Kementerian PPN/
Bappenas

UNLIKELY HEROES

The Bureaucrats Behind Indonesia's Community Empowerment Initiative (1994-2014)

Kementerian PPN/
Bappenas

UNLIKELY HEROES

The Bureaucrats Behind Indonesia's Community Empowerment Initiative (1994-2014)

Irfan Kortschak
Scott E. Guggenheim
Maria Hartiningsih
Taufik Rinaldi

April, 2020

Directorate for Alleviating Poverty and Development of Social Welfare
Ministry of National Development Planning/
National Development Planning Agency

Unlikely Heroes
The Bureaucrats Behind Indonesia's Community Empowerment Initiative (1994-2014)

April 2020

ISBN 978-602-52841-4-4

Directorate for Alleviating Poverty and Development of Social Welfare
Ministry of National Development Planning/
National Development Planning Agency
Jalan Taman Suropati No.2 Jakarta 10310

PREFACE

In Indonesia, community empowerment has a long history, stretching back to the country's Independence. In one form or another, various administrations under different leaders have implemented programs and activities to empower the community, albeit adopting very different approaches and guided by widely varying concepts and theories of development. Each of these approaches was deemed applicable at the time in which it was implemented, with these approaches influenced by the different domestic and international contexts at each period. As Indonesian society has continued to achieve higher levels of development, the programs have evolved to meet the changing needs of its citizens.

Even during a period when the government adopted an authoritarian, top-down approach in its relationship with the community, a small group of bureaucrats and officials continued to work to empower civil society. They rejected the idea that citizens were the objects of development initiatives and the recipients of government largess, believing that the country would be a better place if the community achieved a higher level of autonomy and independence. They believed that members of the community themselves were in the best position to understand and identify the constraints that prevented them from achieving prosperity. They believed that if the country's citizens had a greater voice and say in the governance of the country, a more equitable, effective distribution of resources could be achieved.

The bureaucrats who worked to develop these programs to empower the community were not well-known public figures, despite the role they played in society. For the most part, they worked silently, avoiding the limelight. Often, they faced serious opposition in their endeavors, risking their positions and their careers to achieve positive transformation. The

results of their endeavors were often not immediately apparent. They worked to achieve incremental change, with the impact of their effort not becoming visible in a few months, or even a few years, but only after decades.

Why is it important for us to understand the ideas and beliefs of these men and women?

We can only understand our own history if we make a conscious effort to do so. By understanding our history, we come to understand how we arrived at the present point, which will enable us to determine in which direction we should move into the future. It is important to understand the history of Indonesia's community empowerment initiative so that we can learn from the experiences of the past and to adapt them to meet our future needs.

Thus, we believe that an exploration of the ideas of the bureaucrats and officials that were involved in the government's programs over the past few decades, and of grassroots activists who were directly involved in these programs, can enable us to identify the strengths and weaknesses of each of these programs and thus enable us to ensure that the community participates fully in processes intended to manifest the principles of democracy and transparency. That is what this book is all about. Through the interviews with the selected officials and activists, we will gain a better understanding of these challenges and the means by which they may be addressed.

Empowerment is a process that has no final goal. Rather, it is a strategy for the achievement of the goals of the Indonesian nation. I welcome the publication of this book as a means to ensure the participation of all citizens in this journey. With the evolving global and national context in which Indonesians live, with technological developments transforming

the world, ideas regarding empowerment cannot stand still. Rather, they must continue to be transformed and refined to meet the expanding needs of the country's population.

With the challenges that the world faces at the moment, there is a particular need to intensify this process of empowerment. Yet at the same time, there is still a lack of general understanding of this concept of empowerment, which constrains our efforts to intensify the application of the necessary strategies. We need to make the effort to understand so that the community empowerment initiative remains a strong and effective means of meeting the nation's needs. We still have a long way to go.

We hope that this book serves as a source of inspiration and reflection that enables the nation to move forward. We hope that you enjoy it.

Pungky Sumadi
Deputy for Population and Employment
BAPPENAS

ACKNOWLEDGMENTS

First and foremost, we would like to thank Boediono, Gunawan Sumodiningrat, Sujana Royat, Ayip Muflich, Muda Mahendrawan, Pungky Sumadi, Vivi Yuliswati, Bito Wikantoso, Enurlaela Hasanah, Budiman Sujatmiko, and Nani Zulmiarni for generously making themselves available to be interviewed, often on multiple occasions, and for following up with requests for clarifications and further explanations.

Special thanks is due to the staff and officials of BAPPENAS, particularly Pungky Sumadi, who currently serves as the Deputy for Population and Employment and who was himself one of the eight interview subjects, for his support for this project. The World Bank kindly allowed us to use images from their image bank, to give context to the stories.

Finally, we would like to offer our best wishes and hopes to all the readers of this book and to all other Indonesians, particularly the younger generation, whom we hope will engage with the ideas of an older generation and take them even further than the older generation ever believed possible.

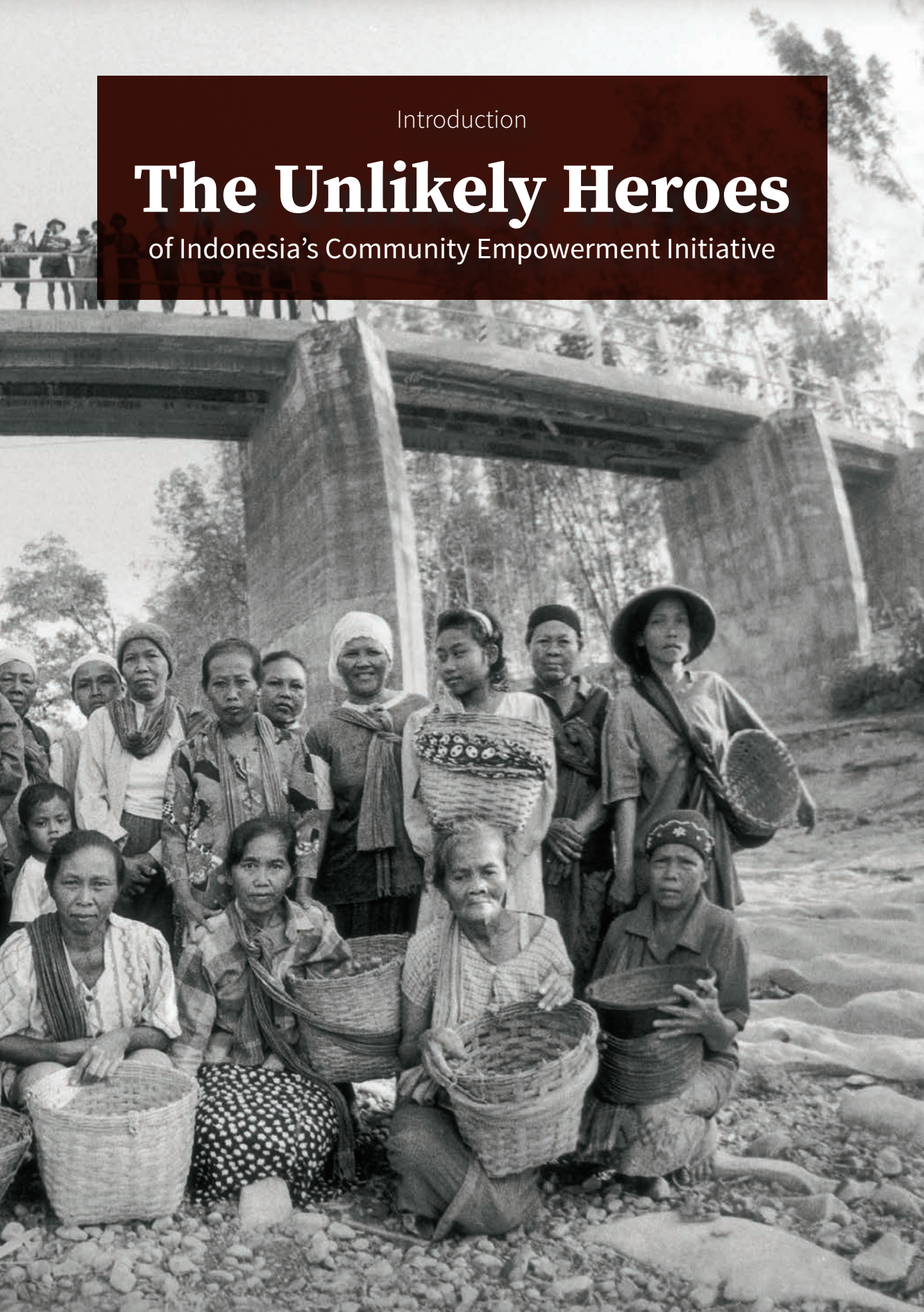
CONTENTS

Villagers from Temugiring, near Yogyakarta in central Java, gather on top of and below the bridge they built. Photo by Poriaman Sitanggang.

Introduction

The Unlikely Heroes

of Indonesia's Community Empowerment Initiative



The stories of aging and retired bureaucrats: Why should we care?

This book consists of the recollections and stories of eight senior bureaucrats and office bearers who were involved in the Indonesian government's community empowerment programs between 1994 and 2014. During the interviews with these subjects, they were invited to describe their involvement with the programs, to explain why the programs were implemented, what they hoped to achieve through them, what the political and social context was at the time, and what challenges they faced. On a more personal note, they were also asked to describe their feelings about the programs, how their own personal ideologies influenced them in conducting their duties, how their personal educational, economic, family and social backgrounds led them to these ideologies, what they learned and how their ideas changed as they progressed along their journey.

The first question is: *Why should anyone care? What interest or relevance can stories told by a group of retired and aging bureaucrats, most of whom worked far from the public limelight, dealing with technical and administrative matters of little interest to the general public even at the time, let alone decades later, have? What does it matter what they thought, or what their reasons were?*

The book covers a period of profound and dramatic change, during which one of most deeply entrenched, centralized dictatorships in the world at the time gave way to the emergence of a functioning, if still imperfect, democracy in Indonesia. Particularly compared with many neighboring countries, democracy is now well rooted throughout Indonesia's political society. Elections are held regularly, and are judged to be fair and free. Despite some setbacks and disturbing signs of regression, Indonesia has a strong anti-corruption commission, increasingly strong

civil society organizations, and a reasonably free press. With the rolling out of universal medical insurance and cash transfer systems, its social welfare and protection systems are expanding. Although inequality is rising, poverty rates continue to fall, and an increasing proportion of the young population have completed secondary school, with far greater opportunities, even for children from poorer backgrounds, to attend higher education than a generation ago.

It is difficult to appreciate what a stark contrast exists between today's Indonesia and Indonesia under the New Order. Although the story of Indonesia's transition from colonized state to dictatorship to democracy is still unfolding, the fact that the country has changed so much in just twenty years raises all sorts of challenging questions. *How much has really changed? To what extent have the changes been part of a conscious program driven by reformists? To what extent were they the result of crisis-driven responses to address acute political pressures? Why hasn't Indonesia followed the path of so many of the Middle East and former Soviet countries, which also saw pro-democracy revolutions appear but then splutter out or even erupt into civil wars?*

While this book doesn't pretend to provide definitive answers to these questions, it does attempt to frame them to enable a discussion to take place. While it could be reasonably argued that much of Indonesia's democratization reflects the outcome of different factions within the ruling classes bargaining with each other, it is also clear that Indonesia's urban and rural poor have experienced real and lasting benefits. Indonesia's democratization could easily have ended up creating political liberties only for the wealthy and well-connected, as has occurred in many countries elsewhere in South Asia. It could also have brought into power fundamentalist religious or populist groups, as happened after many of West Asia's color revolutions. And it could have simply replicated Soeharto-ism without Soeharto, as seems to have happened in several

countries of the former Soviet Union, which replaced communist rule with one-party political systems dominated by the same commissars who previously ruled "the Party."

The authors of this book believe that Indonesia's large anti-poverty and community empowerment programs have played an important role in keeping the country from suffering the fates of these other countries, where reform has stalled or there has been a reversion to authoritarianism. Though none of Indonesia's programs were perfect, the net result of the post-Soeharto investments in community development, social insurance, and cash transfer programs was not only to cushion the poor from the worst effects of the crisis and recovery, but to directly involve large numbers of ordinary Indonesians as active subjects, rather than passive objects, in the recovery processes and other development initiatives since.

It must be understood that the officials we interviewed for this book came to maturity under the New Order and began their careers as its faithful, if not always uncritical, servants. They were reformists, not revolutionaries. To understand both the contrast and the continuities between the community initiatives and the development models that preceded them, it is essential to describe the evolution of Indonesia's development thinking, as this provides the context for the interviews contained in this book.

Evolving definitions of development, evolving definitions of Indonesia

REPRESSIVE DEVELOPMENT

At least during the mid to late New Order period, Indonesia's government justified the establishment of a highly centralized, authoritarian political system on the basis of modernist economic theories that defined development almost exclusively in terms of economic growth. It was accepted both that increased economic growth was essential to ensure prosperity for "the nation" and that the achievement of economic growth may might result in increased economic inequality and the need for some painful readjustments, including forceable land acquisitions, the displacement of squatter and other communities, and a mass exodus from rural areas to the cities or to areas targeted for transmigration. Handling this collateral damage might require a strong, authoritarian government, prepared to suppress political, social and human rights to achieve the primary goal.

Both the increased inequality and the suppression of the associated social and political unrest were justified because:

> *"… in the due course of time, and without any special intervention, accelerated economic growth would filter down and spread across, bringing the benefits of capitalist growth to the poorer segments of society (trickle down).[1]"*

As Mehmet states, this belief was predicated on visions of a high modernist utopia resting on economic theories that assumed that:

> *"… development was capital accumulation; a technocratic task of grand designs, simultaneous equations, balanced growth, all plannable with mathematical precision.[2]"*

During this period, the New Order government used an ideology that has been defined as *repressive developmentalism*[3] to justify an authoritarian, centralized government, with the pursuit of growth being used explicitly to justify the exclusion of large segments of society from the political process, and to define civil and political rights in a manner that made these subordinate to the achievement of that economic growth.

The story of the Kedung Ombo dam, a reservoir in Central Java built to establish a 22.5 Megawatt (MW) power plant that commenced in 1985 and that was funded by the World Bank, has taken on all the characteristics of a cautionary tale to warn of the potentially disastrous impacts of this conception of development. At the time, the government easily persuaded the World Bank that the project would cause minimal social dislocation, that the small number of people directly affected would jump at the chance to move to far-off transmigration sites in Kalimantan. In the actual event, hundreds of farmers whose lands were threatened with flooding refused to move and engaged in acts of civil disobedience that had repercussions for a decade or more, with the tacit support of thousands more. Their protests attracted wide-spread support, severely embarrassing both the New Order government and the World Bank, which became detested by many civil society activists for what was seen as its complicity with this project (see, for example, the interview with Nani Zulminarni on page 173).

In terms of this ideology, the exclusion of large segments of society from the political process was often quite clearly and explicitly acknowledged by the government, with frequent references to the putative coup attempt by Indonesia's communist party, which was seen in large part to result from the unhealthy and dysfunctional involvement of the masses in political processes. For example, Ali Moertopo, a senior military figure and leading ideologue of the New Order regime, made the link between depoliticization and economic development explicit when he declared the policy of the Floating Mass, stating that:

> *… it is only right to attract the attention of the mainly village people away from political problems and ideological exclusiveness to efforts of national development through the development of their own rural societies… In this way people in the villages will not spend their valuable time and energy in the political struggles of parties and groups, but will be occupied wholly with development efforts.*[4]

When Moertopo stated that village communities should be occupied with development efforts, it was quite clear that he meant that they should carry out the instructions issued to them by local officials, with instructions flowing down through the hierarchy from the center and the top. By then, it had become a semi-official doctrine that the people were *still too ignorant* (*masyarakat masih bodoh*) to fulfill any other role. By constructing and socializing what might be described as a 'neo-kratonian'[5] vision of Indonesian culture, based on a largely imaginary interpretation of the idealized relationship between the kings of old Java and their subjects, the New Order effectively placed dissent, opposition or even open discussion outside the boundaries of acceptable political discourse.

As stated previously, there was much ideological support from the international community for the approach adopted by the New Order, with criticisms addressed by referring back to the catastrophic dysfunction of the era preceding it and to the perceived successes following its institution. In general, these successes were widely praised and lauded by powerful development agencies, international organizations, and the broader global community. Indeed, particularly compared with some far more blatantly kleptocratic and venal governments elsewhere in the developing world, there was much to praise. In the period from 1976 to 1993, Indonesia's poverty rate dropped from 40.1 percent of the population to less than 15 percent, with dramatic increases and improvements in the consumption patterns of citizens. With the government constructing hundreds of thousands of schools, the country

came close to achieving universal primary school education. With other poor countries recording shockingly high birth rates that ate up any economic gains, Indonesia's family planning program was regarded as highly effective and was widely praised. These and many other successes justified Indonesia's description as a model developing nation, to be emulated and admired by others.

CLOUDS ON THE HORIZON

In fact, the degree and extent to which the New Order government was committed to prevailing neo-liberal economic models and theories and to which its policies actually promoted broad economic growth is highly debatable. Discussing the late New Order period, Robison described Indonesia as being involved in "… a process of transformation from enclave export-commodity production to export-promotion industrialization,"[6] with conflict within the ruling class resulting from the differing demands of the two different systems and with increasing criticism of the first family's near total domination and control of economic resources for its own benefit, particularly when this control hampered integration with the global economy. In particular, he saw the ebb and flow of commitment to liberal market ideology as heavily influenced by rises and falls in the price of oil, with a greater openness to foreign capital during periods when oil prices were low, and a higher level of protectionism and state intervention when prices were high.

While this conflict was usually phrased in terms of still tentative (but increasingly strident) demands for economic liberalization and the dismantling of monopolies, it also created space for the expression of discontent with perceived growing inequality, widespread corruption, and a dysfunctional judicial system that served to ratify land grabs and other expressions of power. Few analysts at the time saw just how widespread this discontent had spread, as subsequent events were to

soon show. Nevertheless, the government's more sensitive political antennae had already detected the currents of popular disillusionment. Even before analysts or donors voiced concern over rising inequality, planners in the powerful National Planning Agency (*Badan Perencanaan Pembangunan Nasional*, BAPPENAS) began to prepare a series of targeted programs to reduce poverty.

THE PRESIDENTIAL PROGRAM FOR LEFT BEHIND VILLAGES (IDT)

While the subjects of the book generally came to maturity and began their careers in the bureaucracy in the period described in the preceding two subsections, it at about this point that their stories begin. On page 45 - 59, Gunawan Sumodiningrat gives his account of his involvement in the establishment of the Inpres Desa Tertinggal ("the presidential program for left behind villages," — IDT) program, a project launched in 1996 with the stated purpose of providing poor people with access to the seed capital that they needed to launch micro-businesses. As the name of the project implies, it was launched with the personal backing of President Soeharto and was managed directly by BAPPENAS, the national planning agency. The government committed funds to a value of US$ 200 million to the first phase of the project, with promises of more to follow. Soeharto's personal support for the project gave it great prestige and ensured that it would be prioritized for both funding and staff. At the same time, it meant that any success the project could claim would enhance his own prestige and demonstrate his commitment and concern, as the "Father of the Nation," for his people.

In his interview, Gunawan argues that IDT was a major departure from all previous development programs, claiming that it was first such project to adopt a bottom-up approach; the first to involve the provision of facilitation to communities; and the first to establish the principle

of community accountability for the use of funds. In fact, the extent to which it really did involve a "bottom-up" approach, at least in terms of how that has been understood since the end of the New Order, is highly debatable, with many critics of the project referring to the near total control of unaccountable village heads over the funds disbursed. The "facilitators" whom Gunawan claims were deployed to "assist" village communities were often serving members of the armed forces, usually KOPASSUS, not an institution that would now be an intuitively obvious choice to facilitate a community empowerment initiative. Gunawan defends this decision, stating:

> *There was nothing strange about using soldiers as facilitators. At that time, Pak Soeharto was the president, and the program was based on his presidential instruction. And Prabowo was President Soeharto's son-in-law! If the president supported the program, we knew it could succeed. The program was conducted to provide training in three areas: leadership, nationalism and entrepreneurship. We wanted to develop a highly disciplined, well-trained facilitator corps that promoted national values to enable us to implement a government project effectively. And the army clearly had the most experience in providing training in those areas. And of all the army units, Kopassus was the most effective and well-trained. So, in cooperation with Kopassus, we provided training to benefit 2200 villages, with one facilitator in each village.*

In fact, at the time, with the established principle of the *Dwifungsi* (dual function) of the armed forces under the New Order, military personnel were involved in a wide range of activities that would in other places have been conducted by civil servants or even private business managers. Soldiers routinely occupied positions of authority, ranging from village heads to top executives at state-owned enterprises, so in fact, as Gunawan states, the deployment of soldiers as facilitators would probably not have been seen as quite so controversial at the time as it would now.

Gunawan also claims that previous government poverty alleviation projects usually involved the provision of resources, such as rice handouts, to members of communities whose role was limited to that of recipients of government largesse. IDT was, therefore, the first government project to insist that communities were accountable for the resources they received, which later became an important underlying principle in the projects that followed. It also represents the emergence of a new definition of the relationship between the state and society, leading to a transformation of perceptions of the community as passive beneficiaries and objects of government programs, to active participants and subjects. As Gunawan states:

> *As I often said to Pak Mubyarto, it would be futile to hand out money to the community if they hadn't developed effective plans for its use. Unless the community had effective, well-developed plans, it would not be possible to improve their welfare. So, I believed that we had to insist that the community have a well-developed plan before it received funding. I came up with a one-page form through which community groups could state how much they had received, what they were using it for, and how much was left over ... Pak Ginanjar once got angry with me for expressing doubts regarding the community's readiness to manage the funds they had received. I told him that if I was serving as the project leader, I wanted to be able to account for all expenditures made through the program. So, at the time, the funds weren't disbursed and there was some conflict. I insisted that there had to be full accountability for the use of the funds.*

Gunawan stated that IDT was the first government project that recognized the need for a comprehensive understanding of poverty in rural areas, which required extensive field research to determine its extent, location, characteristics, and root causes. With the implementation of IDT, data from a wide range of sources was integrated into Statistics Indonesia's

(*Badan Pusat Statistik*, BPS) databases. Three surveys related to consumption, education and health were merged into a single National Socio-Economic Household Survey (*Core Susenas*), and the government developed a system to measure and determine poverty at the household level through the Village Potential Data (*Podes*) surveys.

