

# Introduction

Public administration does not exist in isolation: It is embedded in the political, cultural, social and economic framework of a country. The structure, functions and working procedures of a public administration are shaped by historical experiences and events as well as by the current needs of the political and economic environment. History, traditions, the value system of a certain culture, religion and geographical aspects combine with the political and economic setting of a country to form the main parameters of a public administration system.

In the traditional view, public administration as the executive branch of the state has been set apart from the legislative branch (parliament) and the judiciary. However, this separation is of a more theoretical nature, since in reality public administration today is deeply involved in policy making and policy implementation. The perception that the representative bodies (the legislature) decide on the specific activities of the public administration and control their implementation does not reflect the actual process of policy making and implementation which brings together the executive and legislative branch of the state in an intertwined process of acting and reacting, of bargaining and negotiating, of compromising and influencing. In the administrative sciences, this development has given shape to the formulation of the concept of a Political-Administrative System, which looks at public administration in the context of its political and economic environment.

In Indonesia, four major factors might be mentioned that influence the perception and the role of the public administration:

1. In respect to value orientation and mental attitudes, the Indonesian public administration is strongly influenced by traditional Javanese concepts of power, hierarchy and conflict solution. Centralisation of power is one of the most dominant features supporting a tendency for a highly centralised nature of the Indonesian bureaucracy with a top-down decision-making system (MacAndrews 1986a:9). Externally, these concepts foster a patrimonial attitude of the public administration, in which the relationship between public administration and the individual citizen is defined as a "patron-client"-relationship: "...the Javanese conception of power is patrimonial in its characteristics. This is reflected in the informal composition of the administrative structure. While formally hierarchical, it is in effect composed of stratified clusters of patron-client relations." (Asmerom et.al. 1994:20) Javanese concepts like *rukun* (the harmonious status of the society), *musyawarah* (discussion aimed at reaching a consensus), and *mufakat* (consensus based on mutual concessions) have a strong influence on the internal working mechanism of the

bureaucracy, emphasising consensus, harmony and equilibrium, respect of hierarchy and of the superiors, and focusing on initiative and leadership by the superiors who hold the decision-making authority.

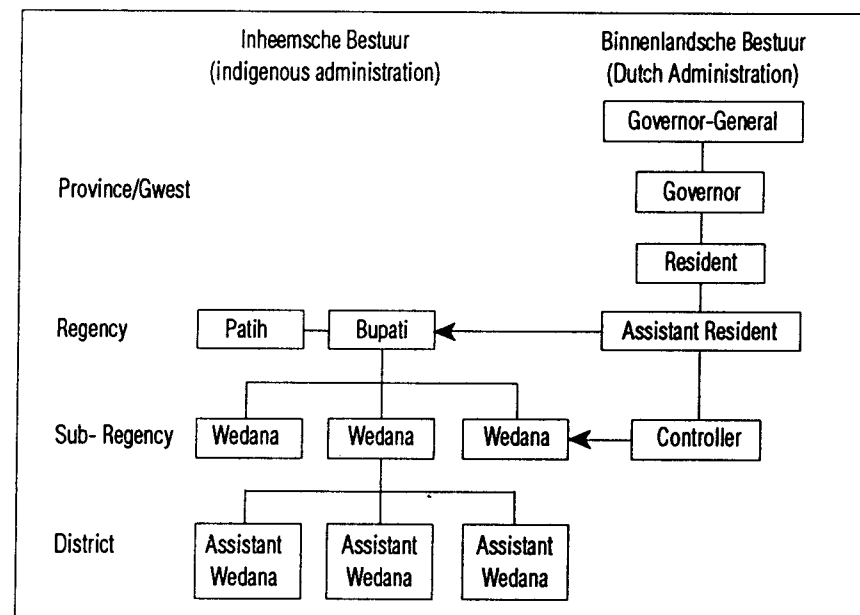
2. The "indirect rule" - patterns of the Dutch colonial administration supported paternalistic characteristics of an indigenous Indonesian public administration by stressing centralisation, by neglecting local initiative and decision making (Devas 1989:10) and by its reliance on the indigenous administrative elite, the *priyayi*, which became the most influential indigenous group of the Indonesian society. The so-called *Inheemsche Bestuur* (the indigenous branch of the colonial administration) dominated "in the interpretation of a hierarchical, 'prince and subject' or 'patron and client' relation. This can be attributed to the bureaucracy's elite formation, the *priyayi*, as a social class...feudals or descendants of the earlier feudals" (Bintoro 1991:341).
3. With the beginning of the "New Order"- government in the 1960's the state (and the public administration as the executive branch of the state) assumed a leading role in determining the process of economic and social development. It engaged in direct economic activities as can be seen by the burgeoning public enterprise sector and by high rates of public investment. Wide-spread regulation of private economic and social activities gave the public administration a wide area of jurisdiction. Together with the army, it became the prime motor for economic activities, policy design and political decision-making.
4. Indonesia as a country is characterised by a huge diversity in terms of ethnic composition, distribution of population and natural resources, language, culture, religion, geographical and ecological conditions. One of the immediate objectives after gaining independence and sovereignty from the Dutch in 1949 was to consolidate the national unity of the country and to fight separatist movements which sprung up in various provinces (Aceh, Sumatra, Moluccas). This experience of centrifugal forces threatening national unity again strengthened a centralised and top-down approach towards administration, in which the centre (the national government in the capital) determines the activities of the bureaucracy up to the lowest level and leaves little real autonomy to the regional or local authorities.

