

# Emerging Civil Society Towards Good Local Governance

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## Abstrak

Pelaksanaan kebijakan otonomi daerah yang dimulai dengan dikeluarkannya UU No 22 Tahun 1999 memunculkan wacana baru tentang penguatan partisipasi public dalam membangun tata kelola pemerintahan yang baik terutama di tingkat lokal (*good local governance*). Kehadiran UU Pelaksanaan kebijakan otonomi daerah yang di mulai dengan dikeluarkannya UU No 22 Tahun 1999 ini menjadi momentum penting bagi terbukanya ruang partisipasi public dalam berbagai bentuk, baik melalui pemilihan umum maupun bentuk-bentuk di luar pemilihan umum. Publik merespon ruang partisipasi publik ini dengan munculnya banyak *Civil Society Organizations*, atau di Indonesia dikenal dalam bentuk Lembaga Swadaya masyarakat.

Seiring dengan dinamika politik baik di tingkat lokal maupun di tingkat nasional, UU No 22 Tahun 1999 tentang Pemerintahan Daerah selanjutnya diganti dengan UU No 32 Tahun 2004 tentang Pemerintahan Daerah. Dalam perjalanan transformasi otonomi daerah tersebut, peran *Civil Society Organizations* di Indonesia mengalami pasang surut dan menghadapi berbagai tantangan. *Civil Society Organizations* juga menunjukkan peran yang krusial dalam ikut membentuk tata pemerintahan yang baik di tingkat local.

Kata kunci: partisipasi public, *good local governance*, *Civil Society Organizations*.

## Background

Decentralization – especially democratic decentralization – has become something of a trend in recent years in less developed countries. Compared to Africa and Latin America, however, decentralization has progressed slower in Southeast Asia. This is so because senior bureaucrats and especially politicians in Southeast Asia have been less inclined to devolve powers and resources onto institutions, especially elected institutions, than in other two regions.

All sorts of governments have experimented with one or another form of decentralization, usually including some democratic content. The autocratic governments often see decentralization as a substitute for democracy at the top. While democratic governments see it as a means of deepening democracy<sup>1</sup>.

Together with the wave of democratization over the Southeast Asia region, a reform movement emerged in Indonesia after the devastating economic crisis and

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<sup>1</sup> James Manor, “*Decentralization and Local Governance: Opportunities and Challenges*” Institute of Development Studies University of Sussex, UK, 2003.

political turmoil of 1997-1998. The *reformasi* (lit.reform movement) which led to the demise of the New Order regime, have introduced important changes within Indonesian politics permitting significant reforms in local politics .

The new democratic system is characterized by the introduction of multiparty competitive elections, checks and balances between the executive, the legislative and the judicial, a free press and guarantees of civil liberties. The government also drafted a legal framework for new centre-regional relations, as codified in the Law 22 of 1999 on Regional Governance and Law No.25/1999 on Financial Balance between the Central and Regional Governments.

Law 22 of 1999 on Regional Governance introduced two important features, first, devolving authorities, functions and services to districts and municipalities; second, a separation of powers. This law is a framework that acknowledged regional and local needs for autonomy and identity within the constitutional provisions of a unitary state. Law 22/1999 replaced two previous laws, namely; Law 5/1974 which provided for a uniform and centralized system of governance, and Law 5 /1979 on village governance. Accordingly, Law 22 /1999 on Regional Governance was expected to accelerate democratisation and ensure good governance at all levels of administration in Indonesia.

The law No. 22/1999 was designed to provide operational autonomy to district governments, to bring decision making on public services closer to the people, to allow greater local discretion and opportunities for local citizen participation, and to provide balance distribution of powers between the national, provincial, and local governments. On 29 September 2004, law No. 22/1999 of Regional Government was replaced with the law No.32/2004 on Regional Administration signed by the President Susilo Bambang Yudhoyono.

Law No. 32 of 2004 recognizes the autonomy of a region, and its administration may be assigned or delegated certain government functions by regional governments. Although many local authorities are worried that the enactment of law No.32/2004 restore power to the central government, in fact this law also provided for the direct election for the heads of regions, something that is considered as more democratic because they were previously only elected by a limited number of DPRD members.

The transformation of the political mechanism and decision making process in the local level is expected to be influenced by internal as well as external factors. The

internal factors may come from changes in the relationship between the executive and legislative and new attitudes toward public participation. The external factors can be the changing relationships with district government or the roles of Civil Society Organizations which is form in Non-Governmental Organisations.