In retrospect, IDT has often been judged to have failed to achieve its aims. IDT's objectives were laudable and the project's targeting appeared to be reasonable, but the program simply could not be implemented through the government's bureaucracy, mainly because of the high level of corruption and elite capture. In practice, the emphasis was on disbursing funds to meet government targets rather than on any attempt to ensure that they were provided to community groups with well-established plans. At best, village heads, knowing that this was a presidential program, usually preferred to give IDT funds to members of local elites who, they believed, would use the money effectively and quickly, rather than to poor people who would be unlikely to pay it back. Even when poor villagers received any benefits (usually in the form of grants of livestock), they often treated it as a welcome windfall, to be sold or consumed, with little long-term impact. In fact, an ex-post statistical evaluation of IDT three years after it was halted found a total net impact on poverty of zero.[7]

While many of the subjects in this book acknowledge these weaknesses and failures, they also point out that it was these failures that informed the development of the programs that followed. Thus, it played a vital role in the overall community empowerment initiative.

THE *KECAMATAN* DEVELOPMENT PROJECT (KDP) AND THE URBAN POVERTY PROJECT (UPP)

In many ways, the story of the KDP is the most interesting of all the government projects described in this book. Firstly, it took place during a particularly exciting and dramatic period of Indonesia's history, beginning as a small pilot study in the late New Order period. It was implemented throughout the Asian financial crisis, the fall of the dictatorship that ended with the resignation of President Soeharto, the reform period that followed, when Indonesia's government and private sector were virtually bankrupt, and it continued up until the election of President Susilo Bambang Yudhyono, who transformed it into a new, nation-wide program, PNPM, the National Program for Community Empowerment. All of these events, individually and collectively, involved a radical reassessment of the nature of the state and its relationship with society. An examination of KDP, then, provides great insights into this process of reassessment, which is a core theme of this book.

The basic architecture of the KDP project can be easily described. It consisted of block grants provided directly by the central government to kecamatan (subdistrict) councils, which they could use to fund development plans that had been prepared through a 4-6 month long participatory planning process that began in hamlets and that were consolidated at village-wide decision meetings before being submitted to the kecamatan council, where the proposals from a number of villages were contested and prioritized. KDP rules required that any village group submitting a proposal must send a delegation of at least two women and one man to the kecamatan meetings, at which villagers decided on which proposals would be funded. Each village could submit up to two proposals to the kecamatan council. This always led to proposals for more projects than could be funded with the available resources, so the villagers had to negotiate among themselves which proposals were the worthiest. Once the kecamatan forum agreed on which proposals merit

funding, nobody further up the system could modify them. Funds were released from the provincial branch of the national treasury directly to a bank account held in the name of all of the villagers.

Ayip Muflich describes how this mechanism came to be developed, stating that during a conversation between him and Gunawan Sumodiningrat on a mission to visit a poor village participating in the IDT program in NTT in 1994, they discussed the problems associated with implementing the program through the bureaucracy. While they recognized that a village-level participatory planning system already existed, they also believed that it had become ineffectual, because while villages were required to submit proposals for funding for development initiatives, actual decisions were taken at higher levels, often the national level. As Ayip says:

> *At least in theory, the planning process mandated by law was highly participatory. It involved a series of public meetings at which community members could submit proposals to village officials for funds to build infrastructure or for other purposes. The officials forwarded these proposals up through the hierarchy to the district level for consideration, according to the availability of funds and the perceived match between the proposals and national development priorities. But hardly any of the proposals were ever granted and everyone in the community knew it, so no-one took the process seriously and the quality of the proposals was poor. It was just a pro forma exercise, a wish-list, because it had little relationship with how funds were actually allocated.*

This meant that there was a radical disconnect between the proposals and the allocations. Ayip adds the following:

> *We could see that placing control over resources at the district level resulted in the disempowerment of the village and the planning processes there. At the same time, with village administrations under*

the control of local elites, granting control over resources to the villages resulted in elite capture and control. Pak Gunawan became convinced that the missing link between the top-down approach and the bottom-up approach was at the subdistrict level. We devised the KDP as a pilot project to test that idea that we could reinvigorate the bottom-up planning process by devolving decision-making power over the funds to subdistrict councils consisting of representatives from the villages to assess proposals from community groups at the village and hamlet levels, with these councils controlling and allocating funds so that these proposals could actually be implemented.

Ayip also points out that one of the key innovations of KDP was the provision of facilitation. He explains the needs the facilitators were intended to meet as follows:

Duty bearers realized that after decades of the community being accustomed to acting as passive beneficiaries, their capacities were limited. There is an enormous variation in the capacities of communities in different regions and in different circumstances, and some communities didn't have the capacities to formulate and implement plans to improve infrastructure, health and education. So, we realized that communities needed facilitators to help them help themselves.

BAPPENAS, which was coordinating IDT, and the Ministry of Home Affairs, launched a small pilot in 6 *kecamatan* that coupled IDT's approach to direct fund transfer and facilitation with a more structured system for planning, engineering, and community oversight. In the context of the dominant development paradigm under the New Order described in previous sections, even the idea of a small pilot study faced strong opposition from the old guard, who continued to espouse policies promoting a centralized system to promote national growth. Combined with this opposition, the reformists also faced regulatory constraints that made it impossible to disburse government funds to community

groups. According to Sujana, to get around this, the reformers entered into an uneasy relationship with the World Bank to secure the necessary funding for the pilot.

It was only after the Asian financial crisis hit that government and public perceptions of KDP began to change. At this point, it went from being a curious and eccentric pilot to an integral part of the government's crisis management process. While KDP was designed for Indonesians in rural areas, the crisis in 1998 resulted in a high level of public discontent amongst urban populations. With the government fully aware of the potential for debilitating social unrest, it recognized an urgent need to develop a similar program for those in urban areas. Thus, it decided to put the Urban Poverty Project into action – and very, very quickly. Pungky Sumadi, who was serving at BAPPENAS' Bureau for Urban Development, Settlement and Public Housing (*Biro Pembangunan Perkotaan, Permukiman dan Perumahan Rakyat*, P4R) describes this sense of urgency and the pressures on him to develop the project in an unprecedented six months as follows:

> *At the time, the government was becoming deeply concerned about the potential for protests and social unrest due to the massive unemployment and sudden erosion in consumer buying power, particularly in the urban areas. The government wanted the new project to be a pre-emptive response to the impact of the crisis. The idea was to establish a program similar to KDP, which was intended to help villagers in rural areas, but modified for urban areas. My supervisor said that I had to make sure that project was ready to implement within six months. I couldn't believe he was serious. I had never seen even a small, simple government project take less than two years to put into action. And here was him saying we had to be ready with a complex, innovative, nation-wide project that used completely new mechanisms and systems in six months!*

Pungky explains that while the new UPP was built on the same principles as KDP, it also contained a number of key differences:

> *I wanted to try a completely different approach, an approach that put the community at the center of the initiative, that enabled it to decide what it needed. But for it to be effective, I needed a corps of facilitators who were prepared to work with local communities to develop good plans that expressed their aspirations. To win their trust, it was vital that the facilitators be seen to be working for the community, not the government. Secondly, the project really had to give communities space to decide what they needed. It couldn't involve telling the community what they had to do. Instead, it should contain simple mechanisms to enable the community to determine what they really needed and what resources they required to get it. So, we decided to use the "open menu" system that had been trialed with KDP, with communities able to propose any activity that met their needs, so long as it wasn't on a negative list. The negative list contained a number of explicit prohibitions, such as the construction of houses of worship or facilities to produce weapons, fireworks, drugs and so on. Apart from that, it was up to the communities.*

It is clear from the stories of those involved in both KDP and UPP that they regarded the pilots as highly experimental, perhaps contributing to an understanding of Indonesia's poor, but extremely unlikely ever to be implemented widely, given the political situation at the time. But the Asian financial crisis, which began to hit just as the pilots were wrapping up, created a dramatically new context. Not only was there now much greater ideological support for increased community participation, with the government close to bankruptcy, there was also an imperative need for the government to reduce overall expenditure while at the same time meeting the needs of the people. With wide-spread recognition of the high cost of government corruption, this new approach created

opportunities for the government to achieve more with its limited resources. Tasked with formulating a response to the crisis, BAPPENAS included a scale-up of the community project from six *kecamatan* to 500 of the most hard-hit *kecamatan*, at least to the best that the data on how the crisis was unfolding could discern, amongst the measures the government would carry out as factories began to close and large numbers of newly unemployed people returned to their village.

Sujana describes how the government stakeholders' attitudes underwent such a dramatic transformation following the advent of the crisis, as follows:

> *In the late Soeharto period, I think many of those in BAPPENAS and elsewhere expected and hoped the KDP pilot to fail, to put an end to the reformist tendencies. But the exact opposite occurred when the Asian financial crisis hit, eventually leading to the end of the Soeharto regime and the beginning of the political reform era, just as the second stage of KDP was being prepared. At the time, almost every other World Bank-funded project, all the major infrastructure projects that had been proposed by BAPPENAS, became financially unviable and had to be put on hold. KDP was the sole exception. This was a massive vindication. And by the time the first stage of the project came to an end, we had strong evidence that KDP could enable communities to build and deliver cost-efficient, high-quality infrastructure and services, that it enabled tens of thousands of people, mostly women, to set up small businesses through revolving loans funds, that it had a positive impact on governance. So, our ideas had moved from marginal and experimental, into the mainstream.*

In fact, as Sujana says, many of those who now accepted the community empowerment approach had little interest in or understanding of its principles, and even less commitment to any abstract concepts such as political freedom or democratization. Quite simply, they were won

over by the fact that this approach enabled the government to complete its agenda at a far lower financial cost than through the use of more conventional approaches (the usual figures cited in the reports suggested the financial costs associated with constructing village infrastructure such as roads, bridges, health care centers and so on through the community-driven development approach are 35-65 percent cheaper than with conventional approaches). In addition, studies show that in general the infrastructure is better constructed, meets community needs to a greater extent, and is better maintained. And this doesn't factor in all the additional benefits derived from building the capacities of communities to plan and manage projects through a process of participation, including the development of social capital through the establishment of village governance institutions, revolving loans, women's livelihood groups and so on.

Even more fundamentally, in terms of the themes of this book discussed in the opening sections of this introduction, it contributed to a transformation of the relationship between the state and society, by changing government stakeholders' perceptions of the capabilities of the community. As Ayip said in an interview, when he was still serving as Director-General:

> *The barrier to achieving this paradigm change was the question in the back of the minds of all agents of the bureaucracy and the Government: Can we trust the community to the make the decisions needed to improve their own welfare? For so many decades, the bureaucracy and the Government thought of the community as recipients, passive beneficiaries. Can we trust them? Since 1998, I believe that the fundamental question that I posed has been answered. The major reason for that is simply that it has been proven to be more effective in achieving the Government's goals ... Under the old approach, the community never knew what was being done with the money allocated for development initiatives. With the new approach, the community*

was actively encouraged to take note of how money is allocated and how it is actually utilized. Every expenditure is noted and publicized on public notice boards, through the media and the internet. Community groups can question and challenge the figures. They feel that they own the project, so they react strongly to the misuse of funds. That makes the funds less subject to corruption, which leads to greater efficiency and effectiveness.[8]

THE NATIONAL COMMUNITY EMPOWERMENT PROGRAM (PNPM)

Sujana states that while KDP and UPP were originally slated to end in 2006, many officials in both BAPPENAS and the Ministry of Public Works and Housing were convinced that rather than being terminated, these projects should be continued and scaled up to achieve greater coverage. Sujana describes the role he played in winning over the support of powerful patrons for this idea, stating that in 2004, when he was serving as the coordinator for the post-tsunami rehabilitation and reconstruction program in Aceh, he invited the Minister of Finance, Sri Mulyani, to inspect KDP projects in the province. She was impressed by the fact that communities had been enabled to rebuild their homes at much lower costs than through any other government project, thus reducing pressures on the national budget. With her backing, those supporting the continuation of the project were able to convince President Susilo Bambang Yudhoyono's administration to scale up its community empowerment program to achieve nationwide coverage, with financial support from the World Bank. With the scaling up of the project, it became known as the *Program Nasional Pemberdayaan Masyarakat* (the National Community Empowerment Program, or PNPM)

In this book, Boediono, Sujana Royat, Pungky Sumadi and Vivi Yulaswati all discuss how the scaling up of the program created new challenges. With the proliferation of programs managed by a wide range of sectoral

ministries and agencies and claiming to be based on the principles of "community-driven development," there was a need to define clear mandates and firm leadership to ensure this consistency. This often created tensions between these ministries and agencies, which were reluctant to cede control over financial resources. As Boediono, who was serving as Vice President at the time, says:

> *We were committed to expanding the social protection system and increasing government ownership. The main concerns at the time was that a number of ministries were launching their own so-called "community empowerment" projects, which they often called "PNPM A" or "PNPM B" and so on. Some of these programs were poorly conceived and implemented. There was a risk that they would create confusion regarding what empowerment was. The process of consolidating these programs was extremely challenging, involving a reassessment of the mandates of particular ministries, with each ministry determined to retain control over the budgets associated with these programs.*

Sujana agrees, adding the following:

> *Of course, many of the line ministries resisted a measure that reduced their power and control over resources, but Ibu Sri Mulyani told me to report any such resistance to her personally, saying she would use her influence with the President to squash that resistance, if necessary by cutting budgets or having office bearers removed from their positions. There was nothing soft or gentle about it. We used an iron hand to control political interference and special pleading.*

During this period, not only was the program extended across the nation, to be implemented in almost every subdistrict in Indonesia, there were also intensive efforts to integrate it more firmly into all levels of government, particularly district level governments, which, under the decentralization drive, were taking increasing responsibility for

the provision of basic services and the construction and maintenance of infrastructure. In particular, to ensure ownership at the subnational levels, PNPM Integration was established to facilitate the devolution of authority and responsibility for the initiatives, with district governments contributing funds to PNPM from their own budgets.

With the ongoing analysis of the successes and failures of the project to date, and despite design features such as requirements that some community proposals be developed by women's groups, there was increasing concern that the initiative was not effectively meeting the needs of women and their children. As a result, those involved in the initiative devised a number of programs and pilots to address. For example, Vivi Yulaswati describes how approaches developed in the mainstream projects were applied to address issues related to human capital, to improve health and educational services through the PNPM Generasi project, stating that:

> *The idea was that these [subdistrict] agencies, working with community groups, would be better placed to know what issues needed to be addressed [than central agencies]. This flexibility enabled communities to meet hidden needs that had never even been identified through programs that utilized a more centralized approach. For example, In Bekasi, community groups used the program funds to rent trucks to transport school children. This resulted in a significant increase in the number of children attending schools. They used trucks because they were the most suitable vehicles in areas where the road conditions were bad. They decided on this because they realized that the bad roads prevented many children from being able to go to school. That's a solution that wouldn't have occurred to central authorities, which tend to apply uniform solutions that may not be suitable in particular contexts. In NTT, PNPM Generasi enabled the deployment of 'mobile midwives' to provide services to pregnant women, women giving birth, and toddlers spread across the islands, even in very remote areas.*

Local communities also developed specific solutions to provide access, including the construction of shelters for mothers from remote areas, who were enabled to travel to the shelters to give birth where they could access care. As a result, the maternal and infant mortality rate decreased significantly.

One of the most fascinating and inspiring initiatives came when the then Minister of Home Affairs asked the KDP team to provide assistance to widows in the conflict-affected province of Aceh, to address their unmet needs. This led to an agreement between the Ministry of Home Affairs, the newly formed National Commission on Violence Against Women (*Komisi Nasional Anti Kekerasan Terhadap Perempuan, Komnas Perempuan*), and the World Bank to form a program that would enable female heads of households to work together to establish revolving loan groups.

At the insistence of the program's founder, Nani Zulminarni, it operated on the idea that for the women to be able to use funds they received effectively, they needed the skills required to manage them. In her view, the acquisition of those skills was best achieved through the establishment of savings and loans groups, based on membership in small affinity groups consisting entirely of other women household heads from the same village or area and living in roughly the same circumstances. The program quickly took on a more activist cast. Firstly, for women to participate fully in the group's activities, they needed certain numeracy and literacy skills, so peer-based teaching activities became part of the program. Many of the PEKKA women experienced serious difficulties dealing with legal matters related to divorce, property rights, domestic and sexual violence. To address this, PEKKA quickly evolved to provide political and legal advocacy services, with activists receiving training and mentorship from more experienced peers. More recently, it has focused on supporting women to take up village-level and higher leadership positions, with training again provided through peer education. It has shown a great capacity to evolve, to take on

new roles, as its members become increasingly clear – and ambitious – in expressing their aspirations (An interview with Nani Zulminarni is included in this book on page 173 – 191).

Since its establishment in 2000, PEKKA has transformed the lives of poor female heads of households across Indonesia wherever the program is conducted, involving a change to internalized cultural values and mindset and addressing the significant stigma attached to being a divorced, widowed, or abandoned woman. Muda Mahendra, the district head of Kubu Raya, in West Kalimantan, describes how his government worked with this group to their mutual benefit, saying:

> *I felt a sense of synergy with PEKKA because of its strong common vision and its structure as a community-based movement. I always drew on PEKKA as a source of inspiration for district government initiatives to strengthen the role of women and of households. Through collaboration with PEKKA, we have been able to accelerate our initiatives to implement gender responsive development, to protect the basic rights of vulnerable households, and to ensure that they are free from poverty.*

In particular, he states that the women in the organization played a vital role in enabling the government to collect data related to poverty, saying:

> *The women have developed highly effective means for collecting data related to poor and vulnerable households through the use of questionnaires and interviews. These provide a full and comprehensive system for collecting data related to poverty at the household level.*

Many of the subjects of this book express their strong admiration for PEKKA and hold it up as an example of what the overall community empowerment initiative was intended to achieve. For example, Bito says:

This program was first proposed and developed by Ibu Nani Zulminarni and other Indonesian women's activists with a long history and great experience with women's groups in the community, including with the poorest and most marginal members of society. They developed powerful organic mechanisms to mobilize women to teach other women in their community how to read and write, to advocate for their own rights with the authorities, to work in groups to establish small businesses and generate livelihoods. Through these activities, poor, marginal women became aware of their rights, collectively and individually. PEKKA facilitated these activities not to improve the outcomes of government projects, but out of a pure and genuine conviction that these activities would benefit the women they advocated for. And the most important outcome is that collectively and individually, the women were empowered to demand their rights from the government. While the program was proposed and developed by Ibu Nani, she established the initiative with funding and assistance from the Ministry of Home Affairs and later the World Bank. I continue to believe that a strong civil society is a vital pre-condition to achieving community empowerment.

Drawing on experiences with gender issues, another great initiative during this period related to a program devised to address the needs of stigmatized, excluded groups and individuals, such as sex workers, transsexuals, religious minorities, despised ethnic groups, people with leprosy-related disabilities, and so on, with the establishment of PNPM Peduli. As Sujana describes it, winning acceptance for this program within the government was particularly challenging, due to entrenched cultural and political attitudes towards some of these groups. By challenging these taboos, the initiative resulted in at least a small and partial reassessment of some of the greatest political taboos of the New Order period, including through a small livelihoods project for former political prisoners, mostly former members of the communist party. At the very least, since this program has been launched, there has been a far more

intense and serious ongoing discussion on issues related to inclusion, with greater recognition not only of the need for the government to play a role in achieving it, but for it to work with civil society to do so.

NATIONAL TEAM FOR THE ACCELERATION OF POVERTY REDUCTION (*TIM NASIONAL PERCEPATAN PENANGGULANGAN KEMISKINAN*, TNP2K)

The government's decision to establish TNP2K in 2010 took place in the context of a number of national and global developments. Anticipating fallout from the 2008 global economic crisis, the government's aim was to consolidate the government's large and fragmented number of poverty reduction and community empowerment programs in order to start building a more rational national system of social protection.

With the establishment of TNP2K, the Vice President's office played a significant role in the management of these initiatives. As individual programs consolidated and were evaluated for scale-up, they took on more and more of a policy function, both directly, by being based in Indonesia's national budget, and indirectly, by being linked to other economic reforms, such as the removal of fuel subsidies.

LAW NO. 6 OF 2014 CONCERNING VILLAGES ("THE VILLAGE LAW")

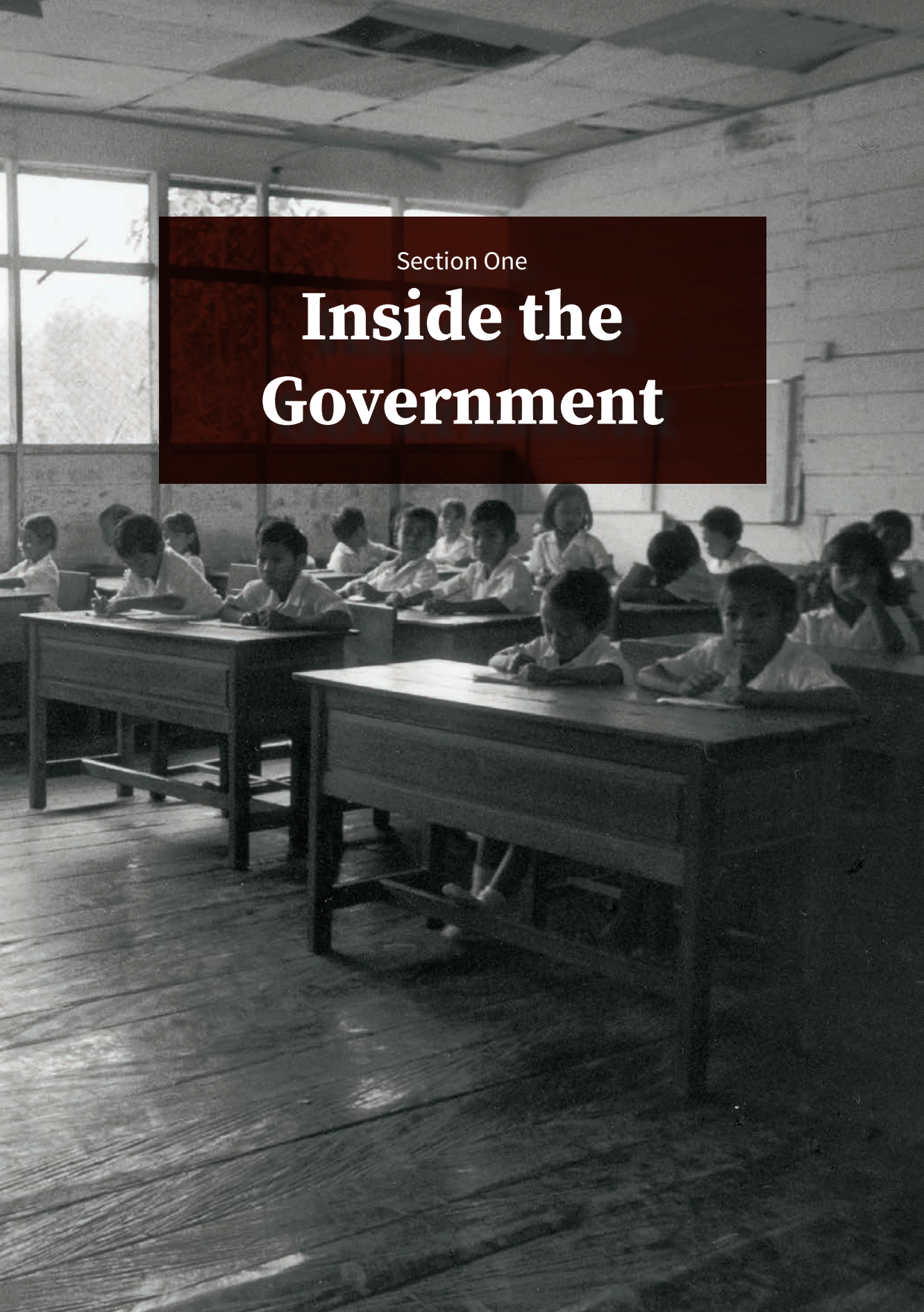
In the year or two leading up to the slated end-date for the PNPM program in 2014, there was an increasingly intense discussion on how the principles of that program could be applied through regular government mechanisms, entrenched in law and implemented as part of a systems-wide approach. These discussions involved not only bureaucrats, but facilitator organizations and a wide range of civil society activist organizations, including those involved in indigenous rights, agrarian land reform, and gender rights. With calls for a "transformation from a program to a social movement," the activists worked hard to ensure that

the best of the mechanisms and institutions developed through PNPM were incorporated into the legislative framework. The extent to which they succeeded is still open to discussion.