The factors mentioned above made the public administration one of the most powerful institutions of the society, and shaped the self-image of the civil servants. They determined the relationship between the public administration, other institutions and the individual citizen.

Public administration under the Dutch was characterised by a two-tier system of administration: the Dutch administration, the *Binnenlandsche Bestuur*, controlled

the indigenous administration, the *Inheemsche Bestuur* (see Fig.1). Control over the people was actually carried out by the indigenous administration which was based on the traditional power system and the *priyayi*-group as holders of this power. Starting from ca. 1860, the Dutch took some initiative to build a modern indigenous bureaucracy, and established three *Hoofden Schools* in 1866 and the *Opleiding School voor Inlandsche Ambtenaren* (OSVIA) (School for the Training of Indigenous Public Personnel) in 1900. Despite the establishment of these schools which were later followed by other training institutions for the various levels and fields of the administration (Bintoro 1991:294ff), the number of Indonesians occupying higher positions in the administration remained low.<sup>(1)</sup> The *Binnenlandssche Bestuur* remained exclusively Dutch.

Figure 1: Structure of Dutch colonial administration



During this time, the total size of the public administration was relatively small, even compared with other Southeast Asian countries. Evers/Schiel (1988:74) estimated the total number of civil servants in 1920 as 81,500, in 1930 as 111,000 and in 1940 as 82,000. This would give a ratio of civil servants per 1000 citizens of 1.6, 1.8 and 1.1 respectively, compared with a ratio (in the same years) of 8.8, 6.6 and 6.9 in Thailand. Evers/Schiel also argue that during the colonial time the public administration was little more than an apparatus to appropriate surplus revenue in the interests of the colonial masters (ibid:73).

The lack of qualified personnel in the higher civil service ranks became an immediate problem with the independence of Indonesia in 1945 and the recognition of the Indonesian sovereignty by the Dutch in 1949. Rapid promotion of unqualified personnel with insufficient training lowered the performance of the public administration (Salamoen 1993:199). During the "etatism"-period of 1959-1965, a theoretically strong role of the public administration emphasising direct control and strong interventions by the state was made ineffective by the political instability of these years. The negative effects of the struggle of competing political parties to gain influence in the public administration prevented the bureaucracy from operating rationally and output-oriented. During the Sukarno years "investment to improve administrative infrastructure was minimal..., indeed few attempts were made to alter the goals, structure and behavioural characteristics of the Indonesian public administration for performance purposes." At the end of the "Old Order" - government, public administration was "plagued by corruption, non-adherence to the merit system in personnel management, absenteeism, undiscipline, low salaries, and excessive red tape..." (2)

The beginning of the "New Order"-government saw "serious efforts of administrative reforms" by promoting work-professionalism and loyalty to the government" (Bintoro 1991:26). The civil servants were fully integrated into the national political system by creating the civil service organisation KORPRI<sup>(3)</sup> and by KORPRI's membership in the Functional Group (GOLKAR), the quasi-governmental ruling party. Development of the public administration after 1966 was directed at developing the public administration as manifestation of *Pancasila* and the 1945 constitution, enabling the public administration to support national development and to build a "professional public administration which is highly disciplined, skilful, productive, efficient, effective, clean and influential" (Salamoen 1993:21f). At the same time public administration should serve and protect the public, promote initiative and participation of the society and improve the government's ability to use potentials and opportunities in economic development (ibid.). Compared with other institutions of the state and the society, the public administration became extremely influential.