There is particular concern whether the moves will result in genuine public participation given the fact that “the (decentralisation) policy had always been defined from the top and is seen as one form of implementing national development policy”<sup>2</sup> rather than facilitating democratisation.

### **Good Local Governance**

“Governance” is a key concept in discussions about the relationship between the state and civil society. The term “governance” is intended to overcome the drawbacks of the use of the term “government” which essentially refers to political functions and “public administration” generally viewed in terms of more technocratic pursuits<sup>3</sup>. Since governance is also a term widely used in connection with private sector management, it reminds us of the fact that there are commonalities between the two sectors in this respect. In addition, governance is also a more neutral concept comprising the complex mechanisms, processes, relationships and institutions through which citizens and groups articulate their interests, exercise their rights and obligations and mediate their differences. The fundamental argument for using this concept of governance derives from the idea that the political system in modern societies “can no longer be conceived in terms of external governmental control of society but emerges from a plurality of governing actors”<sup>4</sup>. There are two possible consequences for the application of this concept as has been identified by Kooiman<sup>5</sup>:

“1) the pattern of governance is not only the unintended outcome of social interaction but also the mechanism through which the actors have the capability to act and to govern, hence governing and governance are subjected to a permanent process of mutual interactions; 2) as

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<sup>2</sup> Widodo Yusuf & Christoph Beier, *The Indonesian Decentralisation Policy and the District Autonomy Pilot Programme* (Rome: FAO, mimeo, 1997).

<sup>3</sup> Anonymous, *Habitat Professional Forum on Discussion of the Global Campaign for Urban Governance* (New York: Habitat Forum, mimeo, 2001).

<sup>4</sup> Bryan Marin & R. Mayntz (eds.), *Policy Network* (Boulder: Westview, 1991), backflap.

<sup>5</sup> Jan Kooiman (ed.), *Modern Governance: New Government-Society Interactions* (London: Sage Publications, 1993), p.258.

governance is strongly linked to the concepts of interaction and system, governance is system specific. The interactional arrangement can be primarily based on cooperation, trust and mutual understanding, but it can also be based on conflict, power, and contention”.

The moral ground for governance is laden in the concept of “good governance”. This concept perhaps appeared first in the World Bank vocabulary and was mainly defined as: “the manner in which power is exercised in the management of a country’s economic and social resources for development”<sup>6</sup>.

Good governance is reflected in the “effective, efficient, honest, equitable, transparent and accountable performance of governing”<sup>7</sup>. It is obvious in these definitions that good governance implies the conduct of behaviour that must be upheld by actors in the social interactions that involve state and civil society institutions. Since good governance is definitely in line with democratic principles, it is understandable that international organisations are currently urging on the imposition of good governance principles in those countries where authoritarian regimes have been replaced by more democratic ones. But the principle of good governance is not only an issue for developing countries. The importance of accountability, for example, is also recognised in developed countries. Many of the “administrative pathologies in the countries do not stem from management problems. Instead, they arise from governance problems”<sup>8</sup>.

Good governance defines the norms in the processes and structures that guide political and socio-economic relationships. For the UNDP, therefore, good governance has three fundamental elements: political, economic and administrative.

“It is *political* because of its relevance to the process of democratic policy formulation that will affect the whole society. It is *economic* because it implies a country’s economic activities which impact upon issues of equity, poverty, and quality of life. And good governance is certainly *administrative* because of its relevance to the system of policy implementation. Encompassing all the three fundamentals, the UNDP

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<sup>6</sup> World Bank, “*Governance and Development*”, Washington D.C., 1992 as quoted by Francois Dreyfus, “What Kind of a Citizen for What Kind of State?” in Luc Rouben (ed.), *Citizens and the New Governance: Beyond the New Public Management* (Amsterdam: IOS Press, 1999), p.8.

<sup>7</sup> Andi Faisal Bakti (ed.), *Good Governance and Conflict Resolution in Indonesia: From Authoritarian Government to Civil Society* (Jakarta: IAIN Jakarta Press, 2000), p.3.

<sup>8</sup> James Q. Wilson, “*Bureaucracy: What Government Agencies Do and Why They Do It*” as also quoted in Ronald B. Cullen & Donald P. Cushman, *Transitions to Competitive Government: Speed, Consensus, and Performance* (Albany: State University of New York Press, 2000), p.271.

defines good governance as a relationship between the state and the society that are characterised by: participation, rule of law, transparency, responsiveness, consensus orientation, equity, effectiveness and efficiency, accountability, and strategic vision”<sup>9</sup>.