Toward the end of the period of President SBY's administration in 2014, the government announced the promulgation of the Village Law. To implement the Village Law, the newly incumbent president, Joko Widodo ("Jokowi") established the Ministry of Villages, an entirely new bureaucracy. With the establishment of this new ministry, the mandate for the management of the initiatives and the control over the associated resources shifted away from the Directorate General of Village Community Development and Empowerment (PMD) of the Ministry of Home Affairs. The Directorate General of PMD (under Home Affairs) was not abolished, but its name was changed to the Directorate General of Village Government Development. The mandate for the implementation of the Village Law is divided between several agencies. The Ministry of Villages is responsible for management of the Village Fund program, while the Ministry of Home Affairs is responsible for defining the rules and regulations related to village governance.

The law has been implemented for less than three years now, and it is still going through a process of ongoing development. While some of the subjects in this book had serious criticisms of this law, others recognized that opportunities exist for it to be shaped and directed through dialogue and interaction between civil society and government. We will return to these ideas in the final "Reflections" section of this book.

This teacher is one of two teaching 120 students in years one to six. While teaching her pupils, she also looks after her own son. (Lemiring, Mentawa Baru Ketapang, Sampit, Central Kalimantan. Photo by Poriaman Sitanggang)



Section One

Inside the Government

Photo Credit: Irfan Kortschak

Boediono

Community Empowerment as a Means to Facilitate Political Development

*Boediono. Born in Blitar, 25 February 1943. Studied Economics at the University of Western Australia, Monash University, Australia, obtained a Ph.D. from Wharton School Pennsylvania, United States. Professor of the Faculty of Economics, Gadjah Mada University. Minister of Development Planning, BJ Habibie's Reform Cabinet (*Kabinet Reformasi*) (1998). Minister of Finance, Megawati's Mutual Cooperation Cabinet (Kabinet* Gotong Royong*) (2001). Minister of Finance, Coordinating Minister for the Economy of Soesilo Bambang Yudhoyono's* Kabinet Indonesia Bersatu *(2004). Governor of Bank Indonesia (2008). Vice President of the Republic of Indonesia (2009-2014).*

Community empowerment is much more than simply an instrument for channeling aid to poor communities. It is a means for facilitating political development. It achieves this by raising awareness of democratic values, with community members learning how to express their opinions and aspirations and to participate as subjects in development initiatives

How would you define the term 'community empowerment'?

I see community empowerment as much more than simply an instrument for channeling aid to poor communities. It is a means for facilitating political development. It achieves this by raising awareness of democratic values, with community members learning how to express their opinions and aspirations and to participate as subjects in development initiatives. If we are serious about wanting political reform, with a transition to democracy, we have to involve the community. The goal is to empower the community so that it can't be bought or manipulated by the political elite. Without it, a so-called democracy would be controlled by the political elite for its own benefit.

To what extent did the Asian financial crisis drive increased acceptance of community empowerment approach?

During the crisis, there was a massive wave of layoffs and retrenchments, with the unemployment rate increasing to 20 percent of the workforce, the highest level since the 1960s. The proportion of the population living below the poverty line increased to almost 50 percent. As a result, there was widespread social and political unrest. It was complete chaos. The government had no idea how it could address the crisis, particularly given its limited resources. There was an urgent need to restructure and rationalize the state budget. At the same time, it was vital to do something to assist the huge numbers of people affected by the crisis.

We could see that with the centralized, top-down approach of most of the government's assistance programs, with their high costs and poor targeting, they weren't going to work. The government had no other choice but to seek to identify new mechanisms and new approaches to reduce poverty more effectively, with better targeting of beneficiaries. At that time, my colleagues at Bappenas were working with the World Bank team to develop programs that utilized what is now known as the

community empowerment approach. Not only were these programs more effective than traditional programs, but they enabled the government to achieve far more with its limited funds. So, there is no doubt that the crisis did push the government to adopt the new programs. Quite simply, it didn't have many other choices.

During the early stages of these programs, what was the biggest lessons learned? What needs to be in place for these programs to facilitate political education?

One of the key lessons we learned relates to the importance of the community facilitators, who assist the community in the planning process and enable them to put these plans into action. The facilitators enable the program to serve as an effective instrument to provide political education and to achieve democracy. The provision of community facilitators is indeed costly, with costs associated with the selection mechanism, training, building a mechanism to monitor performance and to maintain the integrity of the facilitators. But in the long run, it is actually an investment. Over the long term, it actually reduces costs. Democracy, in practice, is a process of learning by doing. Without encouraging public participation and education for political awareness, democracy is just a meaningless slogan.

What challenges did the scale-up of the KDP program to achieve nationwide coverage involve? How did you address them?

In 2009, I successfully ran with Pak Susilo Bambang Yudhyono as the vice-presidential candidate. I took office only two years after SBY launched the National Program for Community Empowerment (PNPM Mandiri), on 30 April 2007. It was the world's largest community empowerment program, with the rural component alone covering 26,724 villages in 1,837 subdistricts across 32 Indonesian provinces. Under the PNPM Mandiri umbrella, Indonesia's community empowerment initiative

expanded and intensified exponentially, with five core programs and a number of community-driven development programs created by sectoral ministries.

Perhaps Pak Aburizal Bakrie (Coordinating Minister for People's Welfare) could provide a more comprehensive explanation regarding the rationale for scaling up PNPM Mandiri. As Vice President, my main role was to secure the budget for PNPM through the Minister of Finance. But we were also committed to expanding the social protection system and increasing government ownership. The main concerns at the time was that a number of ministries were launching their own so-called "community empowerment" projects, which they often called "PNPM A" or "PNPM B" and so on. Some of these programs were poorly conceived and implemented. There was a risk that they would create confusion regarding what empowerment was. The process of consolidating these programs was extremely challenging, involving a reassessment of the mandates of particular ministries, with each ministry determined to retain control over the budgets associated with these programs.

Within this context, my office proposed the establishment of the National Team for the Acceleration of Poverty Reduction (*Tim Nasional Percepatan Penanggulangan Kemiskinan*, TNP2K). The establishment of this entity marked a change in the government's approach to poverty reduction, with a shift away from a focus on economic growth and towards more targeted programs. We engaged in discussions with representatives from a number of donor agencies to improve targeting and data collection and management systems and to establish a more solid, fact-based system to implement the government's social protection programs. TNP2K developed a dataset derived from 2011 PPLS survey, which contained the names and addresses of all households across Indonesia in the bottom 40 percent in terms of socio-economic indicators. I would say the results of that initiative were pretty good.

The next step was to sell that data to the sectoral ministers, to ensure that they used it effectively. That was the most difficult part of the process. It took a sustained initiative to ensure that the ministries did in fact use the available data to develop and implement their programs. The main problem related to control over budgets. Ministries just didn't want to lose control over their budget allocations. That was their biggest concern. We had a shared commitment that our goal was to improve the data system to enable better targeting. But the resistance continued, even if it wasn't open. So, developing the commitment to common goals was extremely difficult.

I didn't have any specific authority to reduce their budget allocations on my own. That was the prerogative of the president. If there were any coordination problem, I could call the ministers to talk and come to some solution. Or I could talk directly to the President. But the ministers could do that too. If I whispered in one of the president's ears, they would be whispering in the other! President SBY was a good listener and open to accepting suggestions and input, if they were backed with strong data and good arguments. But in his position, he was subject to a wide range of political pressures.

What efforts did you and the administration you served make to sustain the community empowerment initiative beyond the life of the PNPM project?

During my period as Vice President, I pushed for PNPM to be continued under the next government. However, under President Jokowi, the government decided not to continue it. It finally ended in 2015, after being implemented during a transitional period before the commencement of the Village Fund program. The Village Law was initially widely hailed as a major step forward, with villages being recognized as the fundamental unit and primary subject of development initiatives. This law was

intended to provide village authorities with a mandate to regulate and manage government affairs for the benefit of all members of local communities, with full recognition to the rights, customs and socio-cultural values of individual communities. When the new program was first launched in 2015, the government allocated funds to a value of Rp 20.7 trillion, with individual villages receiving an average allocation of Rp 280 million. Since the commencement of the program, budget allocations have steadily and consistently increased, reaching around Rp 60 trillion in 2017, with individual villages receiving an average allocation of Rp 800 million.

The Village Law provides a strong basis for the achievement of community empowerment by establishing community-based institutions and integrating them with the broader development planning system. The Law was an inevitable stage of a much longer process. We couldn't keep on bypassing government systems to work directly with communities. With its program approach, the mechanisms developed through PNPM bypassed established planning channels and established a means for direct transfers to communities. However, it wasn't sustainable. We had to develop a solution to incorporate the institutions and mechanisms we had developed into broader government systems, while at the same time ensuring good governance and the provision of facilitation.

I'm not entirely familiar with the mechanisms for disbursing and administering the Village Funds, so I can't really give a fair assessment of it. However, I do believe that it would be unacceptable if village planning processes fell back under control of the district-level administration. It is vital to continue to implement the principles of community empowerment and to continue to strive to improve governance. It is also essential to recognize the importance of providing good facilitation to communities in the villagers. It would be a tragedy if we didn't remain fully committed to the original principles of the community empowerment initiative.

The challenges facing the achievement of democracy are increasing. We love the idea of democracy. But in actual practice, there is still much that needs to be done … The achievement of democracy requires a long, sustained effort.

Some commentators said that they believe that the implementation of Village Law is increasingly subject to interference by the political parties and other vested interests. Well, it is difficult to compare the current macro-political context with that in the previous period. The challenges facing the achievement of democracy are increasing. We love the idea of democracy. But in actual practice, there is still much that needs to be done. The question is, when will we get around to doing it?

The current political context would create major challenges for anyone in charge of the government. But it is deeply concerning that political considerations may result in a failure to sustain the government's commitment to fundamental, long-term policy goals. There doesn't appear to be any continuity. And this seems to be true into many areas. Maybe it's because in the current political system, presidential candidates have to be seen to be promoting new programs. They see pre-existing programs as something that needs to be replaced or transformed. That becomes a political imperative.

Politicians' focus is on the short term, they want something that they can announce as their own program and that they can implement within their period of office, within five years. And even worse, even in that five-year period, there are often changes to the composition of the cabinet, with new ministers also feeling compelled to sell and promote new programs on which they can imprint their own brand. That is extremely unhealthy, leading to short-term results at the expense of the long-term agenda.

In fact, to achieve the effective development of the nation, a sustained commitment is vital. For example, the agendas for the health and education sectors, both of which are vital for this development, should be implemented sustainably. You need to adopt a comprehensive, integrated approach to improve these sectors, starting from the lowest level. You can't hope to develop a comprehensive program to build human capital within five years. It takes at least a generation or

even more to achieve your eventual goals. Similarly, the reform of the bureaucracy also requires a sustained, long-term approach. I don't think it can be completed within five years. If we look at Singapore's experience, it took them at least 15 to 20 years to build an effective system of governance. Ultimately, democracy requires good leadership. Without good leadership, as Socrates and Plato said thousands of years ago, you end up with populist, mob rule. The achievement of democracy requires a long, sustained effort. But on the road to achieving it, you require effective leadership.

At the beginning of this interview, you said that the purpose the community initiative was to facilitate political education. How successful do you think the government's programs have been in this regard? What have they contributed?

In my opinion, those programs played an important positive role. Without the community empowerment programs, I don't think we ever would have escaped from the authoritarian, centralistic, top-down mindset. We would have been unable to create the impetus for the community to play a role in determining its own course. I would have to say, I think we did a pretty good job.

Without the community empowerment programs, I don't think we ever would have escaped from the authoritarian, centralistic, top-down mindset.

Pardomuan villagers celebrate a wedding and the completion of a feeder road connecting the village with the main highway (Pardomuan, E. Onan Runggu, Toba Samosir, N. Sumatra. Photo by Poriaman Sitanggang)

Photo Credit: Irfan Kortschak

Gunawan Sumodiningrat

Establishing a "Revolutionary" Community Empowerment Program Under the Dictatorship

Gunawan Sumodiningrat, born in Solo, August 15, 1950. Bachelor of Agricultural Economics, Faculty of Economics, Gadjah Mada University (1974); Master of Economics, Economics Faculty, Thammasat University, Bangkok, Thailand (1977); Ph.D. Agricultural and Applied Economics, University of Minnesota, USA (1982). Faculty of Economics UGM Teaching Staff; Deputy Head of Bappenas for Economic Affairs (1998 - 1999); Deputy Secretary of the Vice President of the Republic of Indonesia, Regional Affairs, Humanity and Nationality, Office of the Secretary of the Vice President, (2000)

Indonesia's community empowerment initiative should be firmly based on the principles of Pancasila, which provide a set of rules, principles and strategies for living.

How do you define community empowerment?

I believe that community empowerment is nothing more than a manifestation of the Pancasila principles, the five principles that form Indonesia's official, foundational philosophy. Indonesia's community empowerment initiative should be firmly based on these principles, which provide a set of rules, principles and strategies for living. Pancasila also provides a means to define the role of the nation and state and to ensure the independence and autonomy of its citizens. At the household level, autonomy refers to people having a sufficient level of prosperity to be able to achieve happiness. This can only be achieved through hard work, an independent attitude, mutual cooperation with others in the community, and self-help. These attitudes must be deeply embedded in the mindset of members of the community to enable a transformation to occur.

Can you describe your family background? How did it influence your ideas about community empowerment?

My grandfather was Pakubuwono X, the Sunan of Surakarta during and after the struggle for Independence and a great national hero. My own awareness of my duties came from our family traditions. I was taught to uphold the truth. I was taught that those born to rule have a duty to assist the common people. But I was also taught that to serve as an instrument of God's will, you need to implement real, practical programs. It's not a matter of waiting for God. So, I insisted on a combination of rational, theoretical and empirical approaches. These approaches must support each other, with everything conducted on a rational basis.

I remain committed to my belief that in practical matters, our goal should be to assist the common people. Despite my royal connections, my family experienced real poverty. My great-grandmother from my mother's side came from a rural village. My mother lived by the banks of

a river, sewing to earn a living. Despite this humble background, she was personal friends with Pak Soeharto's mother. They studied Javanese arts and played music together in traditional ensembles in the Dalem Kalitan Solo, so my brothers were close to Soeharto from when he was a boy.

How did your ideas about community empowerment develop?

From 1982 to 1990, I was engaged in economic empowerment initiatives with NGOs and cooperatives. I was greatly influenced by Ibu Koestiyah from Solo, who was a lecturer in the economics of cooperatives and who was involved in a mentoring program for craftspeople in Kalioso, Solo. I was also deeply influenced by Prof. Mubyarto and Prof. Lukman Sutrisno and by my teachers at IPB, including Prof. Sayogyo, Sedyono Tjondronegoro, IGB Teken and various others. In my work for the NGOs, my mentors were Bambang Ismawan, Anton Sujawro and Haselan Harapan. At the time, I was engaged in research for the GTZ Project for Cooperation between Banks and Non-Governmental Organizations (*Proyek Pengembangan Hubungan Bank dan Kelompok Swadaya Masyarakat*, PPHBK). Later, I found it easy to accept the basic concept of IDT, because that project was based on the principle 'of the people, by the people, for the people.' From my work in the NGO sector, I was already open to that idea.

How were you recruited to BAPPENAS?

After I returned from my studies in America in 1982, Pak Wijoyo summoned me to BAPPENAS to recruit me. I didn't want to accept his offer. I had just come back from my studies, and I wanted to return to teaching at UGM. In 1985, BAPPENAS again tried to recruit me, but I was still reluctant. I suggested that they recruit Pak Mubyarto or Pak Boediono instead. In 1990, after he had joined BAPPENAS, Pak Boediono made three further attempts to recruit me. I told him that my services were still required at UGM, that I still had personal commitments in Jogja. Pak Boediono told

me that the highest leaders in the country had specifically requested my services, for the good of the nation, so I couldn't refuse. I felt intense inner conflict. On 15 August 1990, I finally relented and took up a position, replacing Boediono as the Head of the Bureau of Analysis and Statistics Center.

Many of my friends from the NGO sector were angry and accused me of selling out. They said that I'd abandoned the people's struggle and that I'd joined the government. They accused me of appropriating concepts from the NGO sector and incorporating them into BAPPENAS' work plans. I told them that I was an academic, not a bureaucrat. I told them that by joining the government, I'd be able to implement a community-based approach and incorporate it into government programs. I didn't feel that hostility to the government was productive. To ensure the effective implementation of my plans, I tried to recruit a number of friends from the NGO sector. But there were a lot of conflicts, including with academics from UGM, including teachers committed to pro-poor, community-based economics. I was extremely upset. I felt that I was caught in the middle between academia, the NGO sector and the government.

Why did the government introduce IDT?

It was established as a manifestation of President Soeharto's commitment to the welfare of his people. The IDT program was a revolutionary program that had three main goals: to achieve poverty reduction; to reduce inequality and to spread the benefits of national development; and to provide capital to the poorest members of the community to enable them to start businesses through access to revolving funds.

The goal of the IDT program was to accelerate efforts to achieve poverty reduction by addressing the needs of underdeveloped villages and their communities. In addition, it was intended to provide a framework for the coordination and integration of a range of existing development and

poverty reduction programs. By providing support for poor members of the community, particularly in isolated and disadvantaged areas, the program was intended to facilitate the development of social and physical infrastructure and to increase the participation of the community in economic activities.

IDT was intended to achieve a radical transformation. We recognized that to improve people's well-being, not only do you have to improve their economic circumstances, you also have to develop their institutions, technological systems, and infrastructure. That was the program's ultimate goal. Even more importantly, achieving these goals required a fundamental change to the mindset of both officials and the community. IDT was primarily intended to facilitate a transformation in the mindset of the community. It reflected the Javanese concepts of *Cipta, Rasa, Karsa*. In Javanese philosophy, the combination of these three elements is considered to be a powerful driving force. *Cipta* refers to the ability of humans to formulate a plan and to put it into action. *Rasa* is a subtle force that brings life to *Cipta*, while *Karsa* refers to the will or commitment required to manifest Cipta and Rasa. In practice, the government bureaucracy must play a role in manifesting this by providing services and protection to the community to enable them to fulfil their aspirations.

Why do you describe it as a revolutionary program?

It *was* revolutionary. The government gave instructions to disburse funds directly to the community, to enable the poor to establish small businesses. That was a radical departure from accepted practice around the world. Around the world, governments always worked almost exclusively with formal institutions, not with community groups. I faced deep opposition from officials and bureaucrats who were terrified of deviating from standard, accepted practice. The program we implemented was only possible due to the courage of Prof. Ginanjar

Kartasasmita, the Minister for the BAPPENAS at the time, and due to the fact that he had received a direct mandate from President Soeharto. And the transformation was astonishing. Of course, in some cases bureaucrats behaved badly or failed to implement the program appropriately. But the approach we adopted could be justified in rational, theoretical and empirical terms.

What was your involvement in establishing IDT?

I was responsible for all aspects of establishing the program, from the implementation of the pilot study in Neglasari village, to the development of a database and data management system to identify and analyze poverty, and to drawing up the concept notes for the presidential instruction which formed the basis for the program and finally for implementing it. Only through the grace of God was my proposal finally accepted and implemented. During the final stages of conceptualizing the IDT program, I had a long series of meetings with Prof. Mubyarto, but he still wasn't prepared to sign off, even after a year of preparations. He finally agreed and then, only a week later, President Soeharto agreed to sign the Presidential Instruction. It was a difficult time for me. At the time, my father was sick and dying. I couldn't attend to him on his deathbed. In my dreams, he called out to me and asked me to return to Jogjakarta for the last time, to see him before he died.

Following its establishment, what were your main tasks and duties?

In BAPPENAS, my first step was to conduct an initiative to improve the quality of available data. With IDT, the goal was to target the poorest members of society. The problem was that the government really didn't have good data, which made targeting extremely difficult. So, the first step was to integrate data from the National Socio-Economic Survey (Susenas) with data derived from the Village Potential Survey (Podes) so that we could gain a better understanding of what poverty was and where

it occurred. At the time, I didn't have any allies in the institution and only very few staff. None of the younger staff of the institution understood or appreciated what we were trying to achieve. At that point, I was still serving as the Head of the Bureau of Economic and Statistical Analysis. I attempted to integrate the data, although there was no way that back then we could have done that according to today's standards. Even according to the prevailing standards in those days, it was an extremely challenging task. Each department had its own data, which had to be integrated into the BPS system. I had to simultaneously manage tasks related to farmer exchange rates, poverty reduction, and management of the database. Following my initiative to improve the data management and collection system, the next challenge was to improve the microfinance system. I introduced the concept of establishing linkages between community groups and financial institutions to BAPPENAS by reactivating 4999 Rural Credit Bodies (*Badan Kredit Desa*, BKD). That was an amazing achievement! But it resulted in conflict between BAPPENAS and the Ministry of Cooperatives.

