

**Grasindo**  
GRASSROOTS WIDYASARANA INDONESIA

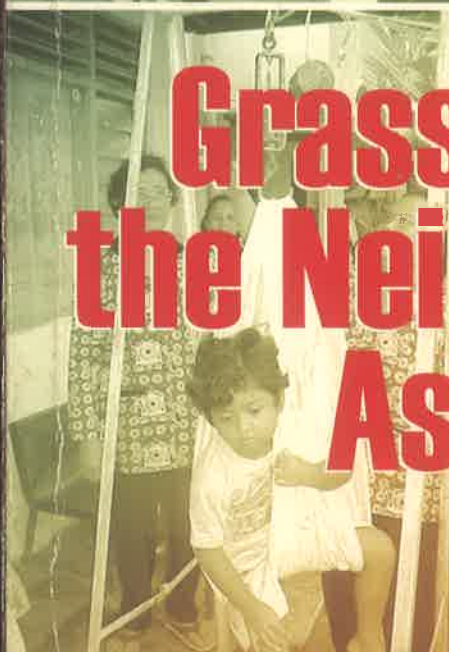


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# Grass roots and the Neighborhood Associations

**On Japan's Chonakai  
and Indonesia's RT/RW**



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CHAPTER 7

**THE EXISTENCE OF LOCAL  
INSTITUTIONS WITHIN  
A CHANGING SOCIETY:**

**From the view point of grass root community  
in Jakarta**

**7.1. Background**

**N**owadays, the empowerment of local institution is a common thing. In the 1980s, there were various forms of individual alienation in democratic-liberal countries. It resulted from the process of public policy making, which was mainly based on the "bigness" of institution, for instance, dynamic of party, mass media, government bureaucracy, labor organizations or big-scaled organisations, and so on. The individual alienation came about since the individual lacked involvement in the making of government policy. The citizen had less and less sense of belonging to his environment and less connection to the government. Some development policies that were implemented by the government were frequently were not what the citizens wanted. Finally, the mistakes of development, such as programs' objectives, volumes and locations, frequently occurred. It was difficult to achieve efficiency and effectiveness of development.

With reference to the development costs, Berger and Neuhaus [1977] offered a mediating structures approach, that is; the utilisation of mediation institutions such as family institutions, neighbourhood, religious, and social self-help institutions as the channels of people's aspirations, and the basis of public policy making. In addition, local institutions could collect, organise, respond to people's interests and link various interests as well as resolve conflicts.

In Indonesia, particularly, during the New Order era, the government attempted to strengthen and develop local institutions in order to support development programs. By applying a developmentalist approach, the government co-opted local institutions that were formed voluntarily by people, and were utilised in the interest of the market but also were formed by the state in order to preserve its power in society (an action which reflected its authoritarian corporatism). Local institutions became an instrument of government power, so that it could not be utilised to control government, and thereby, there is no empowerment within the under class. This situation lasted a long time, however despite resulting in economic growth and physical development, it engendered deep dissatisfaction among the people.

When the position of the power holder is still forceful, the situation will be not a big problem. People's anxiety could be repressed, so that it will not come to the surface. However, when there is a big change from an authoritarian political system to a strengthening of democracy and civil society, the situation will be fundamentally changed. This big change would cause people to feel prolonged political euphoria. People who were previously fettered become much more willing to protest. These demonstrations seemed to be motivated by the desire for anarchy. Then, after the political reforms, people's life order was

drastically changed. People have more courage to express their criticism of the government apparatus. This phenomenon ensues on every level of society. When the legs of bureaucracy have been broken, then the people must stand on their own feet. This condition could engender anarchism. And so questions arose, how do local institutions exist in the urban area in the reform era? Could they act as the channels of people's aspirations and help to make public policies? Or else, is it used as an excuse for anarchism for people in the lower social classes?