The word “local” In “Local Governance” usually refers to the level of the village, town or city – and to events that occur just above that level. This may seem obvious, but in the literature on some countries – for example, on China – analysts of all nationalities tend to use the word “local” to refer to anything below the national level. It is more precise (and less confusing) to use a more limited definition – referring to villages, towns and cities. The word “governance” usually refers not just to the actions of governments – although that is very important – but to the sum total of arrangements, processes, habits and patterns that we find when we ask how a particular society conducts public business.

Accordingly, the term “decentralization” refers to the transfer of powers and resources from higher levels in political systems to lower levels. Most analysts concentrate on three types of decentralization. *Administrative decentralization or deconcentration*: the transfer of administrative personnel and resources from higher to lower levels *Fiscal decentralization*: the transfer of financial resources, and authority over their use, from higher to lower levels *Political or democratic decentralization* (sometimes called *devolution*): the transfer of powers and resources from higher levels to elected institutions at lower levels<sup>10</sup>.

However, it is not easy to put the above mentioned abstract principles of good governance into practice. Contextual circumstances might influence the practice of creating good governance from one country to another. A simpler way to understand the concept of good governance is proposed by Thompson. For him, good governance is attained if we can get rid of the characteristics of “bad governance” which is characterised by: 1) the absence of separation between public property and private property, 2) the absence of clear rules of law and the non-conducive government’s attitude toward development, 3) too many regulations that create a high cost economy,

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<sup>9</sup> United Nations Development Programme, *UNDP and Governance for Sustainable Human Development* (New York: UNDP policy paper, 2002). See also Goh Ban Lee, *Non-Compliance: A Neglected Agenda in Urban Governance* (Kuala Lumpur: Institute Sultan Iskandar, 2002), pp.218-27.

<sup>10</sup> James Manor, “*Decentralization and Local Governance: Opportunities and Challenges*” *Institute of Development Studies* University of Sussex, UK, 2003.

4) inconsistent development priorities, and 5) a lack of transparency in decision-making<sup>11</sup>. This description might be more useful in understanding the transition to good governance in developing countries.

Another catchword that is becoming more popular in the current development discourse is “decentralised governance”. Basically, it means achieving a balance of power and responsibilities between the central and local governments and improving the capacity of local authorities to conduct their responsibilities using participatory mechanisms. The argument is quite straightforward: decentralised governance can “create opportunities for local people and lead to closer contact between government officials, local communities, and community-based organisations”<sup>12</sup>. Decentralised governance would likely open opportunities for the local community to strengthen itself. At the same time, an active and well-organised local community will expect local government to deliver and will hold it accountable for its performance, both in its role as the voting constituency and as citizens acting in other situations concerned about their society. Therefore, it is expected that decentralised governance will be more effective as they reflect genuine local needs and priorities.

### **Emerging Civil Society Organizations in Public Participation**

Historically, the term democracy came into use to describe a system of representative government in which the representatives are chosen by free competitive elections and most citizens are entitled to vote<sup>13</sup>. There are basically three issues which regard to the concept of representation: 1) Who should be represented, 2) How representatives should be chosen, and 3) How elected representatives should behave<sup>14</sup>.

Debates on public participation exist in almost every country in the world. The reality of public participation in the political process rarely meets the promise of democracy for most citizens. An expert wrote about public participation in the United States this way:

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<sup>11</sup> Kenneth Thompson, *On Good Governance* (New York: Plume Book, 1994).

<sup>12</sup> United Nations Development Programme, *UNDP and Governance: Experiences and Lessons Learned*, [www.undp.org](http://www.undp.org).

<sup>13</sup> John Stuart Mill, *Considerations on Representative Government* (Oxford: Blackwell, 1946); H.F. Pitkin, *The Concept of Representation* (Berkeley: University of California Press, 1967).

<sup>14</sup> Anthony H. Birch, *The Concepts and Theories of Modern Democracy* (London: Routledge, 1993), p.69.

“Public input in administrative decisions is likely to be solicited only after administrators and selected consultants have defined the problem and developed proposed solutions. Even in developed countries, such as in the United States, public participation is little more than a formality in many cases, designed to allow the public to comment while protecting the agency’s interests”<sup>15</sup>.