After initially establishing these institutions in Java, we tried to establish BKD on other islands, particularly in transmigration areas. But when we were trying to set them up, the Minister of Cooperatives told the president that if we established the BKD on other islands, it would mean the end of the Village Cooperatives Unit (*Koperasi Unit Desa*, KUD). So, we were unable to expand the system outside of Java. Later, we changed the name of these entities to the Village Cooperative Loan Service Unit (*Tempat Pelayanan Simpan Pinjam Koperasi Unit Desa*, TPSP KUD). Sumedi was responsible for establishing these units. Later, under KDP, the Activity Management Unit (*Unit Pengelola Kegiatan*, UPK) was responsible for the management of the financial resources. Initially, the financial management units were responsible for the implementation of revolving loans through the Autonomous Community Units (*Kelompok Swadaya Masyarakat*, KSM). Pak Bambang Ismawan, one of my teachers and mentors, initially developed the concept.

IDT extended far beyond merely providing communities with funds. It was about transforming the community's mindset, in line with the ancient Javanese philosophy expressed in the phrase: Cipta, Rasa, Karsa.

You say that IDT was the first development project to require the community to account for their use of funds. How was this so?

As I said before, IDT extended far beyond merely providing communities with funds. It was about transforming the community's mindset, in line with the ancient Javanese philosophy expressed in the phrase: *Cipta, Rasa, Karsa*. As I often said to Pak Mubyarto, it would be futile to hand out money to the community if they hadn't developed effective plans for its use. Unless the community had effective, well-developed plans, it would not be possible to improve their welfare. So, I believed that we had to insist that the community have a well-developed plan before it received funding. I came up with a one-page form through which community groups could state how much they had received, what they were using it for, and how much was left over.

Pak Ginanjar once got angry with me for expressing my doubts regarding the community's readiness to manage the funds they had received. I told him that if I was serving as the project leader, I wanted to be able to account for all expenditures made through the program. So, at the time, the funds weren't disbursed and there was some conflict. I insisted that there had to be full accountability for the use of the funds. I invited all the governors and district heads and instructed them to explain this principle to the subdistrict heads in the areas under their mandate.

In fact, there was a fundamental difference of opinion. Pak Mubyarto emphasized disbursing the funds as rapidly as possible; I emphasized accountability. He criticized me for that, saying that I was driven by a fundamentally capitalist ideology and that we should be prepared to provide funds without expectations as to how they would be used. I insisted that funds should only be provided on the basis of well-formed proposals. We had a lot of conflict over the issue. On a number of occasions, Prof. Mubyarto publicly reprimanded me, reminding me that I was only an assistant.

Under IDT, what was the role of the facilitators? And why were soldiers deployed as facilitators?

Facilitators were the key to the success of the program. The program provided facilitation to enable these groups to play an effective role in improving the socio-economic circumstances of their members. The Kopassus military unit, under the command Prabowo Subianto [*Soeharto's son-in-law*], conducted joint training of facilitators in cooperation with the Supersemar Foundation.

There was nothing strange about using soldiers as facilitators. At that time, Pak Soeharto was the president, and the program was based on his presidential instruction. And Prabowo was President Soeharto's son-in-law! If the president supported the program, we knew it could succeed. The program was conducted to provide training in three areas: leadership, nationalism and entrepreneurship. We wanted to develop a highly disciplined, well-trained facilitator corps that promoted national values to enable us to implement a government project effectively. And the army clearly had the most experience in providing training in those areas. And of all the army units, Kopassus was the most effective and well-trained. So, in cooperation with Kopassus, we provided training to benefit 2200 villages, with one facilitator in each village.

I wanted to develop a bold, disciplined, nationalistic core of village facilitators who were able to instill the spirit of entrepreneurship amongst the villagers. I knew that was essential from my own experience. I knew the importance of hard work to enable villagers to derive a livelihood and save for their future. Without that, they would never escape from the vicious poverty trap.

The empowerment initiative emerged in stages; it didn't just suddenly appear fully developed. At the time, I couldn't see it myself, but now I see how KDP led to PNPM, which in turn led to the Village Law.

What is your opinion of the programs and systems that have followed IDT? To what extent were PNPM and the Village Law consistent with the approach adopted by the earlier program?

The IDT program was only implemented for three years, ending in 1997. Due to a lack of leadership, there has indeed been a great deal of discontinuity in the implementation of Indonesia's community empowerment initiative. It is a great tragedy. Indonesia's community empowerment initiative could never have taken place without IDT. The basic concepts we developed through IDT have proven themselves to be effective.

At the time of IDT's establishment, the Asian financial crisis had hit Indonesia, resulting in huge numbers of people falling into poverty. The program served as a Social Security net. KDP built on the basic concepts developed through IDT. We expanded IDT to leverage the role of the subdistrict to create the KDP program. Following the crisis, in 2006, PNPM was launched using the data derived from the Podes and Susenas database.

The empowerment initiative emerged in stages; it didn't just suddenly appear fully developed. At the time, I couldn't see it myself, but now I see how KDP led to PNPM, which in turn led to the Village Law. The Village Law has been built on the basis of lessons learnt from KDP and PNPM. But the design and implementation has been unsatisfactory, because it involves a combination between elements of KDP and the Urban Poverty Alleviation Program. By combining these two projects, it has become excessively focused on administrative procedures, and the emphasis on empowerment has been lost. PNPM should have remained focused on empowering the community, rather than on administrative procedures. It was inconsistent with our approach. We were focused on empowering the community and changing mindsets.

The basic principles of the Village Law are good, with the focus on Indonesia's development starting at the village level. However, the problem is with the implementation. I was asked to provide my input when the Village Law was first being conceived. I made it clear that you have to commence with developing people, because the village is the smallest unit at which Indonesian communities make meaningful decisions. We have to return to the principles of 'of the people, for the people, by the people.' We have to remember that this is meant to be a community empowerment program.

Political interference in the implementation and management of Village Funds is highly destructive. We need to minimalize political interference through the deployment of a professional facilitator corps. To address this issue, the National Team for the Acceleration of Poverty Reduction (TNP2K), under the coordination of the Office of the Vice President, could play a more assertive and professional leadership role. First and foremost, TNP2K must truly prioritize community empowerment. It can only achieve this by empowering professional facilitators to fulfil their roles, rather than by deploying facilitators under the control of political parties. Over the next five years, President Jokowi has an opportunity to make significant improvements to the community's socio-economic circumstances by reducing the role of political parties in the process.

Secondly, facilitators in rural areas must focus on inculcating the same values promoted by the Saemaul Undong movement in South Korea: hard work, self-help and economy, and mutual cooperation. Thirdly, special efforts need to be made to improve members of rural communities' financial awareness, including through the use of mobile and digital technologies, to increase levels of financial inclusion. Fourthly, Bulog and the other state-owned companies involved in food logistics need to be enhanced to enable them to develop cooperative relationships between farmers, large corporations, and traders. They should be able to facilitate the development of corporate cooperatives, with the government using

these institutions to protect, facilitate, and to promote the emergence of autonomous, independent villages. Fifthly, there is a need to develop a single integrated database to enable the full integration of the activities of all actors in the rural economy. This is vitally important.

With all these elements in place, it would be possible to truly manifest the current administration's nine-point development plan, known as *Nawacita*. The state could play a significant role in eradicating poverty and in developing the nation by empowering rural communities and building Indonesia from the peripheries, with the primary focus on the village.

Photo Credit: World Bank


12

Photo Credit: Irfan Kortschak

Sujana Royat

Re-enfranchising the Community

Urban development planner; held various strategic positions at Bappenas before being appointed as Deputy Minister for Community Empowerment and Poverty Alleviation at the Coordinating Ministry for People's Welfare (currently the Ministry of Coordinating Minister for People's Welfare). In his position as Chairman of the PNPM Mandiri Controlling Team (2007 - 2014), Sujana conducted a number of initiatives to develop the community empowerment programs, including: measures to improve cooperation between institutions to strengthen PNPM Mandiri governance and anti-corruption; establishing PNPM Peduli to empower marginal community groups (disabled, including people with leprosy related disabilities, 'deviant sect' religious groups, marginalized ethnic groups, former political prisoners, and LGBT); establishing PNPM Pusaka to facilitate the preservation of cultural traditions.

For me, in the Indonesian context, community empowerment refers to a deliberate initiative to rectify the disenfranchisement of the community from Indonesia's political life.

What is your definition of community empowerment?

For me, in the Indonesian context, community empowerment refers to a deliberate initiative to rectify the disenfranchisement of the community from Indonesia's political life. When I use the phrase "community empowerment," I am referring to a deliberate endeavor conducted over the decades since the end of the New Order period to build the capacity of Indonesian communities to enable them to resist injustice, to insist upon their political rights, and thus to redefine the fundamental relationship between the state and society.

How did you first arrive at your political ideas and beliefs?

My political ideas were influenced by my early period as an activist involved in a small NGO in Bandung, while I was a student at ITB. We were involved in advocating for the rights of marginal people in a big city. This experience broadened my understanding of issues such as homelessness, unemployment, rural-urban migration and deepened my commitment to social justice. In my academic studies, I was focused on urban planning. I was particularly interested in the role urban planning and zoning plays in facilitating the achievement of social justice through the organization of public space and facilities.

Later, in the 1980s, after I had joined Public Works, I was assigned briefly to a remote village in Aceh, where a government project to build a connecting bridge had ground to a halt because the funds hadn't been disbursed, a fairly frequent occurrence. And I saw that instead of waiting passively for the funds to become available, the community worked together, outside all formal structures and systems, to complete the project, using their own resources, on their own initiative. They were able to develop creative solutions, using local resources and supplies,

to apply ideas that would never have occurred to the central agencies responsible for the project, so the results were actually better, even when they weren't provided with outside support and funding. Even then, I could see that village communities had a great deal of social capital, with deep-rooted systems to organize themselves to achieve common goals. Not only did the government not recognize or appreciate these systems, it often acted in ways that undermined or degraded this capital, with all power concentrated in the center. In fact, I wrote up my experiences with this village, focusing on how to mobilize community participation, for my master's degree, before deepening my ideas at Sorbonne.

After my period at Public Works, I was granted support to continue my studies in urban planning through a collaborative doctorate program between *École Nationale des Ponts et Chaussees* (ENPC) and Sorbonne University. Under the New Order regime, my choice of Sorbonne for further studies was quite controversial. At the time, it was seen as a hotbed of leftists, a center of "New Left" thought. In the Soeharto period, anything that could be remotely associated with the ideology of the suppressed Communist Party was deeply suspect. But despite some opposition, I defended my choice with my superiors at Public Works. I saw a distinct difference between the ideology of the class struggle promoted by the Communist Party and the people-centered focus of the New Left on civil and political rights, gender rights, the rights of indigenous peoples. I never saw those ideas as being in contradiction to Indonesia's national interests. I believed I could be both a committed leftist and a committed Indonesian nationalist. While my superiors accepted my choice, there is no doubt that like other Indonesian students at the Sorbonne, I was closely monitored by the embassy, my dissertation examined to detect politically incorrect ideas, my associations with other students recorded, to see if I was engaged in "anti-Pancasila" activities. At the time, that was normal for Indonesian students abroad.

When you returned from your studies, did you find that your ideas were in tune with those of your superiors?

When I returned to Indonesia in 1996, I was recruited to BAPPENAS by Pak Ginanjar Kartasasmita. In the final years of the New Order regime, BAPPENAS was going through an internal ideological conflict. On the one hand, the entrenched faction consisted of economists from the "Berkeley Mafia" and UI whose focus was on achieving national growth through the imposition of a centralized, top-down model of development. On the other hand, Pak Ginanjar led a reformist faction that was open to new ideas that challenged this model, with initial explorations to expand the role of the community and with a greater emphasis on poverty reduction and ensuring that the poor benefited from growth. There was a lot of friction between the two factions. The old guard distrusted Pak Ginanjar's ideas regarding community participation. They were completely imbued in the New Order doctrine that the *people are still ignorant* – that the people couldn't be trusted, that they wouldn't be able to make responsible decisions and that they had to be guided, cajoled and forced by people above them. By contrast, the reformists, particularly Pak Gunawan Sumodiningrat and Professor Mubyarto, were more open to the idea that the community could be the subject of development initiatives, rather than merely the recipients of their benefits.

So, I was already very receptive to Pak Ginanjar's reformist tendencies, which is why he recruited me to BAPPENAS. He wanted to build up a team within BAPPENAS that was open to change. In 1996, he had just published and circulated a paper that used the phrase community empowerment for the first time. Even though the concept was still just being articulated, he placed great emphasis on equality and participation, with questions as to whether Indonesia's economic growth was benefitting everyone. He thought that the poor were getting poorer, with the gap between them

and the rich growing. At the beginning, with IDT, the focus was mostly on ensuring that the poor benefitted from development, rather than ensuring their participation. But we became more and more convinced that it wasn't just a matter of targeting, there was something fundamentally wrong with the top-down approach. At the time, we conducted research to show that 67 percent of funds allocated to development initiatives in the regions were lost to corruption. We wanted to demonstrate that we could build community institutions to reduce the role of the bureaucracy and thereby reduce these losses. This was an entry point: if we could demonstrate that the ideas were cost effective, we could build support for our approach.

What challenges did you and your colleagues face in developing the Kecamatan Development Project?

In 1997, the opposition within BAPPENAS to the reformists' ideas was still intense. We didn't have nearly enough support to propose making comprehensive changes to government systems, but Pak Gunawan thought we could implement a pilot study to generate evidence, to test the validity of our premises. But the government wasn't prepared to allocate funds, even for a small pilot study. There just wasn't a budget line for direct transfers of funds to community groups, even in the context of a study.

It was about then that we started engaging in discussions with Scott Guggenheim, a leftist social scientist employed at the World Bank, about financing a pilot using a loan from the World Bank. Initially, we were very skeptical. We saw the World Bank as domineering, unsympathetic and arrogant, with loans coming with a multitude of conditions that would undermine the initiative. And the World Bank, as an institution, also

seemed skeptical, regarding our ideas as untested and high risk. Pak Scott played a major bridging role, convincing us that we could benefit from the relationship and convincing the World Bank that the pilot study was a legitimate means to test the appointment of community groups as contractors to complete development projects and to build the capacities of these "contractors." Pak Scott played an important role, but the original idea for KDP was devised and proposed by Pak Gunawan and the group around him. It was never something devised or forced upon us by the World Bank.

How did attitudes towards KDP change after the advent of the Asian financial crisis and fall of the Soeharto administration?

In the late Soeharto period, I think many of those in BAPPENAS and elsewhere expected and hoped the KDP pilot to fail, to put an end to the reformist tendencies. But the exact opposite occurred when the Asian financial crisis hit, eventually leading to the end of the Soeharto regime and the beginning of the political reform era, just as the second stage of KDP was being prepared. At the time, almost every other World Bank-funded project, all the major infrastructure projects that had been proposed by BAPPENAS, became financially unviable and had to be put on hold. KDP was the sole exception.

This was a massive vindication. And by the time the first stage of the project came to an end, we had strong evidence that KDP could enable communities to build and deliver cost-efficient, high-quality infrastructure and services, that it enabled tens of thousands of people, mostly women, to set up small businesses through revolving loans funds, that it had a positive impact on governance. So, our ideas had moved from marginal and experimental, into the mainstream.

During the reform period, what factors supported the acceptance of the project?

Throughout the community empowerment initiative, one of the greatest challenges has been to secure high-level political support, to convince the national leadership to give its full support and protection. In the post-Soeharto period, when all major government programs came under review, the KDP program had strong ideological support from Gus Dur. With his NU background, he was deeply steeped in the traditions of the pesantren. In fact, many of the ideas developed through NU's long history of mobilizing and engaging with rural communities, through the extensive system of religious schools, influenced our own ideas regarding community mobilization. With his background in the NU community, Gus Dur was also strongly involved in civil society organizations and committed to a pluralistic approach. During his tenure, he created an environment that enabled KDP to flourish. When one of his ministers suggested abolishing KDP, Gus Dur angrily rejected the idea.

What political and other challenges did you face when the government scaled up the KDP program to become PNPM?

We originally expected KDP to end in 2006. At the time, under SBY, there was a strong anti-World Bank sentiment, and policymakers were wary of any ongoing involvement with that institution. And yet, by this time, there was also a strong sentiment within both BAPPENAS and Public Works that the community empowerment initiative should continue, that it should be scaled up to become a nationwide program. At the time, Ibu Sri Mulyani had just been appointed as the Minister of Finance and had great influence with the President. During my time as Coordinator for Rehabilitation and Reconstruction in Aceh after the tsunami, I had invited Ibu Sri Mulyani to visit the KDP projects in that province. She was fascinated to see how the projects enabled communities to rebuild their houses at a much lower cost than through any government project, by

the fact that women involved in revolving loans funds were more resilient to the impact of the disaster. So, I arranged for Pak Scott to meet Ibu Sri Mulyani to give a presentation to win her support to extend and expand the program so that it would operate in every subdistrict in Indonesia.

We managed to convince Ibu Sri Mulyani that there were a number of advantages to using World Bank loans, rather than using the government's own funds, in terms of furthering the community empowerment agenda. If the Government contracted a loan with the Bank, the Government would have to commit to full compliance with the terms of the loan. We could use that to our advantage. For example, we wanted to make sure that the program really benefitted the very poorest people and we wanted to make sure that it involved the full participation of women. It was actually we who demanded that those conditions be included in the loan agreement, not the Bank – but we could use the Government's commitment to the terms of the loan to ensure that all elements within the government remained focused on those goals.

The success of KDP created its own challenges. Many of the line ministries, including health, education, and forestry, were inspired to devise their own "community-driven" initiatives. While they borrowed from KDP, many of these initiatives were badly conceived and designed, under the control of vested interests and with very little coordination between them. To ensure the effectiveness of the community empowerment initiative, it was vital to ensure the integrity of all its components by consolidating the mandate for all community-driven initiatives under a single entity. At the time, it wasn't really clear which ministry should hold this mandate. The role of BAPPENAS was national planning, not implementation. Finance was focused on macroeconomic management. Ibu Sri Mulyani supported the idea of granting the mandate for all these programs to the Coordinating Ministry for People's Welfare. She approached Pak Aburizal Bakrie, the minister at the time, and convinced him to accept. Of course, many of the line ministries resisted a measure that reduced

their power and control over resources, but Ibu Sri Mulyani told me to report any such resistance to her personally, saying she would use her influence with the President to squash that resistance, if necessary by cutting budgets or having office bearers removed from their positions. There was nothing soft or gentle about it. We used an iron hand to control political interference and special pleading.

Another great challenge caused by the success of the community empowerment initiative related to the sudden availability of huge sums of donor funds. When we started planning to scale up PNPM, every major donor agency wanted to be involved, including AusAID, CIDA, the EU. In 2006, the total value of pledges and commitments was US$ 640 million, an enormous amount. What entity could be entrusted to manage those funds? At the time, I received countless phone calls from political parties and faction leaders, all of whom had their own ideas about how those funds should be managed. Pak Bakrie himself told me that as a politician, he didn't think he'd be able to resist these political pressures.

To address this, I originally conceived of the idea of PSF as an autonomous entity, ultimately owned by the Indonesian Government but operating outside established government structures, with deep roots in Indonesian civil society and under the management of credible entities, with strong oversight systems. The original idea was that the World Bank should serve as trustee of the entity for no more than three years, long enough to ensure its credibility and to build the necessary systems of oversight. Ultimately, I wanted to see the trust fund operate as a community-based structure, a forum for civil society organizations, community groups, activists, the media, to come together to debate and contest issues related to the management of the program's resources. It never really fulfilled this function and I ended up having some confrontations with the World Bank over its reluctance to let go of its control.

I told him that I didn't care if some people in Indonesia got down and prayed to a cat, they were still Indonesian citizens and that it was our duty to serve all Indonesian citizens.

You've often expressed concerns that PNPM failed to meet the needs of women and the poorest members of society, particularly marginalized groups. Over the years, how did you try to address this?

One experience that influenced my ideas about the evolution of PNPM was my involvement with PEKKA, the Women Headed Family Empowerment Program. Even though initially the program was focused on the economic empowerment of women through their participation in revolving loans, its mission rapidly evolved to including advocating for women's legal and political rights, literacy programs, whatever the women needed to participate fully. Even though the organization was established with the full support of BAPPENAS and the Ministry of Home Affairs, right from the start, I wanted to see it operate at arm's length from the government to enable this kind of flexibility and responsiveness. It was a matter of providing the women with space and support and then staying out of their way. The organization is accountable to its own members, not to the government. Ultimately, I think PNPM itself should have been structured like PEKKA, as an independent movement answerable not to the government, but to the community.

By 2008, I had come to have serious misgivings as to whether the program was really achieving its goal of benefitting the very poorest, most marginal members of society. There was anecdotal evidence that members of marginalized groups weren't participating in community meetings or other processes, so I commissioned AKATIGA Center for Social Analysis to conduct a study. Their findings were shocking. The study showed that millions of Indonesians were excluded from community processes, often because they were members of despised, stigmatized groups, including sex workers, transsexuals, religious minorities like the Ahmadiyya, people with leprosy and so on. "Normal" members of the community wouldn't even shake hands with them or sit in the same room, let along participate in meetings with them. Based on the evidence we had, the

Joint Management Committee decided that there was a need for a special program to build the capacities of people in these groups, so that eventually they would be able to take part in mainstream processes.

There was a lot of initial resistance to the idea. I remember meeting Pak Agung Laksono to discuss the concept. He looked at me and said "Are you sure you want to do this? Don't we have enough normal poor people to take care of?" He was terrified of the political implications of providing government assistance to former communists or to followers of "deviationist" or "heretical" religious beliefs. I found a copy of a speech he had given and quoted his words back to him: he had said "Every Indonesian citizen has the right to be treated with justice." I told him that I didn't care if some people in Indonesia got down and prayed to a cat, they were still Indonesian citizens and that it was our duty to serve all Indonesian citizens. He looked at me again and said "I'll let you run a pilot study for one year. If this goes badly, you're fired."