## **7.2. Theoretical Framework**

Currently, Indonesian people are undergoing remarkable social and political change, that is, the transformation of an authoritarian political system into a democratic one and the strengthening of civil society. However, the process of change does not work out as people expected. There is a tendency for prolonged political euphoria to come about. People, who were previously fettered by the authoritarian political system, become more likely to protest, demonstrate, and to get involved in creating anarchy. The prolonged political euphoria and economic crisis resulted in a crisis of political legitimacy, in this context, in the crisis of legitimacy for local institutions. Local institutions, which properly used could be a means of people empowerment [Esman and Uphoff, 1984], its existence became highly dysfunctional. There are three sorts of local institutions; those which are formed by the state, those formed for economic empowerment and those formed voluntarily for the social and political interests of the people?

Some sorts of local institution have undergone a process of losing their legitimacy, and the others have faded away, others still functioned effectively and were being used to create

social anarchism as well. This condition could at once weaken and threaten the local autonomy program, which is run by the government. Therefore, it needs to be strengthened in order to increase a sense of belonging to local institutions among the people. Local institutions that could run effectively would prop up the democratic process at grass roots level. The institutions could be a means of people aspiration revelation, of people's economic empowerment, and an instrument of rural government in public policy making [Berger and NeuhaUss, 1977]. Similarly this process would endorse people empowerment, so that people could have control and bargaining power *vis-à-vis* the government. By consequence, the independence governance could be put in practice. An independent government system is indicated by a form of power that comes from, and is determined by and for the interest of rural society. It constitutes a pre-condition for good governance.

Gradually, the local autonomy program, which is run by the government, surely needs the institutional maturity at rural level. Local autonomy would run effectively, if the independence of rural government and good governance has been embodied. The independence of government needs local institutional support, since strong local institutions would bolster the process of empowering local people, economic strengthening and government policy making. There are three sorts of local institution, which could be the underpinning of the embodiment of rural government independence. They are institutions, which are formed by the state (RT, RW, LKMD and so forth), those which are utilised for market interests and those which formed voluntarily by people (religious groups, social solidarity, kinship, NGO and so forth). Therefore, a study of local institutions during the period of social transformation is

absolutely essential in order to give Indonesia a peaceful transition toward democracy.

### 7.3. Findings

#### 7.3.1. The Form and the Type of Local Institutions

In accordance with in-depth interview, which were undertaken to obtain information about local institutions, there is data that institutionally, local institutions within the urban society still exist, both which are formed by the state (legal-formal, state-owned) and by the people (legal-informal, volunteer). Local institutions, which are formed by the state, are still run completely, such as LKMD, Karang Taruna, PKK, Dasa Wisma, Posyandu, RT, RW, Kelurahan and Kecamatan. Whereas, local institution that were formed by the people, such as to name only a few, are male/female religious groups, night watchman groups, mutual co-operation, *arisan* groups, groups of Islamic scholars, Christian prayer groups and so on. There are economic volunteer groups as well, such as self-help groups. This group is classified into several kinds of job category, for instances, Convection Groups, Labour Groups of Silver Industry, Small Trading Groups and so on. The government provides this group with aid in the form of P2KP (Project for Overcoming Urban Poverty). In addition, there is a people's self-help committee (BKM) as well, that is, a committee that was formed voluntarily by people and operated in the lending-saving of business capital.

#### 7.4. The Fading of the Functions and Roles of Local Institutions in the Reform Era

Although local institutions in urban areas still exist, several of them have undergone degradation of function, and become illegiti-



mate (loss of public trust). Officially, local institutions still exist, but their functions and roles have faded away. It even has no persuasive power to control its members' activities, particularly in overcoming social conflict. Even when it has, it is because of the efforts of its executive figures (a leading personality on the institution executive) rather than the institution itself. Due to the personal credibility of the institution executive and their responsibility toward community environment, the institution could still run and function to prop up social development.