Public participation is closely related to the concept of good governance and democracy. In fact, some argue that the core of democracy is participatory decision-making. Beetham, for example, defines democracy as “a mode of decision-making about collective binding rules and policies over which the people exercise control”. He suggested that the most democratic arrangement is “where all members of a society collectively enjoy effective equal rights to take part in such decision-making directly”<sup>16</sup>. His argument is that the practice of democracy should not be confined only to the electoral process but should also be reflected in the decision-making process. The critical element in understanding democracy in practice is “popular participation in the process of governance between elections” as Rood has argued<sup>17</sup>.

Moreover, public participation can be evaluated as to whether the institutional arrangements in place are conducive or not for involvement. At the same time, public participation can also be evaluated based on how the decisions are made in the society. The latter notion is particularly relevant to this study. According to Niiranen<sup>18</sup>, a democratic decision-making process implies three form of public participations:

1. Participation in the election of those who make or execute decisions
2. Participation in decision-making itself
3. Having an impact on the contents of decisions.

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<sup>15</sup> Mary M. Timney, “Overcoming Administrative Barriers to Citizen Participation: Citizens as Partners, Not Adversaries” in Cheryl Simrel King & Camilla Stivers (eds.), *Government Is Us: Public Administration in An Anti-Government Era* (California: Sage Publications, 1998), p.95.

<sup>16</sup> David Beetham, “Liberal Democracy and the Limits of Democratisation” in David Held (ed.), *Prospects for Democracy: North, South, East, West* (Cambridge: Polity Press, 1993), p.55.

<sup>17</sup> Steven Rood, “Decentralisation, Democracy and Development” in David G. Timberman (ed.), *The Philippines: New Direction in Domestic Policy and Foreign Relations* (Singapore: Asia Society, 1998).

<sup>18</sup> Vuokko Niiranen, “Municipal Democracy and Citizens’ Participation: Citizens’ Views on Municipal Decision-Making and Possibilities to Affect Local Social Policies” in L. Rouben, (ed.), *Citizens and the New Governance*, p.59.

For public participation in the decision-making process and the contents of decisions, there are three arguments that can be put forward. First, public participation promotes a sense of responsibility. It is based on the notion that public participation can break barriers that impede relationships between the government and the citizens. Second, public participation is efficient. This is basically to say that many public decisions would gain the support of the citizens and would be successful if the citizens are involved in the decision-making process. Third, participatory development aims at wide-scale and direct participation. This is especially instrumental in the implementation process where decisions are executed into technical programmes or projects. In effect, public participation can be basically understood as a collective decision-making process.

Another way to understand participatory activities is to follow a typology of public participation based on the degree of power sharing in decision-making or planning process as has been laid out by Arnstein<sup>19</sup>. There are eight rungs of citizen participation that in turn can be categorised into three main grades of participation effectiveness, namely: non-participation, degrees of tokenism, and degrees of citizen power. Non-participation consists of two rungs: manipulation and therapy, which virtually means that there is no real participation at all. Secondly, the degrees of tokenism consists of three rungs: informing, consultation and placation. There is some extent of participation, but it is limited to a feeling that citizens are participating in the decision-making process. Real participation comes from the degrees of citizen power, consisting of partnership, delegated power and citizen control. It is only in situations where the citizen have power to influence decisions that effective public participation takes place.

In most developing countries, citizen participation takes shape in the first grade (non-participation) or the second grade (degrees of tokenism) and it is only in an extraordinary situation that it comes to the third grade (citizen power). The degree of citizen participation in a particular country, however, can only be understood by appreciating the political context of the country.

Citizen engagement or citizen participation is a key ingredient in democratization, as is the creation of strong political forces that can articulate social

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<sup>19</sup> S.R. Arnstein, "A Ladder of Citizen Participation" as quoted in Goh Ban Lee, *Urban Planning in Malaysia: History, Assumption and Issues* (Petaling Jaya: Tempo Publishing, 1991), p.101.



interests<sup>20</sup>. For Antlov, people must be systematically involved in policy formulation, decision making and program evaluation. For it is only in so doing that “the distrust in government and the crisis of legitimacy of the state”, can be overcome.

Public participation as required in the making of democratic governance, provided room for citizens to become active in governing their communities. In general public participation promises that decision making will become more transparent and accountable as it is pushed downward to the people.

Democratic decentralization requires governance practices that encourage popular participation at the local and grassroots level. Public participation in the decentralization must come with democracy and human rights. It must allow for the active involvement of people inside as well as outside of the formal state structures.

Democratic decentralization is usually greatest when it is linked with the institutionalization of popular participation and community participation at the local level. As Sidel and Arghiros argue, unless government is decentralized, the local elites are the ones who end up acquiring the new power, which enables them to direct more benefits to themselves and their clients. This is what happened in Thailand, Philippines and Indonesia as studied by Hadiz, Sidel, and Arghiros have shown<sup>21</sup>.