In fact, while the program faced challenges, resistance of the type Pak Agung feared was much less extreme than we might have imagined. I remember in the first year, the project funded livelihoods activities for former political prisoners, mostly members of the communist party. These people weren't even allowed out of their houses to take part in meetings without the permission of the military and they had never benefitted from or participated in government welfare programs. Local military officers just couldn't believe that they were now being invited to take part in a government-sponsored program. I actually had some officials from a military agency visit me at my office to find out what was going on. I told them that I was doing my part to ensure national security, that if these 70- and 80-year old men weren't forced to live in poverty, they would be less motivated to engage in a coup d'état or anything like that. The officers accepted my explanation graciously, and that was the end of that.

While the Peduli program is still running, under the Asia Foundation now, I am disappointed in its current direction. I originally hoped that it would fulfil a role in incubating the emergence of civil society organizations or institutions with deep roots in the community such as PEKKA, enabling them to operate autonomously. So far, it still operates with a project mentality, as a mechanism to disburse funds.

You were involved in the early stages of formulating the Village Law. How do you feel about the way it has been implemented? What advice would you give to the government to improve it?

I am extremely disappointed with the way in which the Village Law is being implemented. The idea of the law was to build upon the mechanisms established through the PNPM program and to ensure their establishment as community level, participatory institutions that could provide a base from which civil society can take over the role of leadership from the political elite. I think the law itself is well-designed, but that the political commitment to ensure that it achieves its aim is lacking. In particular, the political leadership is failing to protect the initiative from short-term political interests. It is enabling political interests to control the Ministry of Villages and to manipulate and control the facilitator corps for its own political purposes. That is a great betrayal of its mandate.

It's hard for me to offer advice on how to improve the Village Law implementation, because for the government to improve it, it has to really want to improve it. The government has to really want to work to assist communities to build autonomous, empowered, and capable village institutions. That means placing the interests of the people above the government's own short-term political interests. But the commitment that motivated an earlier generation of bureaucrats and policy makers no longer exists or has been degraded. All we can do is try to keep our vision alive, to pass it on to a younger generation of activists

and facilitators, to inspire them to work through whatever channels are available to strengthen civil society and its institutions, to hold the government accountable.

Ultimately, community empowerment will only be achieved when civil society is strong enough for citizens to demand their rights. These rights are not a gift from the government, the community must insist upon them. The fundamental challenge is always the same: How can politicians, bureaucrats and policy makers be depended upon to manage resources held in trust for the benefit of the community? How can you prevent them from serving their own personal interests, or the interests of their party or faction, instead? I believe that this can only be achieved when civil society is strong enough to hold the political elite to account.

Photo Credit: World Bank

Photo Credit: Irfan Kortschak

Ayip Muflich

Giving the Community Control Over Public Resources

Served as the Director General of Village Community Empowerment (PMD), under the Ministry of Home Affairs (2007 - 2012). As Director General of PMD, he managed the scaling up of the KDP program to become the nationwide PNPM Rural program, the world's largest community empowerment program.

Community empowerment means giving power to the community to determine how public resources are allocated and used. It's about building the capacities of communities to enable them to exercise that power responsibly and effectively.

What is your definition of community empowerment?

For me, community empowerment means giving power to the community to determine how public resources are allocated and used. It's about building the capacities of communities to enable them to exercise that power responsibly and effectively, for the benefit of all members of the community.

To what extent did KDP represent a completely new approach to development? To what extent did it build upon previous programs?

To some extent, with its emphasis on community empowerment, it's true that the establishment of the Kecamatan Development Program in 1998 represented the emergence of a new paradigm. Unlike earlier government development programs, it wasn't just about developing a new system to build infrastructure and to provide services, it was about transforming the fundamental relationship between the community and state, with the community taking a central role as the subjects of the initiative, rather than merely as passive beneficiaries. But at the same time, KDP didn't involve the creation of entirely new mechanisms and systems. Rather, it built on pre-existing traditions of community organization and village planning that had deep roots in Indonesian society but that had become dysfunctional in the New Order period.

We implemented KDP to reinvigorate and realign these existing systems and mechanisms. We shifted the emphasis from a top-down approach according to which central government agencies controlled how development was implemented in villages across Indonesia, to a bottom-up approach according to which village communities were empowered to make these decisions. Over the years, we became more and more convinced that the empowerment of the community was not merely an effective means to achieve the government's goals, but an important goal in its own right.

While KDP did involve a number of distinct innovations, it built on previous programs that were created under the New Order. In particular, it was shaped by our experiences with Inpres Desa Tertinggal ("the program for left-behind villages") and *Program Pembangunan Prasarana Desa Tertinggal*. The government established these programs specifically to assist communities in villages categorized as "poor," to support the establishment of community businesses and to build community infrastructure.

How did the IDT and KDP affect the way that the government did business? Did they require the government to develop new capacities?

To implement these programs, for the first time, the government had to conduct a comprehensive survey to map poverty across Indonesia. In itself, that process was very contentious, with local and provincial officials often deliberately under-reporting poverty because they considered that even admitting its existence was shameful. For example, at the time, the Governor of East Java flatly denied that there were any poor villages remaining in his province!

So, one of the great innovations of these programs was that they required local and central officials to realistically assess the extent of rural poverty and to accept responsibility for managing it. But they both still involved a top-down approach, with the district authorities providing funds to village heads, who controlled how those funds were used. There were no effective mechanisms to enable the community to hold the village authorities to account or to determine how the funds were used. As a result, a lot of the funds just went missing or were badly used, either not producing any benefit or only benefiting a small section of the community.

How did KDP adapt or modify existing mechanisms to "reinvigorate" them?

In 1996, the group around Pak Gunawan Sumodiningrat at BAPPENAS was acutely aware of the high cost of corruption in government projects and of the need to address this. At about that time, I went on a field trip to NTT with Pak Gunawan, where we attended a village planning meeting of the type mandated by law.[9] At least in theory, the planning process mandated by law was highly participatory. It involved a series of public meetings at which community members could submit proposals to village officials for funds to build infrastructure or for other purposes.

The officials forwarded these proposals up through the hierarchy to the district level for consideration, according to the availability of funds and the perceived match between the proposals and national development priorities. But hardly any of the proposals were ever granted and everyone in the community knew it, so no-one took the process seriously and the quality of the proposals was poor. It was just a pro forma exercise, a wish-list, because it had little relationship with how funds were actually allocated.

During this visit, we talked about how this planning process could be reinvigorated. Pak Gunawan became convinced that there was a missing link between the top-down approach, with funds controlled and disbursed by central agencies at the district level, and the bottom-up, village-level, participatory planning approach.

We could see that placing control over resources at the district level resulted in the disempowerment of the village and the planning processes there. At the same time, with village administrations under the control of local elites, granting control over resources to the villages resulted in elite capture and control. Pak Gunawan became convinced that the missing link between the top-down approach and the bottom-up approach was the subdistrict.

We devised the KDP as a pilot project to test the idea that we could reinvigorate the bottom-up planning process by devolving decision-making power over the funds to subdistrict councils. These councils were made up of representatives from the villages. Their job would be to assess proposals from community groups at the village and hamlet levels. The councils would control and allocate funds so that these proposals could actually be implemented. We wanted to create forums that required village communities both to compete and to compromise with other villages. The idea was to encourage village communities to create better proposals and to work out ways to use resources effectively. It was also to encourage cooperation between villages, with more than one village working to build infrastructure, such as connecting roads or bridges, that benefitted everyone involved.

Finally, there is often a huge variation between villages in a single subdistrict, with some having far greater needs than others, so it's not always equitable to divide resources evenly between them. KDP established a system that enabled villages with particular needs to gain a greater share of the available resources, through a process of consensus with other villages. So, the real innovation of KDP was not to create village planning processes. It was about making these processes meaningful by establishing a system by which communities could contest and debate the proposals that emerged from them and providing resources so that they could implement them.

KDP didn't involve the creation of entirely new mechanisms and systems, it built on pre-existing traditions of community organization and village planning that had deep roots in Indonesian society but that had become dysfunctional in the New Order period.

What role did the facilitators play in KDP?

When we set up the KDP pilot, we wanted to believe that rural communities could be trusted with the responsibility to manage public resources for the benefit of all their members. At the same time, we recognized that communities lacked experience in many vital areas of community organization. They didn't know how to form groups to develop proposals and to contest them, they didn't have the technical and engineering skills. If the community was going to take on a much higher level of responsibility, it needed the capacities to fulfil this responsibility effectively.

So, KDP built on another long-established Indonesian tradition. Indonesian villages have always had "cadres," or local volunteers who work with the community to mobilize participation in health initiatives, family planning programs, and so on. With the expanded role of the community, we also needed to expand the role of these facilitators. So, with KDP we began the process of developing a professional facilitator corps, with both technical and social facilitators at the subdistrict level to assess whether proposals to construct infrastructure were technically viable, to make sure they were constructed and maintained appropriately, to train and supervise the village facilitators, and to explain the program's rules and systems to them and the broader community.

Under KDP and, later, PNPM, the facilitator corps has always been both the programs' greatest assets and the major source of vulnerability. In particular, the question is: How to make sure that facilitators remain accountable to the community? One of the most important measures was to establish the corps outside the civil service hierarchy, as an independent force. But that doesn't eliminate the potential for corruption. Facilitators are directly involved in areas where the potential for corruption are high, such as procurement and contracting.

So, we also needed to create mechanisms to enable community members to monitor the facilitators' performance and to report deviations and bad conduct. Right from the start, KDP required the publication of all information related to the program, particularly related to procurement, on community notice-boards, with training to the community so that they could assess this information meaningfully and act upon it, including through the submission of reports to a complaints system. Right from the start, we worked to involve the media and NGOs in monitoring the program's implementation to ensure that facilitators remained accountable.

What measures did you adopt to prevent corruption and political interference?

When we received reports of corruption or other major problems, we implemented a strict zero tolerance policy. Until the issues were addressed and rectified, the entire subdistrict was classed as "problematic" (*lokasi kecamatan bermasalah*), which meant that no village in that subdistrict could receive funds until the issues were resolved – even if they only involved one specific village in that area.

This often created serious dissatisfaction and anger amongst the community in the district, sometimes leading to demonstrations at the district government's office. Of course, the districts often protested loudly if a subdistrict was classed as problematic, which created tension with PMD. But it was vital to reinforce the message that corruption was unacceptable. The community's anger at exclusion from the program was an important means of achieving that.

Regarding political interference to the program at the local level, it's true that local officials and bureaucrats who were used to being able to control and manipulate government programs often pushed to try to

ensure that a particular village or project received funding. When all the funding for the pilot came from World Bank loans and was channeled through the central government, it was easy to refuse them. I just had to explain that there was simply no mechanism to arbitrarily impose that kind of decision from above. To receive funding, a project had to pass through the selection processes, which were controlled by the community-based institutions.

But the problem of political interference became more complicated when an increasing proportion of funding began coming from district governments, with political pressures resulting from a multi-party system and with local politicians advocating for their constituencies. The challenge is balancing local ownership of the program with adequate controls. The only way to achieve that is to ensure that the community itself has a sense of ownership, so that they can hold officials accountable.

You talked about the problems office bearers had in trusting the community. Do you think the community empowerment initiative has changed those attitudes?

When we first created the KDP pilot, one of the biggest obstacles related to trust. The fundamental question was: Can we trust the community to make the right decisions?

For decades, the government had operated on the premise that people in the villages were "still ignorant" (*masyarakat masih bodoh*), that they needed guidance from above because they didn't have the capacity to make the right decisions themselves. I believe that the decision to scale up the program shows that we had answered that fundamental question. Now, the question is: Can we trust the government to enable the community to make decisions for itself?

When we first created the KDP pilot, one of the biggest obstacles related to trust. The fundamental question was: Can we trust the community to make the right decisions? For decades, the government had operated on the premise that people in the villages were "still ignorant"

How effective do you think the Village Law is in promoting community empowerment?

I'm wary of criticizing the Village Law. There's a risk that I'll sound like I'm defending my legacy as a former Director-General of PMD. But I have a few major issues with it. Firstly, I don't believe that it's appropriate to provide the same value of funds to all villages, regardless of their population and the number of hamlets they contain and regardless of the circumstances of the village. The current system makes no distinction between, say, the needs of a remote village with poor infrastructure and a prosperous village in Java. Secondly, by eliminating the role of the subdistrict, the new system ignores the relationship of a village with other villages in the same area. It eliminates competition, cooperation, and contestation between the villages, which was a major feature in ensuring the quality of proposals from each village. Finally, there is an increasing tendency for the Ministry of Villages to issue instructions and guidance to villages regarding the uses to which village funds can be put. That contradicts the most fundamental principle of PNPM, which is that village communities themselves determine how resources are used. That represents a return to the top-down system that we applied when we experimented with IDT, several decades ago. It's a regression to the old paradigm.

Can you tell us a bit about your personal background? How did it influence the way in which you implemented your duties?

I believe that poverty in Indonesia has always largely been a rural phenomenon. Growing up, I witnessed rural poverty and experienced it myself. I was born and raised in a village in Banten. As a young boy, I helped look after our family's cattle. I could see that most of the people around me were desperately poor, that the physical conditions they lived in were appalling, with most people using the river as their toilet.

My father was involved in religious mass organizations and party politics during the Soekarno era. He always taught his children that it was a duty to serve their own community, even if it meant risking their own position and fortune by taking on those in power. And I've tried to live up to those ideals, even when that has come at a personal cost. In 2002, when Ratu Atut Chosiyah[10] was the governor, I was granted leave from the Ministry of Home Affairs to take up the position of Regional Secretary in Banten's provincial government. When I confronted her over disagreements about policy, I was removed from my position and spent a period without employment. I considered that to be part of the cost of serving with integrity.

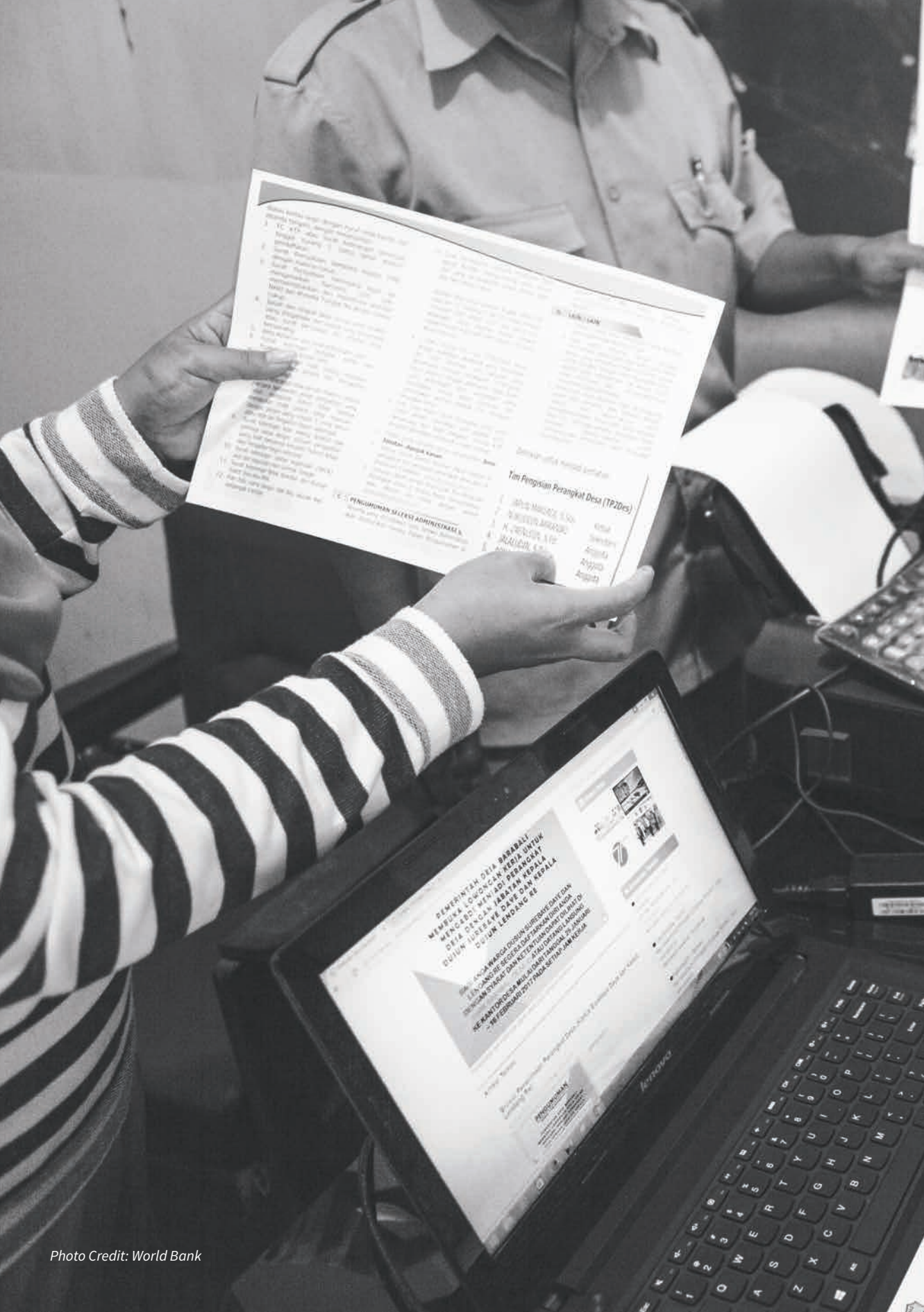


Photo Credit: World Bank


J-Flex
BINDER CLIPS

Photo Credit: Irfan Kortschak

Pungky Sumadi

Urban Poverty: Responding to Threats of Social Unrest and Political Instability

Pungky Sumadi. Deputy for Population and Employment, Bappenas (2017-present); Expert Staff of the Minister for Leading Sector Development and Infrastructure (2016); Director of Financial Services and BUMN (2012-2016); Director of Social Protection and Welfare, Bappenas (2007 - 2012); served as a loan administration officer, OPEC Fund for International Development (1994). Responsible for developing the concept and implementation of the Urban Poverty Eradication Program (P2KP); developing the design and implementation of social welfare assistance programs, revitalizing the National Social Security Board (DJSN) and initiating a Universal Health Coverage road map through the National Social Security System. Led the production of the Masterplan of Indonesia Islamic Financial Architecture and the establishment of the National Committee on Islamic Finance.

How did you come to be involved in setting up the Urban Poverty Project?

One morning in January 1998, my supervisor at the Urban Development, Settlement and Public Housing (*Biro Pembangunan Perkotaan, Permukiman dan Perumahan Rakyat*, P4R) Bureau at BAPPENAS called me in to attend a briefing. At the time, I was the Deputy Director of the BAPPENAS Urban Planning Unit. I'd just returned after serving for two years at the OPEC Fund for International Development in Vienna. At the time, the Asian financial crisis was rapidly spiraling out of control. With political tensions increasing steadily since July 1997, the situation was now coming to a boil.

My supervisor told me that the Minister had formally requested the World Bank to help the Indonesian government to implement a national-scale project to address poverty in Indonesia's urban areas. At the time, the government was becoming deeply concerned about the potential for protests and social unrest due to the massive unemployment and sudden erosion in consumer buying power, particularly in the urban areas. The government wanted the new project to be a pre-emptive response to the impact of the crisis. The idea was to establish a program similar to KDP, which was intended to help villagers in rural areas, but modified for urban areas. My supervisor said that I had to make sure that project was ready to implement within six months. I couldn't believe he was serious. I had never seen even a small, simple government project take less than two years to put into action. And here was him saying we had to be ready with a complex, innovative, nation-wide project that used completely new mechanisms and systems in six months!

I returned to my office and stared blankly at the wall. How were we going to pull it off? I didn't even have any real experience with poverty reduction projects or community empowerment projects! My mind was filled with unanswered questions: *What was the most effective way to work with poor local communities? What does "local community" even mean? What does "poor" mean? How do we know who is poor or not? How could we devise a program to assist them? What do they even need?* I didn't have any of the answers.

In what ways was UPP innovative? How did it differ from previous government programs for people in the urban areas?

To assist poor Indonesians who were affected by the crisis, the government had a number of programs to provide short-term relief. The most important of these was the Intensive Labor Program I (*Program Padat Karya*), with members of the public being paid to work on the construction of public works. However, it was very badly targeted and leaked like a sieve. The wages paid under the project were high, but most of the time only people with connections to the local government units could get a job. It only benefited members of the village elites and their families.

I wanted to try a completely different approach, an approach that put the community at the center of the initiative, that enabled it to decide what it needed. But for it to be effective, I needed a corps of facilitators who were prepared to work with local communities to develop good plans that expressed their aspirations. To win their trust, it was vital that the facilitators be seen to be working for the community, not the government.

Secondly, the project really had to give communities space to decide what they needed. It couldn't involve telling the community what they had to do. Instead, it should contain simple mechanisms to enable the community to determine what they really needed and what resources they required to get it. So, we decided to use the "open menu" system that had been trialed with KDP, with communities able to propose any activity that met their needs, so long as it wasn't on a negative list. The negative list contained a number of explicit prohibitions, such as the construction of houses of worship or facilities to produce weapons, fireworks, drugs and so on. Apart from that, it was up to the communities.

So, the goal of UPP was to build the capacities of poor members of urban communities to enable them to participate actively and directly in development initiatives. There were a few technical differences between UPP and KDP. Firstly, unlike in the rural areas, we didn't implement a system of competing proposals. While that seemed to work in rural areas, where villages in a subdistrict had some sort of relationships with each other, it wasn't suitable in urban areas. Secondly, we didn't implement initiatives through rural community institutions such as LKMD. They were rural institutions that didn't exist in the urban areas. Instead, we established another institution, known as the Activity Management Unit (*Unit Pengelola Kegiatan*, UPK), at the ward (*kelurahan*) level.

With systems of social cohesion often weaker in urban areas than rural areas, it was often challenging to ensure community participation. For example, in the early stages of the pilot, a group of women in an area around Cirebon expressed a strong need for wells to provide access to clean water. However, despite their initial enthusiasm, the women could not be persuaded to take an active role in community leadership such as leading the UPK. They still thought leading the UPK was something

men should do! We found it was particularly hard to get women to participate, much harder than in the villages. I began to recognize the need for affirmative action. But I have to admit that KDP has been far more successful in facilitating women's participation than the urban project. It's a matter of cultural and social differences between urban and rural areas.

During the initial stages, what support did you receive? And what opposition did you face?