There are factors, which caused the degradation of function and role of local institutions. First, political problems. Political reform has engendered a change of social order. Prolonged political euphoria has made individuals more courageous about expressing their opinions, particularly if they are hostile to the government apparatus. This is the opposite of what happened during the New Order era, in which the government apparatus was something to be feared.. Second, local institutions were considered to be the long arms of government bureaucracy, which fought mostly for power rather than in the interest of the people. In this situation, most of the government policies did not have the trust of the people. Third, there was a loss of the leaders who could mobilise people. The leaders of the institutions were selected mostly by the state, so they lacked popular support. Consequently, people did not respect the institutions. When the power holder was still forceful, the leader still functioned, likewise, when the power holder fell, the institution leader lost his/her function, role and influence. Fourth, there was a long-standing dissatisfaction with the local institutions. Frequently, local institutions were not fair, and even deceived people. It often acted on people's be-

half in order to obtain funds and win a political advantage which was always favourable to the government and its agenda.

### **7.5. Local Institution and People Anarchy**

In the reform era, local institution lacked the ability to eliminate anarchism. It is because the institutions do not have authority over the people or have sanction mechanism that could overcome anarchism and the loss of its influence as well, because people do not respect them anymore. Some local institutions even resorted to fomenting anarchy because they were controlled by a political elite and 'charismatic figures' who sought to serve their own personal political interests by using their own resources (such as personal influence and exercising the money-politics scheme). The influence of a political elite and 'charismatic figure' are more forceful than the institutional influence, because it is easier to bring people under his/her control. Local institutions frequently become instruments which enable the figure to pursue their own interests and hidden agendas, included the encouragement of anarchy. Moreover, on the one hand, actually, there are seeds that already exist within society, which could lead to increased anarchy. For example: the childhood characteristics such as selfishness, lack of empathy, stinginess, and hard to understand others; inequality that people had suffered for a long time; dysfunction of law apparatus; legal institutions that do not work that discriminate mass media who gives publicity to anarchism everyday, so that people become patterned as if anarchism is a common thing. The most concrete example in urban area is the use of youth institutions 'Karang Taruna' to pick fights with another village, when for example the leader of the youth institution has a personal problem with a member of another village.

## **7.6. The Expectation concerning Local Institutions in the Reform Era**

According to the urban people, local institutions are still needed, particularly to eliminate anarchism. Local institutions are deemed effective as a forum for people to discuss, since people actually are still depended on mediating institutions in overcoming their problems such as cleanliness, street illumination, education of their children and so on. In addition, local institutions could link people's interests to formal channels. Then it becomes the external advocate of the people, particularly in negotiating with the channels. Examples of the mediating function of local institutions are in cases of the division of inheritances, land reform, selling and buying, the mechanism for issuing a identity card and so on. Local institutions are expected as well to provide economic support and other real support in order to meet people's life needs. Besides, local institutions could give social status to those who participate in managing the institution.

Urban people are optimistic that by the time the political euphoria has died down, people will again feel appreciation for local institutions. As a result local institutions will get a function and a role, since although urban people are highly individual; they have a basic need to live in a group, so that local institution could be a place for them to interact with each other.

## **7.7. The Idealised Local Institution**

Local institutions should change their concept of how they should work. Urban people dream of an ideal local institution, that is one which is based on local people, since people themselves who know their own problems. The government does not need to act as if they are the most knowledgeable about people's problems anymore. Discrimination, which was previ-

ously implemented to erase the past trauma of the difference between people and state that resulted from a different political ideology, is not effective anymore. Within a local institution, there must be a spirit of equality, as well as egalitarianism.

In people's opinion, it is better to disband a local institution which no longer functions anymore, since it is unfavourable for the people, even likely to engender unnecessary conflict. It must be changed into a critical newly-patterned local institution, which emanates from the real needs of local people and that is more compatible with the aspirations of urban people.

The idealised local institution is an institution, which benefits people, emphasises the fairness, and could look after the real welfare of the people. Local institutions to protect and advance economic interests is the most expected form. However, making a great effort and having constructive, local institutions that do not deal with economic issues lead to a lack of response from the people so that this sort of institution is unproductive and unpopular. Paradoxically, there are some people who assert that the expected local institution is an institution, which operated in the social arena, not economic (since, for the latter there are already some relevant institutions such as banks, or state entrepreneurship). In their opinion, economic problems are the most sensitive matters, which tends to engender social conflicts.