However, when public spaces are created through democratization and devolving powers and resources to the local level, citizens can become engaged in governing their own communities by monitoring holding it accountable and limiting state power. Democracy does not automatically benefit poor people and groups that have been historically excluded as stated by Manor<sup>22</sup>.

As the problems of development in the new global economy become more complex, the continuing effort of national governments to search for solutions requires more ingenious and vibrant strategies. Among the facts that have to be faced is that the dimensions of dynamic development are not necessarily dependent upon the traditional apparatus of the state. Current debates on development questions are encompassing elements of civil society with all the institutions, organisations and

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<sup>20</sup> Antlov, “*Civic Engagement in Local Government Renewal in Indonesia*” in Hans Antlov, Aya Fabros, Nina T Iszatt, Barbara Orlandini, Joel Racamora,; *Citizen Participation in Local Governance: Experiences from Thailand, Indonesia, and The Philippines* ( Philippines, Institute of Popular Democracy, Working Paper Series, 2004) p. 139.

<sup>21</sup> cited in Antlov, Hans. 2004. *Filling the democratic Deficit: Deliberative Forums and Political Organizing in Indonesia*, in Francis Loh Kok Wah and Joakim Ojendal, eds, *Southeast Asian Responses to Globalization: Restructuring and Deepening Democracy* ( Singapore, ISEAS - NIAS Press, 2005) p. 240.

<sup>22</sup> cited in Antlov, *ibid*, p. 148.

structures outside the state and increasingly focused on the question of governance involving the civil society. At the same time, strict economic parameters that have been dominating many discussions on development in the past are no longer suitable for dealing with development issues nowadays. Leaders, policy makers, civil society groups and the private sector currently have to be more familiar with non-economic issues such as democratisation, civil society, governance, decentralisation, transparency and accountability.

### **The Role of Civil Society Organizations in Indonesia**

During the long administration of the New Order regime, public participation in decision-making was strictly limited. One of the characteristics of authoritarianism during that time was the conflation of the “civil, political and public domains” with the family as the foundation (*azas kekeluargaan*)<sup>23</sup> of the state. However, the *azas kekeluargaan* was misused by the New Order regime to impose control in nearly all aspects of the people’s life. It is also ironic that the brutal repression toward political activities during the New Order administration was sometimes justified with an argument of “Asian values democracy”. Commenting on the argument in relation to the political situation in the last years of the New Order government, Uhlin argued that such values are “neither Asian nor democratic”<sup>24</sup>. He admitted that democracy can be conceived as a universal principle, which can take many different shapes in different parts of the world. However, like most analysts, Uhlin did not consider the New Order regime to be a democratic one.

The developmentalist regime that characterised the military elites’ domination of national politics for more than three decades did not provide an alternative for the people’s life. Not only did people down to the grass-root level become more dependent on the state in terms of economic activities, they were also required to identify closely, passively speaking, with the New Order regime. Consequently, people did not have much experience in participating, actively and directly in political activity.

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<sup>23</sup> Kathryn Robinson, “Indonesian National Identity and the Citizen Mother”, *Communal/Plural*, No.3, 1996, p.65-82.

<sup>24</sup> Anders Uhlin, *Asian Values Democracy, Neither Asian Nor Democratic: Discourses and Practices in Late New Order Indonesia*, Centre for Asia Pacific Studies, Stockholm University, Occasional Paper No.39, April 1999.

With the *reformasi* movement, however, the people have demanded greater openness and a more accountable administration. An important consideration is the proliferation of political parties in Indonesia since Suharto's downfall. Unlike during the New Order, the post-*reformasi* parties are independent of the state. The relatively fair election in 1999 has fundamentally transformed the role of Parliament from a "rubber stamp" institution that was compliant to the government's wishes to one which is independent as well as assertive. Post-*reformasi* legislation further provides for parliament to review and even to restrict executive actions. Nevertheless, the expanded roles of parties and parliament has sparked heated debate about the quality of their performance. Critics have questioned the commitment of major parties towards consolidating democracy. For some, the parties are too focused on narrow electoral politics and the quest for power rather than creating a fair, open and stable political system<sup>25</sup>. Consequently, some people who were initially very enthusiastic during the election have ended up disenchanted, as their political participation has not been resulted in more responsible representation in parliament.