At the beginning, some officials thought that the concept of the UPP was subversive. They were completely stuck in the old top-down paradigm. With a community empowerment program, it is difficult for the government to set specific goals and to see them achieved. Community empowerment is about enabling communities to set and achieve their own goals. Under the old paradigm, the officials set the goals. By contrast, with UPP, government officials had to act as active community enablers, to enable the community to set and achieve its own priorities so that it can benefit from improved welfare, better access to education, increased economic opportunities, and so on. So, there was opposition from within BAPPENAS itself, not so much because of any weaknesses in the project concept, design and mechanisms, but because those in authority were suspicious that the project might result in an erosion to their power and prestige. Always, the concern was with loss of control, particularly over funds. I had problems with the Directorate General of Regional Development of the Ministry of Home Affairs. They questioned me as to why program funds did not go through the Ministry, but directly to the communities. There was also reluctance within the Department of Public Works. They were used to dealing with major infrastructure projects and they had no sympathy or understanding of the idea of community participation.

UPP was launched in December 1999, more than a year after the project commenced, due to the long wait for the disbursement of funds from the government through the Ministry of Finance. I remember how happy Erna Witoelar, the Minister of Settlement and Regional Development, was when we finally launched it. I monitored the implementation of the program closely for eight months, before leaving for America to continue with my doctoral studies.

What was the role of facilitators in the UPP?

I firmly believed that the role of the facilitators was absolutely vital for the success of UPP. While the UPP gave communities a great deal of freedom to determine how funds were used, it did require the communities to develop good proposals and workplans. The communities just didn't have the experience and the capacities to develop these plans on their own. So, they needed the facilitators to help them.

From my experiences with previous government programs, I knew it was vital to set up good systems to select and deploy facilitators. They had to have a deep commitment to the community they served and a solid understanding of how they could work with it to express its aspirations. They were vital to building trust between the government and the community. They had to have a wide-ranging knowledge of the community in which they operated in order to enable the community to recognize and address the issues that affect their daily lives and prevent them from achieving their aspirations.

For example, prior to the project, the government's approach to improving community health was to build health centers, based on a standard model and format for all villages throughout Indonesia. These centers often didn't really work, because they failed to recognize

the specific conditions in which the people in the communities lived. Facilitators have to work together with communities to enable them to recognize and address issues that may have become so normalized that the community itself is not aware of them. When the community itself began to analyze issues related to community health, they found that the root cause of the problems might be related to other factors, such as unhealthy living conditions, with no sanitation and clean water and garbage everywhere. In short, the way they lived was making them sick. The facilitators had to help them to become aware that they could do something to change it.

By talking about these issues, members of communities became aware that change was possible. Communities began to realize that poverty was not necessarily the result of laziness, but of a lack of financial management skills, an inability to distinguish between wants and needs. Often, it was found that it was possible for communities to change their consumption habits so that they could eat nutritious food that met their daily needs using only their available resources, if only they changed their behavior. But until they became aware that how they were living was making them sick and until they had access to information that would enable them to live a more healthy lifestyle, they just went on doing things the way they had always done them.

It was a matter of enabling communities to become aware of the issues that they faced and to provide them with the resources to address them. That's what community empowerment is about. Another vital role played by the facilitators relates to the community's establishment of the UPK, which manages all matters related to the governance of the funds disbursed through UDP through representative, democratic mechanisms.

It was a matter of enabling communities to become aware of the issues that they faced and to provide them with the resources to address them. That's what community empowerment is about.

We established a system to select candidates for the positions of facilitators, to provide them with financial training to enable them to carry out routine bookkeeping tasks in a manner that met auditors' standards, to present accountability reports to the community, and to conduct technical training programs that met the community's needs. For example, if the community was involved in the construction of physical infrastructure, they might need to learn how to mix cement properly. Or they might need technical training to construct water channels between houses in hilly terrain, or to select water pumps. After they realized what skills they had to develop, the facilitators had to identify the resources to develop those skills.

Did all government stakeholders support and understand the need for facilitation?

Issues related to the facilitators were controversial, with much debate regarding their role, purpose and the manner in which they would be deployed. As I said, UPP's conception of the facilitators' role was very alien to many government stakeholders. Government officials tend to adopt a project mentality. They start with specific aims, they have a budget, they use the budget to achieve those aims. So they see the facilitators only in terms of their contribution to a particular project. They had trouble seeing that building the capacities of the community was a goal in its own right.

This viewpoint was particularly prevalent within Public Works, with its focus on the construction of physical infrastructure and with little intrinsic sympathy for the concept of community participation. When we first started talking about community empowerment, they just didn't get it. The processes involved in community empowerment are very different from those involved in building wells, sewage systems and bridges – or so it seemed at the time.

At the beginning, many within the World Bank also didn't really understand the facilitators' role. They were shocked at how expensive it was to deploy them, with internal rules that forbade expenditure in excess of the stipulated proportion of the total budget on facilitation. But at least they *tried* to understand. Eventually, they did come to realize the role facilitators played in developing social capital.

How did the government regulations constrain the procurement of facilitators?

The main problem related to the government's regulations regarding the procurement of goods and services. According to the prevailing regulations, we weren't permitted to recruit or employ any entity other than a legally incorporated company, so we couldn't work with NGOs or recruit directly. I approached lawyers from all the relevant organizations, including the World Bank, the Supreme Audit Board (*Badan Pemeriksa Keuangan*, BPK) and the Financial and Development Supervisory Agency (*Badan Pengawasan Keuangan dan Pembangunan*, BPKP) to seek their advice and input. While consultancy services existed and were offered by companies that met the government's regulatory criteria, none of them had any experience or knowledge in community empowerment. The only organizations with experience in this matter were the NGOs, but in Indonesia, these were often poorly structured and managed, with weak competencies in finance, monitoring and evaluation.

What did you do to overcome these challenges?

As I said, government rules insisted that we could only enter into agreements with legally incorporated companies to recruit facilitators. But we found that if an agreement was entered into between the government and the World Bank and if that agreement mandated alternative arrangements, then they were permissible.

So, if it was agreed upon between the government and the World Bank, we could recruit facilitators from companies, universities or NGOs. That meant we could work with a wide range of institutions to facilitate the recruitment of the facilitators. After lengthy haggling and discussion, all parties agreed to include the stipulations in the agreement. So, the procurement process was managed by a team consisting of consulting companies, academic institutions, and NGOs.

BAPPENAS collaborated with the World Bank to develop a codified system of values, work principles, and training and monitoring and evaluation mechanisms to develop the facilitator training curriculum. Despite the challenges associated with the Ministry of Public Works' perceptions of its role and its way of thinking, after a few short years, a paradigm shift began to occur, with the emergence of a new, more human centered vision.

In the end, we found that the biggest challenges related to the facilitators' fulfilment of their duties was the short, rigid budget cycles, which often seem to entrap facilitators in an endless cycle of project activities. The community empowerment process cannot be completed within the 12-month period mandated by the government's budget cycle. A number of adjustments were made to overcome this.

Can you describe the scaling up of the KDP and UPP to become the nationwide PNPM program?

Both projects were slated to end in 2007. But with their demonstrated effectiveness, particularly in terms of enabling the government to achieve its agenda with limited funds, there was also a strong movement not just to retain them, but to scale them up. As a result of lobbying by the supporters, President Soesilo Bambang Yudhoyono agreed to negotiate new loans with the World Bank. On 30 April 2007, he launched

the National Independent Community Empowerment Program (*Program Nasional Pemberdayaan Masyarakat Mandiri*, PNPM Mandiri) in Palu, Central Sulawesi. The new program had two major components, PNPM Mandiri Rural, which built directly on KDP, and PNPM Mandiri Urban, which built on UPP.

It took two years to prepare to scale up the program, with the recruitment and training of a massive number of facilitators and other personnel. In 2009, PNPM Mandiri began to be implemented across Indonesia. Pak SBY instructed us to accelerate the government's poverty reduction initiative, including through the creation of productive employment opportunities through the community empowerment initiative. The budget for the project was huge. But I could see that the design concept for the management of the facilitators was not as strong as with UPP. The new program focused to a greater extent on technical facilitation rather than empowerment, which was the whole point of both KDP and UPP.

I worried that many government stakeholders still didn't get the idea of empowerment. They saw the government's poverty reduction and community empowerment programs as just an effective financial disbursement mechanism. Controls over the program were weak because of the influence of party politics over the ministries. That resulted in the politicization of the programs. It was particularly important to protect PNPM from these influences, with this program having a vastly larger number of facilitators than any other program.

A lot of stakeholders never really understood the focus on the community, with many arguing that direct assistance to households was a better alternative. At one point, I got into a heated argument with representatives of the World Bank, who were pushing for the inclusion of a Direct Cash Assistance (*Bantuan Langsung Tunai*, BLT) component. I thought the inclusion of that component could seriously undermine the community empowerment initiative. It was a completely different

approach to that developed under KDP and UPP. The World Bank strongly rejected the idea that the provision of BLT would undermine the community empowerment initiative. I opposed the proposal as strongly as I could, but the damage had been done. The World Bank just didn't realize how it could have undermined harmonious community relationships. The provision of cash handouts at the household level would do nothing to foster a spirit of cooperation at the community level. It would be possible to rebuild that spirit, but it would take time.

How do you regard the government's Village Law? Is it an effective tool to empower Indonesian communities?

I am skeptical as to whether the new system really effectively promotes empowerment. In some cases, the new system actually seems to undermine the community's ability to determine the use of funds, with the loss of the open menu system and requirements that villages use funds for specifically defined purposes. Community empowerment requires sustained investment to build and maintain social capital. In addition, it requires constant attention and support to ensure that members of communities participate fully to determine priorities and to allocate resources in a critical and democratic manner. To ensure this participation, the government must be committed to political education, awareness raising activities and technical training.

Community empowerment is an evolving, dynamic process. It is highly dependent on the level of maturity of the communities that are involved in it, and on the political situation. Just as the tasks of the educational and health sectors are never really completed, so it is with community empowerment. The process never ends, because the community continues to evolve. Similarly, the challenges facing the community empowerment initiative will also continue to change and evolve, with changes in the political environment and technological process, particularly in the area of mobile and information technology.

Community empowerment requires sustained investment to build and maintain social capital. It requires constant attention and support to ensure that members of communities participate fully to determine priorities and to allocate resources in a critical and democratic manner.

What other empowerment projects are you working on now? How do these express changes in understandings of what community empowerment is?

We want to involve Indonesia's millennials in the development process. They can play a major role as facilitators or mentors, developing ideas for innovative products that add significant value for farmers and other producers. For example, in Pemalang, a number of villages cultivate jasmine flowers. We identified young Indonesian entrepreneurs engaged in producing essential oils. These entrepreneurs worked with farmers to develop high-quality jasmine oil that could win acceptance on international markets. In this particular case, Village Funds were used to construct processing facilities, with the involvement of the entire community, before being granted formal recognition by the district head.

The value of Village Funds is increasing. We are pushing for a system of rural-based development that involves young entrepreneurs from both rural and urban areas in enabling farmers to create added value and to generate higher incomes. In that area, the millennials can play a major role. They are digital natives, with great knowledge of digital business models. They can open the doors for farmers to become involved. This process is fundamental to community empowerment. Facilitators must have a good understanding of the entire supply chain related to the products produced by the communities they serve. They must be able to facilitate access to markets. It's a very different to the role of the facilitator in the Suharto era.

BAPPENAS is also conducting a number of other similar initiatives elsewhere. I challenge my staff to encourage the development of partnerships with farmers to facilitate the emergence of local products. I have assigned some of my staff with the task of developing a database of local potentialities, drawing on data from media reports over the past decade. Six years ago, I read an article about eel producers from West

Java. While the Japanese company was keen to place an order for 1.5 tons each month, the farmers could only produce between 100 to 150 kilograms. I was very excited to hear about this unfulfilled demand. We needed to be able to support eel fish farmers to increase their production to penetrate international markets. To achieve that, we needed to involve young entrepreneurs who could serve as intermediaries. But in the process of acting as intermediaries, they also empowered the community and invested in its development.

So, we are trying to replicate the sustainable empowerment model, but in a manner that facilitates the full participation of Indonesia's younger generation, the millennials. Since 2011, I have worked to develop a system to empower farmers. Working with USAID, BAPPENAS has developed a program called Support for Economic Analysis Development in Indonesia (SEADI). One element of this program involves the establishment of interlinkages between farmers and international markets, through the participation of public-private partnerships. To develop this program, the US government is engaging with BAPPENAS and with private sector entrepreneurs and an expert in the field of cooperatives, Sam Filiacci.

As part of this project, coffee farmers in a number of regions across Indonesia have been provided with training to improve their skills in the areas of selecting good seed stock, cultivating their crop in agroforestry systems, and processing the crop to generate added value. The funds are used to deploy agricultural extension agents. The project in Tapanuli, for example, is designed to enable farmers to produce their crops without the use of chemical pesticides and fertilizers. We want them to produce coffee that meets international green labelling standards. The basic idea is to improve yields so that farmers can generate higher incomes from smaller plots of land, thus reducing the extensification process. The resulting crops have been sent to international coffee companies, including Starbucks, Blue Mountain, and a number of others. To ensure its acceptance on international markets, the coffee must be appropriately

certified, with multilayered laboratory tests to guarantee its quality. As a result of the program, the price of Gayo coffee has increased to up to US$ 21 per kilogram, of which farmers receive around 85 percent. Similar initiatives are now being conducted with other agricultural products, such as cinnamon, vanilla, black pepper, white pepper, and cloves.

How did your background and education influence your involvement in Indonesia's community empowerment initiatives?

When I first got involved in UPP, my colleagues laughed at my sudden interest in poverty. They said, how would I know? Fairly enough, they told me that I came from a prosperous family which had never known what poverty was. Even so, during my final years at high school, I had often fantasized about being sent to Africa to assist the people there to overcome drought and famine, producing artificial rain so that the land would become fertile. At that time, there was a lot of coverage on television about drought and social unrest in Africa. I just thought it would be cool to help people.

In 1994-1996, BAPPENAS sent me to work at a financial institution that has many similarities with the World Bank but that belonged to OPEC, the Organization of Petroleum Exporting Countries. It's called the OPEC Fund for International Development. I worked as a loan administration officer, managing the disbursement of funds to non-OPEC developing countries around the world. During my second year, I was offered a position as a permanent member of staff, but I refused. I didn't want to devote my life to assisting poor people in other countries when they were still so many poor people in my own country. I wanted to continue my education, but the agency declined to provide me with a scholarship. So, I returned to Indonesia. I was happy to return at a time when the reformists were gaining ascendance. It enabled me to play a significant role in improving the lives of people across Indonesia.

Photo Credit: World Bank

Photo Credit: Muda Mahendrawan

Muda Mahendrawan

Women-headed Households: Transforming Development at the Local Level

Muda Mahendrawan currently serves as the District Head of Kubu Raya, West Kalimantan (2019 - 2024) and has a background as an activist for social transformation and community empowerment. In particular, his interactions with the women involved in the Women Headed Household Program (Pekka) had a major impact on his ideas.

Muda Mahendrawan's office is not like the typical office of a senior bureaucrat. Here, glass cases are lined with products produced by Micro, Small and Medium Enterprises (MSMEs) in the district. Similarly, the coffee table has numerous samples of local food products placed upon it. There are numerous framed photos of events involving the Women Headed Household Empowerment (*Pemberdayaan Perempuan Kepala Keluarga*, PEKKA) program. The only sign of an award in which the district head features personally is a certificate issued by Tempo Magazine in 2012, a charter of prominent figures, recognizing Muda Mahendrawan as one of seven district heads or mayors from 497 district and cities across Indonesia for his excellent performance in office and his role as an inspiration to other regional heads.

"Sorry if I'm a little bit late," he said, as he greeted us. It was indeed more than half an hour since the time we had agreed upon for the interview that morning. "I had a meeting with members of the community earlier. I have regular meetings with them so that they can tell me what they want and need, what they are doing to achieve it, and what problems they are facing," said Muda, who was wearing a locally produced batik shirt, of a quality similar to that worn by his members of staff.

Since his first period in office as the district head, Muda has established his credentials as a community-centered district head. Amongst other symbolic gestures, he refused a budget allocation for an official residence, one of the accepted perks of most of Indonesia's district heads and mayors. Instead, he continues to live in a comfortable but modest house in the Tanjungpura University housing complex, which was left to him by his parents.

Similarly, he also refused a budget allocation for an official car for both himself and his deputy, saving funds to a value of around Rp 1 billion. Instead, he diverted the funds to build facilities and to provide services for teachers, village heads, midwives, and agricultural extension workers.

When he commenced a new term in office for the period 2019-2024, he did the same thing again. “I used the previous district head’s old car, so there was no need for a new one. I already had a home of my own, so there was no need for an official residence,” he said.

“I insist that all officials of the district government use the budget for substantive matters, to improve the quality of life and to create opportunities for members of the community. I don’t want my bureaucrats to be focused on spending money to meet their own needs, rather than those of the population they are meant to serve,” he said.

THE INVOLVEMENT OF WOMEN FROM THE GRASSROOTS

Muda then turns to the showcase behind him to pick out a number of examples of products produced by local MSME. “Almost all of these products are produced by women,” he said. He describes the role of a number of community empowerment programs in enabling women and other members of the community to take an active role in the development process in Kubu Raya.

“We expanded the markets through a systematic process,” Muda said. “First of all, I issued an instruction requiring local civil servants to consume local rice. This gave farmers a sense of security, because they knew that there was a market for their crops. We have also encouraged officials to prioritize other local products. We always offer these products to official guests and encourage them to act as ambassadors for these products outside the district.”

To develop markets for the produce of the community, Muda has worked to build networks with agricultural supply chains throughout the region and beyond, enabling the increased sale of both raw agricultural commodities and added value products produced by MSME products from bananas, coconuts, and other crops in the district.

“Everything starts from here. We have established a souvenir center to display local products, with a marketing network that utilizes a range of different channels, including digital and mobile channels. Those channels play a vital role in winning acceptance for our community’s products,” he said.

The district government conducts numerous training activities to build the capacities of local members of the community to produce marketable products, with the training covering matters related to packaging, product design and marketing. Most of those involved in these training programs are women.

“The training sessions fulfil a wide range of purposes. They can be leveraged to ensure that women entrepreneurs comply with licensing requirements and health and safety standards, to ensure the quality of their food products,” he said. “We also use them to create economic opportunities for women with caregiving duties who are unable to leave their homes to work. For example, we have provided training in sewing skills to enable young housewives to produce uniforms and other clothes in their own homes.” Together with his wife, Muda personally facilitated the establishment of sewing groups, with interlinkages to markets to enable the women to sell the products they had produced.

In addition to these projects, Muda also played an active role in promoting a number of national and regional initiatives to ensure that they met the needs of members of the community under his mandate, including the Regional Health Insurance Program (*Program Jaminan Kesehatan Daerah*, Jamkesda) and the School Operational Assistance Funding Program (*Program Dana Bantuan Operasional Sekolah*, Bosda).

“We revived the Bosda program to enable parents to purchase uniforms for primary school students, with the uniforms produced by the women’s sewing groups. This gave them access to markets in schools all over the

district. We established at least 10 women's cooperatives to produce the school uniforms," he said.

Muda says that the basic idea was simple: if parents were required to purchase school uniforms, he wanted the money spent on these uniforms to remain within the community. "If the women's groups were involved in producing the uniforms, the money would remain within the community. This was the basic idea for the Village Women's Empowerment Convection Program (*Program Pemberdayaan Perempuan Desa Berbasis Usaha Konveksi Keluarga*)," he said. In the future, he hopes to expand the program so that women can produce a wider range of uniforms, for sports and scout groups, in cooperation with corporate social responsibility programs.

"Even though we still buy the cloth from outside, all expenditure on labor remains within the district, where the market for the uniforms is. We just have to make sure that all members of the community have access to the opportunities created by this program," he said.

Muda has also been involved in a number of other initiatives to develop a more creative economy, including the development of tourist areas. While Kubu Raya has no less than 46 destinations that have been assessed as having good potential for the development of tourist facilities, at present, only a few of these are accessible. But Muda has hopes for the development of these areas into the future. "Supadi International Airport lies within the district's territory. With this airport, it has excellent potential for development as a MICE tourism destination. I have deliberately made it as easy as possible for hotels, restaurants, and souvenir shops to acquire the necessary permits to operate, to enable them to serve as a showcase for the specialist products we produce in this district, including mangrove honey and products produced by the women's empowerment programs," he said.

We want to enable people to live comfortably and in peace, to be able to worship according to their own beliefs and values, to raise children in good health, and to send their children to school.

As a native of the region, Muda is well aware that his district is vulnerable to interethnic conflict. He remembers the Sambas riots, which took place in 1999, with massacres of immigrants from the island of Madura by members of the indigenous Dayak community and the Malays. To prevent such conflict in his own district, Muda has worked to instill a sense of regional identity that draws on the traditions of the six major ethnic groups in Kubu Raya Regency, these being the Javanese, Madurese, Malay-Banjar, Chinese, Dayak and Bugis, with the creation of a number of cultural performances that integrates all these traditions.

"We socialize cross-cultural tolerance from the earliest stages, with competitions, plays, and performances at local primary schools, but involving all members of the community. I try to build a sense of shared values and traditions. Many of the women from PEKKA friends are involved in these initiatives," he said.

All of the district's ethnic groups are encouraged to create cultural products to promote the development of the district as a tourist destination, with each of these groups being involved in particular events associated with their group. Muda hopes to stage at least two major cultural events every month, with these events being widely promoted through the Internet and other means to appeal to the young, both within the region and beyond.

THE HOUSEHOLD AS THE PRIMARY UNIT IN DEVELOPMENT INITIATIVES

Despite his large plans for the development of Kubu Raya, Muda claimed that his dream for his citizens was simple. "I am not too ambitious," Muda said. "We want to enable people to live comfortably and in peace, to be able to worship according to their own beliefs and values, to raise children in good health, and to send their children to school," he said.

He admits that there are a number of major challenges to achieving this, particularly related to childhood stunting, with West Kalimantan among the worst five performing provinces. “The rate for childhood stunting is still too high in our district,” said Muda. “Based on data from 2018, one in four children under the age of five in Kubu Raya District experienced stunting,” he said. Poor nutrition results not only from a shortage of food, or a deficit of calories, but also from poor food choices, with the food a child receives not meeting her or his needs. Thus, even children from relatively well-off households can experience malnutrition, particularly if they eat large amounts of junk food and sweets.

To address this, Muda is conducting a number of initiatives to raise awareness of nutritional matters, to enable caregivers, particularly mothers, to understand the important role that nutrition plays in their children’s development. As part of this initiative, he has encouraged community members to plant vegetables and other crops in home gardens to meet their children’s nutritional needs, together with commodities that have economic value and that enable the households to generate higher levels of income.