Since 1983, there has been a change of policy and a change of paradigm concerning public administration and its role in the society, which can be summarized under the three catchwords of "Deregulation, Debureaucratisation and Decentralisation". Several factors are responsible for this policy shift: Declining government revenues from oil and gas reduced the ability of the government to invest, thus necessitating a greater reliance on and utilisation of private sector funds. The level of administrative centralisation turned out to be too rigid and too inflexible to deal satisfactorily with the increasing demands for public services. At the same time a politically matured society called for greater transparency and accountability of the

public administration and for greater participation of the various groups of the society in policy-making and policy-implementation.

In view of this, the government embarked on a policy of economic deregulation which removed many of the control, licensing and supervising functions of the bureaucracy and which gave the private domestic and foreign sector a much stronger role in fostering economic development. The principle policy direction now is to shift from direct government involvement to a more indirect mode of operation in which the government would define the overall rules but would restrain from direct intervention. At the same time functions of the government and their administrative implementation will be decentralised to the provincial and local level, with the central government focusing on general policy-making. The civil service will be "professionalised" by a stronger emphasis on the so-called "functional positions" (*jabatan fungsional*) with emphasis on specific professional and technical skills instead of the more general managerial orientation of the "structural positions" (*jabatan struktural*) (Salamoen 1993:32).

This policy has been confirmed in the 1993 GBHN (*Garis Garis Besar Haluan Negara*), the Guidelines of State Policy which determine the government policy for the five-year period of the presidential term, and which call for a greater role of socio-political organisations and mass organisations, a two-way communication flow between the public administration and the society, and more openness and sensitivity of the public administration regarding the aspirations and wishes of the society (GOI 1993: 25).

Apart from organisational and procedural changes in the public administration this policy shift requires above all a change of attitude and behaviour of the civil servants regarding their own position vis-a-vis the society and the citizens. Such a shift from a patrimonial "patron-client"-relationship between the public administration and the individual citizen to a "customer"-relationship is even in the western countries difficult to implement. It will definitely require continuous efforts before the objective of the 1993 GBHN will be achieved to build a public administration "having an attitude and behaviour the core of which is devotion, honesty, responsibility, discipline, justice and authority in order to be able to render services and protection to the society in conformity with the society's aspirations" (GOI 1993:36).

## Notes

1. In 1940, around 3 percent of the positions in the high ranks of the public administration were occupied by Indonesian. See Bintoro 1991:70.

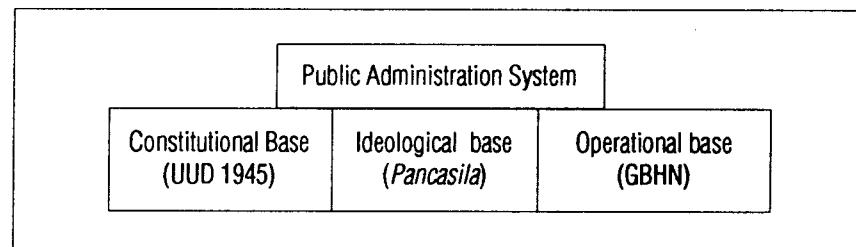
2. Djunaedi Hadisumarto, *The Indonesian Civil Service and its Reform Movements*. DPA Dissertation, University of Southern California 1974, p.180. Quoted in Quah 1989:249.
3. KORPRI (*Korps Pegawai Republik Indonesia*) is the organisation of all public sector personnel. Membership is compulsory for all civil servants (*pegawai negeri sipil*), for the staff of state-owned enterprises, and the members of the armed forces.

# 1

## The socio-political environment of public administration in Indonesia

We have already outlined above that the public administration system of a country does not exist in isolation: as a sub-system of the society it is interacting with a certain environment, exchanging information, ideas and resources. The social structure of the society, existing strategic groups and their shifting coalitions, the constitutional, political and legal framework of the state, the state philosophy or state ideology, political paradigms, culture, tradition and history, economic and ecological conditions influence structure, functions and activities of a public administration system. In the Indonesian debate, public administration has been based on three pillars: the state philosophy *Pancasila* as idealistic base, the 1945 constitution as constitutional base and the Broad Guidelines on State Policy (GBHN) as operational base (SANRI I:4).

**Figure 2: Basis of the public administration system in Indonesia**



In the following chapter, we will describe some of the influencing factors of the Indonesian public administration. We will concentrate on the constitutional and political framework, on the role of the official state ideology *Pancasila* and other political concepts dominating the socio-political debate, and on the legal framework in which public administration operates.