At the same time, the downfall of the New Order's autocratic regime has resulted in much confusion and disorientation amongst the bureaucrats. In the past, all the bureaucrats were responsible to the president at the apex. When the top executive was removed, uncertainties and disorientations were the immediate consequence. An analyst illustrated the situation as follows<sup>26</sup>:

Arguably, what is happening in Indonesia is that freedom has begun to take hold in daily life and to break down layer upon layer of distress and cruelty that was imposed on them by an authoritarian system. The result is messy, since the new freedom has given rise to "a million little mutinies", the colliding trajectories of countrymen shaking off the old servile mind-sets of unquestioned submission and conformity to the regime in power. This turmoil marks the road to progress.

In the aftermath of the *reformasi*, there has developed a general disdain among Indonesians to the pronouncements of the military, the bureaucracy and other state-

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<sup>25</sup> Greg Fealy, "Parties and Parliament: Serving Whose Interests?" in Grayson Lloyd & Shannon Smith, *Indonesia Today: Challenges of History* (Singapore: Institute of Southeast Asian Studies, 2001), p.97.

<sup>26</sup> Baladas Goshal, "*Political Transition in Post-Suharto Indonesia*" in Satish Chandra (ed.), *Indonesia: A New Beginning?*, (New Delhi: Sterling Publishers, 2002), p.38.

affiliated institutions<sup>27</sup>. This disdain is understandable as the New Order's predatory state could not have operated without the support of these government machineries. Unfortunately, the demands for greater democracy and general antipathy toward the state apparatus have also turned into civil disorder as exemplified by continuing violence and riots, lootings, destructions to public facilities and other forms of anarchic actions. One might argue that this is just a symptom of the problem of "democratic birth-pains"<sup>28</sup>, but if such violence continues, it might also distract from the ultimate goal of democracy.

A common way to understand transformation toward democracy is to observe the interaction between the state and civil society. This conceptual framework is based on the assumption that when civil society is relatively strong vis-à-vis the state, democracy prevails. However, when the state is strong and civil society weak, democracy fails<sup>29</sup>. Therefore, democratisation is understood as a process of strengthening civil society. The concept of civil society is inextricably related to the question of human rights and civil liberties. Civil society's power is conceived in opposition to the state's power.

Another concept of civil society, however, argues that the state and civil society do not always oppose each other. Civil society can be thought of as one of the two fundamental elements of contemporary governance<sup>30</sup>. One element is represented by the basic institutions of governance, which include the executive, legislative, judicial and regulatory agencies at all levels of governments. These institutions, which are in essence the principal organs of government, are responsible for the making of public policy, its implementation and its monitoring. The other element is the environment within which these organisations function, referred to as civil society. It includes all forms of citizen initiated political action, from the individual local residents to the organising of large numbers of individual citizens into mass organisations of modern society – political parties, associations of business people

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<sup>27</sup> Rowena G. Layov, "Indonesia and The Military at The Crossroad", *The Indonesian Quarterly*, 28(3), 1999, p.210.

<sup>28</sup> Chandra, *Indonesia: A New Beginning?*, p.37.

<sup>29</sup> Arief Budiman (ed.), *State and Civil Society in Indonesia* (Clayton: Centre of Southeast Asian Studies, Monash University, 1990), p.3.

<sup>30</sup> United Nations Development Programme, *Local Governance: Report of the United Nations Global Forum on Innovative Policies and Practices in Local Governance* (Gothenburg: UNDP, 1996), Ch.3.

and workers, various single and multiple issue focused groups and other organisations and agencies which exist in between and seek to influence political and policy-making processes. Therefore, civil society includes the news media, unions, local neighbourhood organisations, parent-teacher associations, private sector bodies and an endless array of formal and informal organisations outside the public realm, including the so-called non-governmental organisations (NGOs). The formation of civil society usually refers to the activities of the NGOs (Non-Governmental Organisations). If we define NGO as a well-established non-profit organisations engaged in societal development, it appears that there is no NGO based in any of the four villages. In Indonesia, most of the people refer to the NGO as LSM (*Lembaga Swadaya Masyarakat*, Community Self-Reliant Institutions) or LPSM (*Lembaga Pengembangan Swadaya Masyarakat*, Institutions for Community Self-Reliant Development)<sup>31</sup>.

Nevertheless, whichever conceptual term is used for civil society, one thing is common: strengthening civil society is understood as a prerequisite for political development or for the quest toward democracy. A vibrant civil society is a critical precondition for more equitable, democratic, pluralistic and humane governance. In modern life where the people's needs have become varied and complex, it is almost impossible to think of the option to place all public affairs in the hands of the state. Reinforcing and empowering civil society has become a common strategy for democratisation in many countries. In the context of political transition in Asia, it is also believed that empowering civil society is an important condition in consolidating democracy<sup>32</sup>.