In order to get popular sympathy back, local institution must change their paradigm, and become neutral, not taking sides with certain dominant political interests, and consequently being able to link all group interests, accommodate them, and find a solution. It must have a real job to do, and not just make fine speeches.

Urban people assume that developing a new local institution is still necessary, that is a local institution which could

answer urban people's needs. It must be able to deal with economic social, moral and other dimensions. One of the local institutions that could deal with all dimensions is Baitul Mal Wa Tamil (BMT). This institution has a good philosophy; it combines the grant, the attempt to increase the quality of human resources and the benefit that is based on religious values. However, the foundation is Islamic, it could be developed and adapted to other institutions that are based on common things, which do not strongly refer to a religious context. The *Mal* concept means giving alms that are utilised for helping other people's lives such as the poor people, widows, decrepit people, and so on. *Tamil* is a concept that manifested into activities, which is similar to the way a bank operates, that is the lending of capital/grant with certain profit sharing. Thus, *Baitul Mal Wa Tamil* combines two activities at once, which is enlarging and improving the *self-quality* and their organisation at the same time. BMT attempts to be an agent of change as well, in which its members are not solely supported by business capital, but it also gives their members some training such as business management training. Mentally and spiritually, BMT attempts to encourage their members by religious instructions. Thus BMT attempts to increase the quality of resources by giving economic aid first. There is no intervention of government institution in the internal affairs of BMT, so that its position could be more autonomous and independent (could establish its own rules and procedures, and conforming to the local situation where a BMT institution exists). The question of whether or not this local institution could survive is something for the people to decide themselves. If people could accept it, then the institution would survive and grow. From the case of BMT, it seems that ideally, local institutions should reflect the aspi-

rations and interests of people themselves. The government role is solely giving support by providing soft loans.

### **7.8. The Expected Leaders of Local Institutions**

In order to be an institution which empowers people, the executives of local institutions must be familiar, charismatic, and not likely to be guilty of favouritism. honest, fair in dealing with problems, and and chosen by everyone concerned and based of good moral character. The election of the leader is based on winning a majority of the votes by emphasising morality and rational, and not solely factors such as economic capability, since people who have it are usually deemed to have more authority. The qualification is expected to reduce the influence of the leader which is stronger than the institution itself. However, if the leaders got involved in anarchism, had personal interests and attempted to exploit local institutions in order to support her/his desire, the anarchism could not be eliminated.

Since the existing local institutions were inherited from the New Order, it must reform itself by changing the way it communicated with others and encouraging people criticism and so on. Previously, the elected figures of local institutions are usually talkative, offering bombastic concepts but incapable and unwilling to implement them.

Most urban people assume that the leader's authority has something to do with personal quality. It could be actualised by direct interaction with people; their real needs and problems, and giving them a real solution. We can see the quality of a leader from whether he keeps his promises, if he does so the people will trust him more.

In addition, it is suggested that in order to get people's sympathy, it is necessary for a leader to emerge, who could show his talents more effectively than others could. They should ideally not be too young and not too old (approximately 45-55 years old), and not have any political affiliation (neutral) and be judicious. Besides, local institution must be neutral, not taking the side of a particular political interest and linking all existing groups.

### **7.9. Local Institution and People Empowerment within the Reform Era**

In the past, the empowerment of local people, which was undertaken by local institutions but there were few of them. The empowerment program of local institutions was still sporadic, most of them were government programs and not handled seriously. Frequently, local institution solely manipulated people (acted on people's behalf in order to earn money).

During the Reform Era, the local institutions' programs for the empowerment of urban people faded away, became weak and even seemed to lose many of its functions and roles. It resulted from the unclear vision and mission of the institution. It was as if it lost its ethos since there was no repression from the state, no clear programs and no obligation. It became stuck, with no responsibility, and obligation to struggle for certain aspirations. The executives prefer to be ordinary people in order to avoid having responsibility which can be risky, and which makes them vulnerable to criticism if policies are not implemented. Thus, the executive's ethos which was all about empowering people has been lost as well. They did not attempt at their best to direct people, win their self-confidence and feelings of safety. Thus, the executives were fearful of popular protest.