When he took up office as district head for the second time, after an intervening period, he was shocked and disturbed to note a decline in terms of nutritional indicators, with stunting, maternal mortality rates and in mortality rates all having increased. He states that these matters need to be addressed not only by the district health sector, but as multidimensional issues that involve all aspects of his government, including all agencies responsible for the development of physical and institutional infrastructure. In particular, physical infrastructure can play a vital role in reducing child and maternal mortality by enabling access to health facilities. Similarly, awareness raising activities can play a vital role in ensuring the participation of all members of the community.

"We've got a lot to do over the next five years," said Muda. "I have initiated a home visit program conducted every Tuesday and Friday. On Tuesdays, midwives and doctors conduct initiatives for mothers and children, with these activities related to stunting, malnutrition, and interventions for pregnant women. On Fridays, midwives and nurses conduct activities to address general health issues. Our government has provided significant allocations for these operations, which have been in force since July 2019."

Muda's initiatives to improve the health of the child start with the health of the fetus in the womb. "I deliberately use language to convey that the fetus is a human being, with a right to life. If we fail to guard the health of the fetus, we are violating its human rights. As the government, we have a duty to prevent those violations," he said. Muda's conceptualization of the human life-cycle focuses on all stages of the life-cycle, from the health of the fetus in the womb through childhood, adulthood and into old age, from womb to tomb.

THE TRANSFORMATION OF DEVELOPMENT THROUGH COMMUNITY EMPOWERMENT: MUDA'S COLLABORATION WITH PEKKA

Muda's focus on the household as the primary unit for development initiatives is the result of his longstanding interaction and collaboration with the Women's Head of Household Empowerment Program (PEKKA).

"Right from the beginning, I felt a sense of synergy with PEKKA because of its strong common vision and its structure as a community-based movement. I always drew on PEKKA as a source of inspiration for district government initiatives to strengthen the role of women and of households. Through collaboration with PEKKA, we have been able to accelerate our initiatives to implement gender responsive development, to protect the basic rights of vulnerable households, and to ensure that they are free from poverty," he said.

"I believe that women play a far more significant role within the household than men, particularly in terms of responsibility for their children. Men tend to focus more on public life and community affairs," Muda said. "A lot of my ideas are the result of the way my mother bought me up. My own mother has been a great source of inspiration to me throughout my life. Throughout her life, she devoted herself to social and charitable activities, particularly those related to the empowerment of women and children."

Muda's interest in and support for PEKKA commenced a long time before he began his period of service as the district head. "In 2009, Pak Muda helped us to draw up a Notarial Deed for the establishment of the West Kalimantan PEKKA Union. He didn't charge for his services. The deed states that we can open branches in other districts, anywhere in West Kalimantan. We currently use the Notarial Deed as the legal basis for the establishment of the union in Kubu Raya, Menpawah, Pontianak City, Bengkayang and other districts," said Kholilah.

Muda's relationship with the women from PEKKA became closer when discussions regarding the establishment of Kubu Raya as a separate district began in 2006. "During that period, I often held discussions with local residents to raise awareness amongst the community of the implications of the establishment of the new district," Muda said. After being elected as the new district's first head, Muda's relationship with the women from PEKKA intensified, with their active involvement in a number of development initiatives. Kholilah says that he actively facilitated the provision of sewing courses for young housewives, to enable them to generate greater incomes.

We can achieve progress by working together as fellow members of the community, rather than as officials and citizens. Happiness results from participating with others in the community for the advancement of everyone.

COMMUNITY BASED DATA COLLECTION AND MONITORING

In 2010, Muda provided support to PEKKA to implement a Community-based Welfare Monitoring System (*Sistem Pemantauan Kesejahteraan Berbasis Komunitas*, SPKBK) in five villages in Kubu Raya. “He used his own money to support us,” Kholilah said. Muda was inspired to provide this assistance as a means to improve the welfare and well-being of the members of the community he served.

“We can achieve progress by working together as fellow members of the community, rather than as officials and citizens. Happiness results from participating with others in the community for the advancement of everyone,” said Muda.

He states that PEKKA made a very significant contribution to improving the district’s collection of data related to poverty. “The women have developed highly effective means for collecting data related to poor and vulnerable households through the use of questionnaires and interviews. These provide a full and comprehensive system for collecting data related to poverty at the household level,” Muda said.

In 2010, when Kubu Raya was included in a pilot project to test the e-KTP system, an electronic ID card that contains an embedded microchip recording, PEKKA played a role in collecting the required data using the SPKBK method in five villages in Kubu Raya. Kholilah says: “We all worked extremely hard to facilitate the process. It involved the provision of birth and marriage certificates for non-Muslims to provide legal certainty to their children. We managed to get all the RTs and RWs and villagers to take part in collecting data.” With the involvement of the women household heads in the village, the collected population census data was accurate and comprehensive.

However, data collection is still a complex issue. “We’re still working with the Civil Registry office to ensure that all members of the community have the documents they need to access services. There are often difficulties when women-headed households don’t have a Family Card or identity cards due to the difficulties in acquiring these documents, particularly in the case of children whose parents are divorced or whose parents have migrated to find work,” she said.

In their data collection efforts, the PEKKA women uncovered many cases of domestic violence, which may take many different forms, some of which are less apparent than others. “It may be obvious when women are subject to physical violence, but abuse can also take the form of denying women access to financial resources. That can only be determined through in-depth interviews,” Kholilah said.

The data collection process also revealed that the number of female head of households was higher than indicated by previously existing official figures. In part, this was due to a matter of definition. The women found that many women were effectively the head of the household because of their role as a financial provider, with a husband either not working or working but not providing for his family. In other cases, husbands had left the household to seek work elsewhere in Indonesia or abroad, often without sending remittances to their family.

Muda admits that it is extremely difficult to gain a clear and comprehensive picture regarding the extent of sexual violence in his area. This is largely due to the existence of strong social taboos preventing discussion of this matter, with many families preferring to deal with it privately, without official involvement. Sometimes this leads to clearly unacceptable practices, such as rape victims being pressured to marry the perpetrators.

Muda has tried to address issues related to sexual violence by addressing its underlying causes and implementing a more comprehensive approach. For example, he sees high levels of youth unemployment as a contributing cause, and thus strives to address it through measures to promote productive employment and to encourage entrepreneurship. He also promotes adolescent reproductive health education in schools and in various forums.

VILLAGE FUNDS AND THE WOMEN'S LEADERSHIP PROGRAM

In 2014, the Indonesian government promulgated Law No. 23 concerning Regional Government, with this law providing a basis for the devolution of a range of powers and authorities to village governments and for the provision of funds to enable them to conduct development initiatives. Together with Law No. 6 concerning Villages, it was intended to manifest the government's Nawacita vision, which mandated "building the nation from the peripheries." It formally recognized that the development of villages and village communities could not be achieved solely through the imposition of a top-down approach. Rather, it required a combination of top-down and bottom-up approaches, with all elements of the community participating in the planning process.

While the importance of community participation has been widely recognized, in practice, it has often been difficult to implement, largely due to the process of depoliticization under the New Order regime and to its authoritarian nature. Participation requires the development of a shared commitment to the achievement of community goals, built on public trust. Muda strongly believed that this trust and commitment would be built on the basis of the high level of women's participation in Kubu Raya.

In this area, the role of subnational leaders is also vital, particularly that of district heads, subdistrict heads and village heads. They must commit to ensuring transparency, to prevent the possibility of corruption. With the increasing proportion of funds allocated to the villages, this is becoming increasingly important. The total budget allocation for the Village Fund in the 2019 stood at Rp 70 trillion. To achieve the goals mandated by the Village Law, Muda says that: "We have to implement a transparent and accountable system to avoid abuse. Only then can empowerment programs work well. "

Muda states that all elements within the district government must remain aware that not only is the purpose of Village Funds to develop village communities, but that these communities must be responsible for the management of the funds. The role of the district is to protect their integrity. Muda states that there will always be challenges associated with channeling funds to community groups. He says that many village level officials see the availability of these funds as an opportunity to engage in self-profiting activities.

To address this, Muda's administration has developed a Cash Management System (CMS) that enforces transparency and accountability on all stakeholders. "If we want to ensure that communities have access to the resources that they require, we must build a system that enforces transparency and accountability. So far, 28 villages are participating in this system. I am trying to enter into an agreement with Bank Kalbar to extend its reach. Next year, I hope that 118 villages will participate. Even areas that currently don't have Internet networks will be able to participate eventually. The system has already been implemented at the district level, now it's a matter of including all villages. All financial transfers will be facilitated by banks, securely, into designated accounts. Everything will be transparent. We have to make sure that everybody realizes that this money belongs to the community, not to the village elite."

Muda is involved in a number of other initiatives with PEKKA to improve governance and to increase community participation. Since 2015, the PEKKA Empowerment Institute (Lembaga Pemberdayaan PEKKA) has conducted structured education and training activities for female household heads and women generally in rural areas to ensure their active involvement in village governance and regional development initiatives. The Paradigta Academy was established to support the development of transformative women leaders and to ensure their participation in public life at all levels, starting from the village.

Muda's government supports the Paradigta Academy by providing budget allocations and honorariums for mentors. "Paradigta is a great asset to develop human capital," said Muda, showing graduation photos of mothers participating in the training. "I am very proud of them. Women must be aware of the implications of the Village Law and understand how they can utilize it," he said. He added that as a result of their role as activists, the PEKKA women have become highly politically literate and aware. As an example, he cites the story of a village cadre and a graduate from the Paradigta Academy, Karmani, who was involved in the data collection initiative.

During this process, she found that the village head had issued a number of certificates falsely stating that certain residents were poor, to enable them to access subsidized or free health insurance. She protested vociferously that the false issuance of these certificates would undermine the integrity of the data, making it difficult or impossible to accurately target those in need through development initiatives.

THE CHALLENGE: POLITICAL PARTIES AND THE BUREAUCRACY

District heads are aware that during their period in office, they will face challenges related to the role of the political parties and of their own bureaucracy. While Muda originally intended to run for the office of district head as an independent candidate, eventually he sought the support of the major political parties in the district. He saw this as a pragmatic move, intended to save the time and energy it would have taken to nurture political support on his own.

"We need to establish strong foundations for community development throughout the district. There isn't enough time to deal with the political parties. We can argue in the representative council, but the important thing is to ensure that the bottom-up approach is firmly entrenched. If a transparent, accountable system is firmly entrenched, it will be impossible for the political parties to reject it or undermine it," he said.

When it comes to managing his bureaucracy, Muda is pushing for a fundamental change in the manner in which the bureaucracy views its tasks and the manner in which its performance is assessed. "The performance of the bureaucracy shouldn't be measured in terms of its ability to complete reports and to fulfil standard tasks. These things are only important inasmuch as they contribute to facilitating the achievement of community aspirations.

The bureaucracy needs to focus on achieving real change, with clear and measurable targets. They shouldn't be sidetracked into irrelevant matters that have no real bearing on the quality of life of members of our community," he said. "We need to find real solutions to real problems! We need to instill a spirit of optimism and hope, a belief that the community has the power to develop its own solutions.

So, I don't initiate a program by holding a meeting of bureaucrats. I start with public meetings to see what the community needs, then I take the findings to the bureaucrats. It is the community who should direct them. We have coined a slogan for the bureaucracy: *Run Faster, Process Faster, Achieve more! From Kubu Raya for Indonesia!"*

To facilitate village level development and to ensure transparency and accountability, Muda emphasizes the importance of both the Cash Management System and the Village Government Work Plan (*Rencana Kerja Pemerintahan Desa*, RKPDes). "We have issued regulations and guidelines for the use of the Village Funds to reduce rigidity and to give village communities more space. We try to avoid overregulation," he said.

The next step is to ensure that village level plans are included in the district-level Regional Medium-Term Development Plan (*Rancangan Pembangunan Jangka Menengah Daerah*, RPJMD). "In the future, we will develop a system to incorporate the village level plans into the district level plan and enforce it through regulation," Muda said. "We will also continue to provide support to the women's empowerment movement to enable it to focus on strengthening all households and to mainstream gender responsive policies throughout government systems."

Muda is committed to fulfilling his constitutional mandate to the best of his ability. In his view, this requires him to work hard, to recognize the objective conditions his communities face, and to present real solutions, with transparency, honesty and sincerity. "I do the best I can. After that, I leave it to God," he said.

> *The important thing is to ensure that the bottom-up approach is firmly entrenched. If a transparent, accountable system is firmly entrenched, it will be impossible for the political parties to reject it or undermine it*

Photo Credit: World Bank


Deep Jungle

Photo Credit: Irfan Kortschak

Vivi Yulaswati

Good Data, Strong Analysis and Effective Monitoring and Evaluation Systems To Build Indonesia's Human Capital

Vivi Yulaswati, Director of Poverty Reduction and Social Welfare, Bappenas. Master of Urban and Regional Planning, University of Wisconsin-Madison, USA, (1999); PhD in Planning and Development at Southern University, California, USA (2004). Responsible for the development of strategic policies and poverty and welfare reduction programs, including formulating budget, and monitoring and evaluation. Contributed to the design of a number of community empowerment and social safety network programs, including Indonesia's conditional cash transfer program.

With the emergence of the concept of community empowerment, the emphasis has changed, placing the community as the subject of development initiatives, with a new emphasis on giving poor community groups voice, on engaging with them.

You joined BAPPENAS in 1992, just a few years before the advent of the Asian financial crisis and the fall of the Soeharto administration. How have ideas related to community empowerment changed since then?

Actually, the concept of community empowerment has never been completely new to Indonesia, even if the term itself only started to be used in the 1990s. The government has always talked about "mobilizing the community" and ensuring their participation in its initiatives. Even back in the 1960s, it was common to hear government officials talk of mobilizing the community to achieve some sort of common good. But there has been a major change in emphasis. In the past, community mobilization meant recruiting and utilizing the community to participate in projects led by the government, with central agencies determining the nature of the project through centralized, top-down mechanisms.

With the emergence of the concept of community empowerment, the emphasis has changed, placing the community as the subject of development initiatives, with a new emphasis on giving poor community groups voice, on engaging with them. With this approach, community groups are actively involved in identifying their own needs and planning activities to meet these needs.

This change in focus has transformed the manner in which poverty alleviation initiatives are implemented. Before the crisis, almost all of the government's poverty reduction programs were implemented by ministries in silo. They usually involved the provision of untargeted subsidies or general assistance, such as fuel and food subsidies and rice distributions. These initiatives were often very poorly targeted, benefiting well-off Indonesians as much or more than poor Indonesians.

They were often extremely expensive, reducing the government's space for other expenditures, including much needed health and educational facilities. But because they didn't involve targeting specific groups, they didn't require the government to have a very great understanding of the prevalence of poverty, its location, its causes, and so on, because they didn't address these factors directly.

Later, the government implemented programs with regional targets, such as the IDT, P3DT, and PDMDKE, to improve village infrastructure and to promote economic development. At the very least, these programs did require the government to begin to recognize the need for strong data collection systems, with strong monitoring and evaluation, good analysis, and an effective dissemination process. All of these are essential for developing effectively targeted interventions, including those early programs, but more and more so for the government's later programs.

With the crisis, the government faced massive poverty and unemployment, with millions of Indonesians suddenly forced below the poverty line. The crisis forced the government to recognize the need for good targeting. Within BAPPENAS, there was a shift from an almost exclusive focus on promoting economic growth to addressing poverty and inequality, through well-targeted programs.

The change in focus dramatically changed the government's conception of the need to understand poverty, to have accurate data. If you want to target the poor, you have to know who and where they are, what their issues are, and so on.

> *There was a shift from an almost exclusive focus on promoting economic growth to addressing poverty and inequality. The change in focus dramatically changed the government's conception of the need to understand poverty, to have accurate data.*

How do community empowerment programs learn from monitoring and evaluation?

Community empowerment requires an iterative process of trial and error, of learning by doing. To enable the process of learning, it is vital that all initiatives incorporate a strong monitoring and evaluation framework, right from the design stage, so that the government can identify what is working and what isn't. For example, one of the goals of the KDP project was to ensure a higher level of women's participation in development initiatives. We always monitored this closely to see whether the project was achieving its aims. At the early stages of the KDP project, evaluations showed that the level of participation of women's groups in village meetings was very low. The reason was that the meetings were often held in *surau* (mosque), which were traditionally perceived as men's space. So, we recognized we had a problem. To address it, we established special meetings for women. We then monitored the effects of that in terms of the proposals developed.

With the new approaches, we had to make a great number of leaps forward, with dramatic departures from established practice. But we had to have a solid basis for these. We needed to know which direction we were leaping in. Only with strong evaluations and good data were we able to effectively identify the necessary innovations and approaches. In order to be able to sell a program to the political leadership, we needed good data to convince them of the validity of the concept or approach we were proposing.

While this may seem self-evident, it is by no means the case that government institutions have always designed or implemented policies and programs on the basis of an analysis of good data. One reason for this failure is that government institutions often believe that it is just too complicated and too expensive to conduct the necessary research and analysis and or to collect the required data, with no budget allocations

available for this purpose. However, even when the data and research do exist, mechanisms to ensure that it serves effectively as inputs for the design and implementation of new programs often don't. As a result, decisions are often made on the basis of short-term political considerations, without due consideration to the long-term effectiveness of the proposed initiatives.

Why do so many government agencies fail to implement effective monitoring and evaluation?

Many office bearers believe that it is just too expensive and difficult to conduct effective evaluations, and that the process of conducting them is too time-consuming in the context of their work agenda. But when we understood the true importance of the data, studies and evaluations would be treated as vitally important, integral part of the planning process, rather than something that is supplementary to the bureaucracy's core duties and tasks. No initiative should be implemented unless it incorporates an effective monitoring and evaluation framework, right from the beginning of the design process.

Indeed, many government institutions and agencies have limited budgets to conduct effective studies and evaluations. Therefore, to create space for innovation and transformation, the government should supplement its own resources with support from development partner institutions, which may be able to provide grants to conduct studies or pilot programs. For example, some time ago we wanted to pilot the use of drones to improve health services funded by district budgets. It was almost impossible to use government resources for that purpose. Even before we'd started the pilot, we were faced with incredible regulatory hurdles. However, support provided by donors enabled us to pilot and then develop innovative solutions. Later, with strong evidence regarding their effectiveness, we could muster the support to incorporate these into government systems, with the government taking full ownership.

However, conducting good studies and collecting good data is one thing, but disseminating the results is entirely another. A program consists of a series of interrelated processes: exploration, conceptualization, proving the concept through piloting, incubation, and finally implementation.

The most difficult is the incubation process, during which we have to disseminate the concepts and the evidence from the pilots to the ministries and agencies involved, with the necessary adjustments to the specific context and the regulatory environment. If a wide range of stakeholders already support the concept, we intensify our advocacy activities to ensure that the proposed activities are discussed at ministerial or cabinet level meetings. We may adopt this kind of strategy in endeavors to revise the methodology for measuring poverty author of forming subsidy schemes to create space for other social assistance programs, or even for extraordinary actions like relocating the capital city.

Can you give an example of how lack of data has constrained the ability of the government to implement a project?

One example is the government's cash transfer programs, which are intended to provide households with resources to enable their children to achieve good health and to attend education. In 2006, the government came under strong pressures to rethink its approach to poverty reduction, with President SBY instructing BAPPENAS to identify and develop programs with new approaches. I presented a report to Pak Jusuf Kala, the Vice President, based on lessons learnt from the successful implementation of a conditional cash transfer (CCT) program implemented in Latin America, which targeted poor families with children and which made the provision of benefits dependent on a number of criteria, such as the children attending school and sessions at the health care center.

However, the whole program was contingent on the ability to accurately target poor households. You had to know which households were poor, which of them had school age children. You had to be able to check that the households met the conditions. At the time, we couldn't do that, because we didn't have a comprehensive data system to accurately identify names and addresses of poor families. Thus, the government was forced to use a direct cash assistance (*Bantuan Langsung Tunai*, BLT) mechanism, which was much less effective. There was a lot of opposition to the idea of cash transfers, but BAPPENAS still carried a lot of weight and was able to overcome this opposition. Within the government, many office bearers still believed that their main focus should be on delivering infrastructure development programs. We were able to convince them that human capital formation was just as important. We were convinced that a cash transfer system could facilitate this, by improving health and educational outcomes.

You describe the cash transfer scheme as a means to improve human capital. How did the community empowerment initiative impact the government's programs to achieve this goal?

With the scaling up of UPP, KDP and other programs under the PNPM umbrella, we determined to develop a new pilot to test the use of the approaches from these programs to improve health and educational services. PNPM Generasi was established to test the idea that community-based mechanisms could be used to identify and address specific issues impacting the health and educational attainment of local community members. PNPM Generasi enabled subdistrict health and educational agencies to use funds with a high degree of flexibility and responsiveness to local conditions. The idea was that these agencies, working with community groups, would be better placed to know what issues needed to be addressed. This flexibility enabled communities to meet hidden needs that had never even been identified through programs that utilized a more centralized approach.

For example, In Bekasi, community groups used the program funds to rent trucks to transport school children. This resulted in a significant increase in the number of children attending schools. They used trucks because they were the most suitable vehicles in areas where the road conditions were bad. They decided on this because they realized that the bad roads prevented many children from being able to go to school. That's a solution that wouldn't have occurred to central authorities, which tend to apply uniform solutions that may not be suitable in particular contexts.

In NTT, PNPM Generasi enabled the deployment of 'mobile midwives' to provide services to pregnant women, women giving birth, and toddlers spread across the islands, even in very remote areas. Local communities also developed specific solutions to provide access, including the construction of shelters for mothers from remote areas, who were enabled to travel to the shelters to give birth where they could access care. As a result, the maternal and infant mortality rate decreased significantly.

Addressing the hidden and unidentified needs of communities in remote areas that experienced highly specific challenges was often extremely difficult, because even members of the community themselves often barely recognized these challenges. They often just considered them an intractable fact of life, rather than as something that could be addressed. On the other hand, implementing the program effectively was often extremely difficult due to the highly varied needs of the communities and to the difficulties that the facilitators faced in identifying these needs. Community discussions held to identify issues and to determine how they could be addressed often involved multiple meetings and great effort.

After more than 20 years of social, political and economic reform since the end of the authoritarian Soeharto regime, how is Indonesia's community empowerment movement set to unfold into the future?

With Indonesian society continuing to grow and mature, its people are demanding higher levels of service from the government. At the same time, with globalization and the advent of new technologies, they are also facing new challenges. The evolving context requires the government to adapt so that it is able to address new challenges related to poverty alleviation.