Meanwhile, having been repressed for a long time under an authoritarian regime, the formation of civil society is moving rather slowly. New NGOs in the

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<sup>31</sup> During the New Order administration, the government regarded NGOs with much suspicion. Therefore, in 1983 Indonesian NGO leaders decided to abandon the term "non-governmental" as it suggested implicit opposition to the government. LSM usually refers to grassroots community organizations whereas LPSM refers to the larger and urban-based organizations. See Ismid Hadad, "Development and Community Self-help in Indonesia" as quoted by Frederick Bunnell, "Community Participation, Indigeneous Ideology, Activist Politics: Indonesian NGOs in the 1990s" in Daniel S. Lev & Ruth McVey (eds.), *Making Indonesia* (Ithaca: Cornell University Press, 1996), p.180. More recently some NGO activists have begin using the term "Ornop" (*Organisasi Non-Pemerintah*, Non-Governmental Organisations). See, for example, Roem Topatimasang, Mansour Fakhri & Toto Rahardjo (eds.), *Merubah Kebijakan Publik* (Yogyakarta: REaD, 2000).

<sup>32</sup> Juan J. Linz & Alfred Stepan, "Towards Consolidated Democracies", *Journal of Democracy*, 7(2), April 1996; Umaruddin Masdar, "Transisi Demokrasi Indonesia: Peluang Konsolidasi, Pembusukan Institusi dan Ancaman Demiliterisasi", *Masyarakat Indonesia*, 29(2), 2002.

urban as well as rural areas in Indonesia have emerged. According to Antlov, the NGOs in Indonesia emerging in many forms. One prominent new category of civics association is federations of workers and farmers, whether blue-collar laborers, fisherfolk, agricultural workers, or peasants. There are a myriad of peasant federations and labor unions, which potentially have important roles to play as Indonesia strives to alleviate poverty and increase democratic accountability. In many cases, these associations are organizationally weak and often supported by intermediary NGOs which provide them with technical assistance, training and legal assistance. Examples of such facilitating institutes are the Indonesian Institute of Legal Aid-based RACA Institute (providing legal aid and human rights training to different peasant federations), Kelola in North Sulawesi (organizing fishermen in the waters around Manado), and the Institute for Labour Assistance (LEKSIP) in Samarinda (providing training and legal aid assistance to micro-unions in East Kalimantan). The second form is Professional associations have not been able to reorganise them-selves in any politically meaningful way. The single associations for lawyers (IAI), doctors (IDI), business managers (HIPMI), etc., have limited political impact to perform democratic governance. One notable exception to this is the pressure that the Association of District (APKASI) put on the government in late 2001 to freeze the revision of the law on regional autonomy. A third category of civil society organizations is the faith-based organizations, such as Nahdlatul Ulama, Muhammadiyah, etc<sup>33</sup>.

The role of the media is also becoming more important in educating the people about their political rights and their common interests. Nowadays, people are not afraid of being associated with the opposition. People dare to speak up and to assert their grievances and their demands. However, civil society has not consolidate fast enough to keep pace with the quick changes in the format and structure of local administration. Therefore, the NGOs, the media and the legal system have not been able to play countervailing roles, nor to check irresponsible policies that are being made by the authorities and the legislatures at the district level<sup>34</sup>.

In contrast, public participation tends to be more evident wherever NGOs (non-governmental organisations) have been established. After *reformasi*, the number

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<sup>33</sup> Antlov, Hans, *Civic Engagement in Local Government Renewal in Indonesia*, May 2004.

<sup>34</sup> Some argue that the most important challenge for the NGO in contemporary Indonesia is not only to be vocal and critical toward the government but how to educate people, to advocate popular participation and to participate in solving more pressing social problems. See for example, Djoko Sudantoko, *Dilema Otonomi Daerah* (Jogjakarta: Penerbit Andi, 2003), p.73.

of NGO have increased and, as reported in the media, they have been rather vocal in articulating public issues. Naturally, NGOs offer opportunities to expand local involvement. "Focus groups" managed by NGOs at the local level are sometimes the best ways to reach the poorest segments of the population. The membership of these groups may include a cross section of the population including youth, women, elderly and other elements of the community that in most cases have been marginalised<sup>35</sup>. Although some well-established NGOs have been able to exert considerable influence on both the socio-political and the socio-economic direction of the country, other newly founded NGOs are still searching for a focus and are crippled by the lack of funding.

