11. They have been going together for 8 months. Anni waits for

Australian Materials on relationships

Imaginary Relationships: present couples of different cases, for example:

Andrew and Anni are 17 and 15. They are at school and college in year 10 and 11. They have been going together for 8 months. Anni waits for Andrew after school and they see each other everyday and talk most nights on the phone. They hardly see their friends anymore and are devoted to each other and feel very close. They tell each other everything and they go everywhere together.

Jamie and Caroline are both 17 and in year 11 at different colleges. They have been going together for 3 months, they usually see each other at weekends but not so much during the week because they both have other commitments. Jamie has band practice and football training and Caroline has netball training and a part-time job. They both have their own circle of friends which includes some common friends.

Ned and Sarah are both 16. They have been going together for 6 months. Sarah works at K-Mart and Ned is unemployed and has been kicked out of home and now lives with her family. Sarah organizes most of the things they do and often tell Ned how to dress properly to get a job. Ned goes along with whatever Sarah wants and likes the way she always seem to know how to handle things.

Bret and Julie are both 16. They are both in year 10. They have been going together for 4 months. They have two rules about their relationship-Don't put each other down and try to work out any problem together. They talk about things they want to do when they go out, and try to do things they both like or take turns. They share the costs when they go to the movies or places like the Pancake Parlour.

Hand out materials on the following topic:

- Feelings
- Type of relationships: acquaintance or business relation, friendship, negative intimacy, positive intimacy.
- The relationship ladder: attraction, communication, feelings, intimacy, responsibility. An issue to be discussed and stress: relationship building becomes an area of focus during puberty and continues throughout a person's adult life.
- Six stages of relationships: romance (honeymoon), expectations, power struggle, seven year itch, reconciliation, and acceptance.
- Guidelines for coping with differences in a relationship

Hand out exercises on the following topic:

- **Getting into relationships:** how do you know when you want to get with someone; how do you know when they want to get with you; how does it happen; how do you know when you are 'with' someone? How do other people know?
- **Your relationship concerns:** jealousy; possessiveness, communication breakdown; put downs; and lack of trust.
- **How do you feel cared for?**
- **How do you let your partner know what you need to feel cared for?**
- **How do you like to show caring?**
- **How do you check out what other people want**
- **What pressures do you experience about sex**
- **Where do pressures about sex come from?**
- **How do you handle pressure about sex?**
- **Priorities in an intimate relationship.**

(cited from Relationship Australia)

- ¹ Research Fellow, National Centre for Epidemiology and Population Health, the Australian National University.
- ² Grunseit and Kippax (1993) reviewed more than 1,000 reports on sex education throughout the world and concluded that sex education courses did not lead to earlier sexual intercourse. Another important point to note is that young people who have received good sex education are less likely to be engaged in advanced sexual behaviour than those who do not fully understand what they are doing.
- ³ On 31 August 2000, 1439 cases of HIV/AIDS were reported in Indonesia, probably the actual number is greater than the reported cases. Of the 146 new cases, 91 were among those aged less than 25 years and 39 were of people 20 years of age or younger. A study by the Centre for Health Research, University of Indonesia (Utomo et al. 2000), concluded that among young respondents using needles to inject drugs, the incidence of HIV is high as sharing needle is quite common.
- ⁴ It is estimated that two to four million Indonesians have been exposed to drug use. The number of injecting drug users (IDUs) admitted to the Drug Dependency Hospital has triple from 1996 to 1999. Since September of 2000, the monthly reported number of new HIV/AIDS cases has been dominated by IDUs (Ministry of Health 2000).
- ⁵ Law of the Republic of Indonesia number 10 of 1992 concerning Population Development and the Development of Happy and Prosperous Families was developed by the State Ministry for Population, Republic of Indonesia.
- ⁶ On May 30, 1994 under Presidential Decree no. 36/1994, working groups from the provincial level to the lower level working on HIV/AIDS were established.
- ⁷ Morality is a set of values, rules or codes that are passed on to individuals through socialization, but it can also refer to individual behaviour in respecting or disregarding a set of values (Foucault 1985: 25). Idealized morality can be defined as belief structures that have developed over a long period of time in a society's history. This can include traditional values, norms and religious teaching. Idealized morality is a fundamental component of the culture of all societies but the implementation of idealized morality in different societies varies according to which deviation from that ideal is considered permissible (McDonald 1994: 22-23).
- ⁸ A study by Ananta (1994) calculated the direct cost per patient ranging from 5 million to 17 million rupiahs from the beginning of HIV diagnosis until the time of death. Furthermore, the estimated indirect individual cost including loss of productive years and opportunity is as much as 52 million rupiahs for a woman and 62 million rupiahs for a man, if premature death occurs in their thirties (Ananta 1994). These estimates were made before Indonesia experienced the economic crisis. With the tremendous increase of the price in medicine and health services, the estimated cost can increase tenfold.

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Hendra Yusran Siry is a PhD candidate in the Resources Management in Asia Pacific (RMAP) Program, Research School of Pacific and Asian Studies (RSPAS), the Australian National University (ANU). Hendra holds his master degree from the Asian Institute of Technology (AIT), Thailand in 2001 having won postgraduate scholarships from the Government of Canada (CIDA/CUC) and the Ford Foundation Jakarta, and bachelor degree (Sarjana Perikanan) from University of Riau (2001). Hendra has been awarded number of distinguished award and fellowship, including Asian Scholarship Foundation (ASF) Fellowship (2002-2003), Millennium Ecosystem Assessment (MA) Fellow (2003), The Ford Foundations Individual Grant (2000- 2002), and United Nations University - Asian Institute of Technology Fellowship (1999). In 1995, Hendra was awarded as Talented Student (Mahasiswa Berprestasi), and was invited to the Presidential Palace for celebrating the 50 years Indonesia anniversary. Hendra has served his social activities into various position and organizational activities, such as the President of the AIT Student Union (2001), General Secretary of the AIT Student Union (2000 - 2001), and Indonesian Marine Science and Technology Association (HIMTEKINDO) (1993 – 1996). Currently, he is Head of Education and Strategic Studies Division of PPIA, and Editor for Teroka Cendekia, semi-popular journal published by PPIA.



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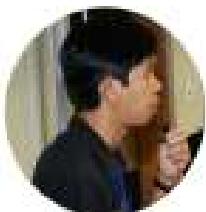
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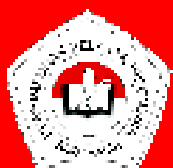
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