Conceptually, the existing local institutions are already good for the empowerment of the people, so it is still necessary to make it work. It is, nevertheless, necessary to evaluate its rules and procedures, vision and to emphasise people interests, not state or particular group interests. The activities of local institutions must give priority to the development of a national character. It certainly needs endeavour from everybody. There are some existing local institutions, among others neighbourhood institutions (RT, RW, Dasa Wisma, PKK, and so on), religious institutions (religious instruction groups, Christian unity, traditional Moslem school and so on).

However, local institutions cannot be deemed as the only relevant institutions to empower urban people, since urban problems are highly complex. It is necessary to undertake empowerment collectively, and not depend on a small body of men. Not all problems could be resolved by one person. Therefore, it requires specialised skills and self-integration with a broader system, so that local institutions could remain strong.

The important objective of local institutions should be moral and ethical empowerment. Both influence changes in behaviour. Economic improvement would happen by itself, if moral character has already been formed. There are some ways to empower local institutions in urban society, such as involving them in seminars, symposiums and so on.

In order to recognize and instil some new values for local institutions, it needs programmed means and a long time. It needs a particular design, which pays attention to the development phases that people go through, that is by discussing with relevant experts and the result is translated into easy terms, so that ordinary people could access it and then absorb it via lectures by important members of the community. A suitable method,



and a right individual will handle each problem. It is necessary to undertake an internal routine meeting, so that there will be social and moral control, periodically educational information (1-2 months) and control of one another. One person should no longer deal with many institutions, because it would be busy and tiring, and the work will hardly be ideal. A communication network is needed to link the information about innovations to common people, and to exchange information at the same time, in order to strengthen the mechanism. Meanwhile local institution must work hand in hand with mass media as well to spread healthy and constructive information, and avoid sensational information that makes people restless. Local institution must elect a leader who is mostly listened to and has the authority to take the real action that people need.

### **7.10. The Relationship of the Government and Local Institutions**

Recently, the relevant government roles are as facilitator, advocate, consultant, formaliser make government policy and convey the policy to people.

Considering that people have been conditioned by the environment and circumstances of the New Order for a long time, there must be a paradigm change. The government must be honest and objective in viewing every problem, and must stop trying to maintain the status quo. It must stop using the same solutions when resolving problems. There must be a spirit of equality of rights and obligations as well as a lack of discrimination.

Local institutions require such a unchanging regulation, which has a moral responsibility, so that there will be sanction for those who break it. It is needed in order to respect the

authority of local institutions, not solely their leaders. Meanwhile, judicial institutions still deal with crime. When people are incapable of handling anarchy, the government must react fast to enforce the law and maintain public order.

### **7.11. Conclusion**

Local institutions in the Reform Era, generally, are divided into two types. Firstly, local institutions as a way of creating social conflict which is caused by the more dominant influence of the leader than of the institution, so that the institution is easier to use as a political vehicle in order to accomplish her/his personal political interests. Secondly, local institutions that still function as a driving force in people's development but this is because of the authority of the leader rather than because of the institutional influence. People tend to be reluctant about the leader. There is a tendency for local institutions to lose their legitimacy in the eyes of the people. If some local institutions still play a part in the development process, it is because of the leaders who had authority over, concern for and responsibility for people in the environment. The leaders are influential because, culturally, people are influenced by a highly paternalistic culture, which paid attention to strong leaders rather than to the system and its institutions.

Since, generally, local institution in urban areas could carry out its functions because of its leader, then in order to change the paradigm of its development, it is strongly suggested that they have a charismatic figure who is truly capable, undertaking a process of dialogue and public transparency, democratically elected and integrating local institutions and stronger organisations. It needs endeavour to make this new pattern socially acceptable and firmly established.

In order to give local institutions their rôle in people empowerment, it must build on the needs of local people, must be capable of bringing real advantages, and more specifically, capable of bringing welfare for the people, both materially and spiritually.