The bottom line is that political reform in its widest sense, which comprises regime change and institutional restructuring, are essential to strengthen democracy and public participation in Indonesia. However, it is difficult to transform a country's political culture in a short time, particularly if that change involves laying a strong foundation for the establishment of a civil society<sup>36</sup>. Quite the contrary, democratisation would definitely prevail should the citizens be given a chance to participate and the transformation itself is nurtured by the system. The study of the restructuring of administrative arrangements and of participation in the decision making process in the local level would be an important record of the transformation process. The process of strengthening public participation is likely to be reflected in improved governance at the local level. But persistence, compromises and constant monitoring of policies would be required in the struggle for more effective governance and democracy in local level.

### **Conclusions**

Decentralisation policy will be successful if regional government apparatus are institutionalised enough for creating democratic governance. In spite of theoretical differences between those following more technocratic or more political approaches to decentralisation, most clearly agree that political factors shape the response to

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<sup>35</sup> Hilton L. Root, *Small Countries, Big Lessons: Governance and the Rise of East Asia* (New York: Oxford University Press, 1996), p.207.

<sup>36</sup> Nursyahbani Katyasungkana, "Exchanging Power of Changing Power?: The Problem of Creating Democratic Institutions", in Chris Manning & Peter van Diermen (eds.), *Indonesia in Transition: Social Aspects of Reformasi and Crisis* (Singapore: Institute of Southeast Asian Studies, 2000), p.267.

decentralisation. From the perspective and in terms of the goals of those initiating decentralisation, that decentralisation is effective only when it is compatible with the interests of those expected to implement and defend it. This is to emphasize the importance of political variables in the process of implementing decentralisation policies and of ensuring that they will result in positive outcomes to the society.

The innovations in civil society can work feed into strengthening local governance through the institutionalizations of citizen participations as mechanism for democratization. Civil society participation assumes better public participations thus means better public policies. This means people learn democratic rules. Civic engagements allows for the participation of people who previously were left outside and for opening up local governance. Already in a decade, Indonesia prove that decision making has become more equitable and democratic, stake-holders agree upon what is fair rather than push for their own views. Decision making is more democratic and the deliberations have produced better citizen participations.

But the road towards a substantive local good governance with existence of civil society is long in Indonesia. The main reasons why there is a lack of truly exciting and massive civic engagement in governance issues in Indonesia is the resilience of public administration such as top down planning, red-tape bureaucracy, lack of transparency and accountability, and corruptions. A secondary factor, is the incapability of CSO's , lack of political skill of CSOs, and the uneasiness with which CSO's engage with government or political parties. Innovations in CSO's have thus only limited degree led to local governance.

In decentralization policy, many ideals of democracy have been envisioned by the legislation; responsive and accountable local government, empowerment of the people, local initiatives and creativity, increased roles of the legislatures, participatory development, and better public services. However, people have come to realise that it is a long and winding road toward democracy. The push towards democracy has in fact created many uncertainties and political instability that many Indonesian people did not expect. The one thing that they now understand is that democracy is not something that will happen overnight.



Civil society plays a vital role in promoting good governance and democracy, according to Torney and Amadeo (2004) "governance is the process by which we collectively solve our problems and meet society's needs". In another context governance is an arena which allows different interest in play, this entails that citizens must take part in decision making and implementation. After 1992, the strength of civil society organizations continued to grow and is reflected in their success in campaigning for political reform in the late 1990s. The modern idea of civil society emerged in the 18th Century, influenced by political theorists from Thomas Paine to George Hegel, who developed the notion of civil society as a domain parallel to but separate from the states (Cerethers, 1999). Civil society action at the international level is predominantly focused on building a new conceptual and political framework within which the democratic accountability of decision-making processes, within global governance arrangements, can be legitimately demanded. This is ultimately due to the simple fact that accountability can only exist after a framework for it has been built. Role of Civil Society: Civil Society has been widely recognised as an essential "third sector". Civil Society can further good governance, first by policy analysis and advocacy; second by regulation and monitoring of state performance and the action and behaviour of public officials; third by building social capital and enabling citizens to identify and articulate their values, beliefs, civic norms and democratic practices; fourth by mobilizing particular constituencies, particularly the vulnerable and marginalized sectors of masses to participate. What charitable institutions emerged therefore had to fit within the prevailing structures of political and social power and avoid posing serious challenge to the dominant political authorities.