The data shows that, despite the huge budgets allocated to the Village Fund program since 2015, economic inequality is still a major issue. Similarly, while at the national level the rate of incidence of poverty has decreased, specific regions continue to face major challenges in this area. While this may require increased fiscal transfers to the regions, it also requires subnational governments to play a greater role in achieving poverty reduction in the areas under their mandate.

There are large groups of people who may not technically be living below the poverty line, but they are still extremely vulnerable. In the case of economic shocks or other turmoil, they could easily fall back into poverty. To improve the resilience of these people, we need to develop market mechanisms so that this group can be stronger in the face of changing economic situations. We need to develop programs with approaches and mechanisms that are appropriate to the current context, including through leveraging new technologies, the role of social enterprises, philanthropic initiatives and so on to enable poor members of the community to penetrate markets.

We are coordinating directly with regional heads and the Regional Poverty Reduction Coordination Teams (*Tim Koordinasi Penanggulangan Kemiskinan Daerah*, TKPKD) to develop web-based knowledge hubs that provide open access to information and data to any interested stakeholder. Hopefully, these hubs will serve as a reference for regional governments to obtain information on examples of good practices, data, analytical tools, and shared learning resources to accelerate poverty reduction and economic inequality.

So far, subnational governments have been very enthusiastic, although their capacity to take ownership of the system and to use it optimally will be heavily dependent on the capacities of the implementing staff and the quality of the TKPKD in each region. If all goes well, then the system will enable speedier and more effective analysis, which will support a higher level of coordination between different agencies.

I hope this system will enable local governments to better implement evidence-based, pro-poor development planning, monitoring and evaluation, while at the same time encouraging a higher level of interaction between stakeholders in the development process, thus resulting in a more effective, innovative, targeted approach to poverty reduction. However, we have to recognize that we didn't start with a blank slate. There are a number of overlapping initiatives that have been developed through a wide range of projects, not all of which have been integrated well.

You mentioned the impact of new technologies. How will the government ensure that these technologies actually facilitate greater levels of equality, rather than exacerbating inequality?

BAPPENAS is currently collaborating with KOMPAK to develop the KEPERANTARAAN (Intermediation) program, which is intended to enable economic actors to develop closer relationships with members

of poor and vulnerable groups and to establish linkages between them to strengthen export-based manufacturing industries, with funding provided by the Social Impact Fund. The underlying concept is to promote positive social transformation by involving social entrepreneurs in investment schemes, in cooperation with local communities. We are striving to develop linkages between farmers and small traders with social enterprises to increase added value and to expand marketing reach. I refer to this as Empowerment Generation 4.0.

Recently I met the founder of a startup company that required millions of tons of coconut waste for a product called cocoa pit. I checked on Tokopedia to find out exactly what a cocoa pit is. It's an organic media for growing plants. Just one small pack sells for 50 thousand rupiah. We had never heard that coconut waste could be used in that manner. Almost certainly, the local government agencies didn't know about it either. But it could create an excellent opportunity for members of poor communities to increase their incomes.

It is not easy to engage social entrepreneurs with a unique purpose, approach, work culture and business character. In fact, these social entrepreneurs are also highly committed to improving the welfare of the community and to reducing poverty and inequality. They are interested in developing a conducive business ecosystem to facilitate their activities. The government should strive to develop a faster, more responsive work culture that is able to fully leverage technological innovations. In addition, the government should work to encourage the development of alternative, non-government funding sources to enable more flexible arrangements. It is also essential to develop a shared understanding between these enterprises and government agencies and to conduct pilot studies that support the development of this shared understanding quickly. It is very important to build and manage expectations in a timely manner, although in practice it is difficult to achieve.

What particular skills do you think you need to perform your job well? What are the greatest challenges you still face?

The key to doing the job is to have a strong and convincing rationale for why a program should be implemented, backed up by strong data and evidence. This is especially true when we are developing new, innovative approaches to what are viewed as intractable and insoluble problems. In those cases, we absolutely need to present evidence from our own pilot studies and from the experiences of other countries abroad to convince the stakeholders.

We must also adopt different strategies to build cooperation with local governments in the areas in which poverty and inequality reduction initiatives are being implemented. Compared to the past, many district heads are now open to innovative ideas and approaches to achieve their various development objectives. However, they are still reluctant to get involved in programs that they consider to be complicated or high risk. But if the evidence is strong and the programs seem practical, they will usually support them.

Another major challenge relates to the continuity of policies and programs in the political context, with a change in administration or even in the structure of the cabinet meaning the abandonment of a commitment to a long-term agenda. One way to address this is for the agency to strive to ensure that the initiative is integrated into formal medium-term plans (RT RPJMN), so that the commitment is 'locked in' to ensure that well designed programs continue to be implemented until they deliver their intended long-term results. At the same time, the agency strives to give room to a new administration to rebrand these programs so that it can claim full ownership over them. Usually, we describe an initiative in general terms or language, which enables a new president to continue to implement an existing initiative under a new name.

It creates a lot of confusion when different political interests propose a wide range of initiatives over which we have no control, particularly when an institution proposes an idea far outside its mandate. To address this, we have had to become an effective communicator, able to understand the interests of stakeholders at a wide range of institutions at various levels. That way we can work with scattered, disorganized information to integrate it into holistic, thematic, spatial planning. There must be a clear framework for all programs, but the details of their mechanisms can be adjusted.

At a personal level, can you tell us why you were drawn to a career at BAPPENAS?

Well, I thought BAPPENAS would be an egalitarian institution. I like the idea of being involved with a wide range of challenging issues that required a multidisciplinary approach, with no set routine. In BAPPENAS we have a great deal of freedom to develop what we believe to be the appropriate solutions. Of course, our decisions are often contested, with huge differences of opinion and with many obstacles to face. In my early years in BAPPENAS, the challenges we faced related to poverty and empowerment initiatives were extremely intense, without widespread acceptance for the new ideas we were dealing with. But at the time, BAPPENAS was also an extremely privileged and powerful institution, with a great deal of influence over the government agenda.

I don't regret my decision to work here. I still believe that BAPPENAS has played a central role in Indonesia's development, and that it can continue to do so. I believe that it is a visionary institution that promotes egalitarianism. In today's context, it must become even more agile and responsive if it is to remain effective. Looking to the future, I hope to be able to continue to concentrate on efforts to build Indonesia's human capital, particularly in the peripheries, in the country's remote and disadvantaged areas.

Photo Credit: World Bank

Photo Credit: Irfan Kortschak

Bito Wikantosa

Expanding Agency: An Ongoing Process

Currently serves as the Director of Basic Social Services, under the Ministry of Villages, Development of Disadvantaged Regions and Transmigration. Since commencing his career as a member of staff at the Ministry of Home Affairs, he has been actively involved in developing and managing IDT, KDP and PNPM Rural.

“I define community empowerment in terms of expanding agency. By agency, I mean the capacity of individuals to act independently and to make their own free choices, to express their opinions and aspirations, to associate with others freely, and to work together with others for their mutual benefit on the basis of their own choice.”

What is your definition of community empowerment?

I define community empowerment in terms of expanding agency. By agency, I mean the capacity of individuals to act independently and to make their own free choices, to express their opinions and aspirations, to associate with others freely, and to work together with others for their mutual benefit on the basis of their own choice. Community empowerment refers to a process of transformation in which humans move from being the object of external forces, to the subject of their own actions. Community empowerment is the process of humanizing humanity by enabling members of the community to achieve their full potential as human beings through the exercise of choice. For humans to achieve their full potential, they must be able to exercise political power and have access to the resources they need to lead fulfilling, meaningful lives.

What influenced the development of your ideas regarding community empowerment?

My ideas about the relationship between the individual, the community, the state and God were shaped by my early experiences as a social activist in Jogja, before I became a civil servant. While I was studying philosophy at Gajah Mada University (UGM), I became involved with social activists working with homeless people, street children, day laborers, and other poor and marginalized groups, particularly amongst the squatter communities along the river banks in Jogja. This work confirmed my belief that every individual is worthy of respect, simply because they are human beings. People have the right to be treated with respect regardless of their disability or health, poverty, age, lack of success or race. And respect means recognizing these people's right to shape their own lives and to participate in the society in which they live. And fundamentally, this refers to political power. So, community development is about giving power to the powerless, a voice to the voiceless.

Community empowerment is an ongoing process that should evolve and deepen as the community becomes more mature and more ready to take on greater responsibility. It is not something that remains stationary. It's an ongoing process, not a final destination.

Can you describe your involvement with IDT, when you first joined the civil service?

I first joined the civil service in 1996, first as an honorary employee for two years, then as a permanent employee. My first major task involved preparing concept notes and proposals for the Inpres Desa Tertinggal project. At the time, it was an amazingly radically innovative program. You have to remember that this was still the Soeharto period, with a highly authoritarian, centralized, top-down system of administration. And the IDT project was the first project to really place the community as the subject of a development initiative, rather than as an object.

I'm aware that looking back on it now, IDT might be seen as a deeply flawed program. From the current perspective, it still involved a highly top-down approach, with the village heads controlling the funds, without much oversight from the community. A lot of the funds weren't used well. But I don't believe you can judge an initiative like that through the lens of a later period. You have to see it contextually, from the standards of the time. It's like trying to assess the achievements of the Soeharto administration in terms of today's standards. At the time, the social-political context was completely different from what it is now. Society has evolved since then, and what may have been appropriate then might be seen as wrong and misguided now. And what has come after the New Order period emerged from the period before it: the people who grew up in that period learned their lessons from it, and those lessons have guided all that has happened since.

Community empowerment is an ongoing process that should evolve and deepen as the community becomes more mature and more ready to take on greater responsibility. It is not something that remains stationary. It's an ongoing process, not a final destination.

And at the time, IDT was a radical innovation. I was working under Pak Ayip in the Ministry of Home Affairs, when he was still just a section head. We met frequently with a group of bureaucrats from BAPPENAS, including Pak Gunawan Sumodiningrat, Pak Mubyarto. In our discussions with them, I first heard the phrase *community empowerment*. It was still a new and exciting concept. We were still just beginning to come to terms with what it meant.

How did you build upon IDT to develop KDP? How did the political and social disruptions in that period affect its development?

We first conceived of the idea of KDP to test the concept, to test systems that enabled community groups to make proposals for funding for village development projects, to participate in selecting projects and allocating funds, and then to control the funding for those projects and their implementation. At the time, we were still unsure of where the new direction was heading. But the changes following the end of the Soeharto administration created a new context. With the advent of the reform movement, there was a push for decentralization, for devolution of power, and for greater community participation. Community empowerment was still a new concept, but it was consistent with the directions society was moving in, so there was ideological support to expand KDP.

How did you prevent political interference from vested interests opposed to the community empowerment approach?

When KDP (and later, PNPM) was first established, it was established as a project. With its own line of funding, at least at the beginning, the project operated in a silo. It had highly specific aims, which was to test a system of disbursement to communities and to measure its impact. It operated within clearly defined boundaries. It operated outside

standard government systems and procedures, with a facilitator force outside the bureaucracy. With the project funded with loans from the World Bank, we were required to implement very strict financial systems to ensure the integrity of the project. In the early days of KDP, I was involved in preparing the project's budgets. The strict financial systems made it relatively easy to resist political pressures to use the budget inappropriately. Similarly, at the local level, district officials also couldn't interfere or make illegitimate demands, because they weren't providing the funding. If there were cases of corruption within the program, we could simply cut off funding until the issue was resolved.

What were the limitations of implementing KDP as a specific project directly managed by PMD?

At the time, the project approach was suitable. It gave us the space to test and develop the new approaches, to gather evidence to show that they worked. But at the same time, in terms of achieving a fundamental transformation to the contract between the state and the community, it created serious limitations. We could see that the project created good results, that it enabled communities to build the facilities they needed at lower cost and to access funds to engage in economic activities. And it did change the mindset of the people involved in it, making them more skilled in organizing together and more critical and demanding of their leaders. It also slowly began to change the ideas of bureaucrats and policy makers regarding what the community was capable of. Yet at the same time, there were stark differences between KDP and other government projects, with the old top-down approach being used in these other projects. So, the community adapted to dealing with multiple approaches. It became normal for the community to expect to mobilize together to channel their aspirations under KDP, while continuing to expect an opaque, top-down approach with other government processes and projects.

What challenges did you face when the government scaled up KDP to become the nationwide PNPM program?

The expansion of KDP and then PNPM to become a national program wasn't just about scaling up, increasing the number of participating villages, expanding the facilitator corps. It was also about deepening and broadening the impact of community-driven development programs to ensure that the principles of community development were entrenched as the fundamental guiding principle of government, to institutionalize the community's rights to determine its own priorities and to access the resources it needs to implement them, even outside the PNPM program. We hoped to create a spill-over effect from the program to achieve the kind of transformation we aimed for.

An early example of efforts to achieve this was through the matching grant program under KDP II. Under this scheme, districts where the program was conducted were encouraged to provide their own funds to include additional subdistricts, with the project continuing to provide training and facilitators for these subdistricts. The fact that around half of the districts agreed to provide their own funds showed that they were becoming convinced that the program was a good way of fulfilling their mandates, that it enabled the construction of good quality infrastructure cost efficiently. But even though the districts were prepared to buy in, the project didn't necessarily radically change the manner in which they conducted government processes. There was still some resistance from local power-holders, and the allocations only ever amounted to a very small portion of their total budgets.

Later, in around 2006, I was involved with PNPM Integrasi, which was a program to try to integrate community planning into district government planning and budgeting processes by providing grants to fund projects that had been proposed in PNPM meetings at the village level. But

the results were mixed, and we could see that district governments were still resistant to community proposals, partly because their own discretionary funds were limited, but also because they didn't see that the community plans fit with their own overarching plan. On the other hand, communities weren't involved in developing the district's plan, so their own plans made no reference to it.

You've talked about the importance of engagement with civil society. Why is that so important?

In the early stages of the initiative, the community wasn't powerful enough to demand that the district governments accommodated their aspirations. Without a strong civil society, the impact of community-driven development continued to be confined to specific programs that achieved limited and specific goals. When civil society is strong, the community can engage in collective action to ensure that bureaucrats and officials provide services that meet the aspirations of all members of society, not just through PNPM programs, but through all of the Government's actions.

One outstanding case of an initiative to strengthen civil society involved PEKKA, the Women Headed Family Empowerment Program. This program was first proposed and developed by Ibu Nani Zulminarni and other Indonesian women's activists with a long history and great experience with women's groups in the community, including with the poorest and most marginal members of society. They developed powerful organic mechanisms to mobilize women to teach other women in their community how to read and write, to advocate for their own rights with the authorities, to work in groups to establish small businesses and generate livelihoods. Through these activities, poor, marginal women became aware of their rights, collectively and individually. PEKKA facilitated these activities not to improve the outcomes of government

projects, but out of a pure and genuine conviction that these activities would benefit the women they advocated for. And the most important outcome is that collectively and individually, the women were empowered to demand their rights from the government.

While the program was proposed and developed by Ibu Nani, she established the initiative with funding and assistance from the Ministry of Home Affairs and later the World Bank. From around 2000, I was involved in frequent discussions with her on how the government could provide assistance. There is no denying that there is a vast difference in the cultures of NGOs and the bureaucracy. In the bureaucracy, the emphasis is on obedience to the instructions of superiors, to compliance with regulations and systems, to implementing decisions made by the hierarchy. With NGOs, the emphasis is more holistic, more focused on achieving the end goals than on the processes to get there. In particular, the women found the government's strict rules related to procurement and financial transactions difficult to comply with, which created some frustration. I took part in the discussions as an agent of the bureaucracy, and I had to comply with the prevailing regulations, but I also understood the women's frustrations. I also respected them and their vision immensely and strongly believed that they could make a great contribution. I continued to believe that a strong civil society was a vital pre-condition to achieving community empowerment and I continued to work to develop means by which the government could facilitate initiatives by civil society organizations.

When we established PNPM Peduli in 2010, the idea was to create a system that enabled civil society organizations to conduct similar organic initiatives based on collective action by members of marginal groups. These groups consisted of people who had long been considered outside the mainstream of society, including sex workers, indigenous peoples, people with HIV. The idea that these people should be subjects

of the development process, rather than the objects of charity, wasn't always easy for policymakers or even other members of the community to accept at the beginning. Official attitudes were shaped by moral condemnation, with the idea that some members of the community were more worthy of support than others. High-level support from the President's Office played a role in overcoming that resistance, at least to the extent that the project could be piloted. And the project itself has played a role in changing attitudes, as people from these groups prove that they can constructive, productive members of society.

You are now involved with the implementation of the Village Law. In what ways does this law expand the impact of the earlier stages of the initiative? What particular challenges do you face in making it work?

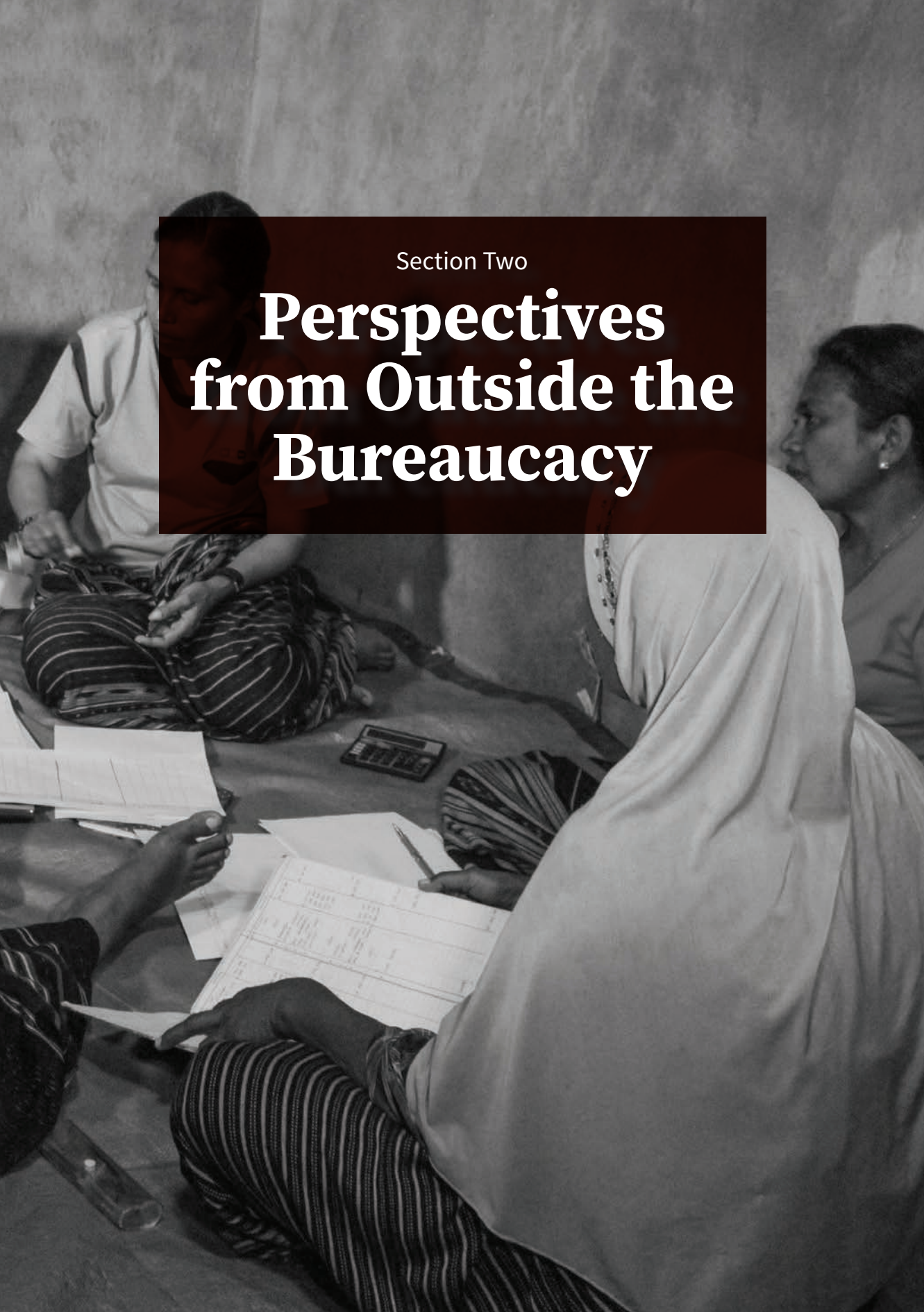
In 2014, with the termination of the PNPM program, I shifted from the Ministry of Home Affairs to the Ministry of Villages to work on the development and implementation of the Village Law and associated regulations and systems. I see the Village Law as an initiative to deepen and expand the impact of the approaches we developed under PNPM by taking those approaches outside the confines of a project and incorporating them into structures and systems. As I said before, I believe you have to view community empowerment as an evolutionary, contextual process. It was necessary to implement community development approaches within the confines of a project at an earlier stage, to protect the initiative from interference and to create the opportunity to demonstrate those approaches' effectiveness. But at the same time, PNPM's operation as a project didn't enable community-driven development from being adopted as the fundamental guiding principle of government. The Village Law is an attempt to institutionalize the community's right to determine its own priorities by incorporating a recognition of those rights into the basic structure of government.

At the same time, it is easier to implement a project than it is to establish new social structures. By its nature, a project can be controlled by those implementing it, through control of the funds and the enforcement of guidelines. But the government can't promulgate laws to create new social structures. Rather, it can create laws and systems that give space to allow those new structures to emerge. I reject criticisms that the Village Law has resulted in the re-emergence of top-down government, with power concentrated in the hands of village heads. When that occurs, it is despite the Village Law, not because of it. The law was promulgated with extensive input from experienced village facilitators, land rights and indigenous rights activists. It devolves power over resources from the district level to the village level, while at the same time creating systems for communities to participate in the village government and to hold it to account, using many of the approaches we tested under PNPM.

In many areas, regional elites still hold significant power. In areas where communities' capacities to organize themselves are still undeveloped, where civil society is still weak, these elites may still be able to subvert the governance structures created by the Village Law. As I said before, community empowerment is an ongoing, evolutionary process. Social transformation cannot be legislated into existence. Social transformation is the result of actions and decisions taken by all members of society, collectively and individually. The government can only create the conditions for this transformation to take place. I still believe that this transformation can only be achieved if a strong civil society emerges. While the government should continue to actively engage with civil society to enable this to occur, it must also recognize that it is an organic process that cannot be forced from above. It is a matter of creating the space to allow it to happen.

Social transformation cannot be legislated into existence. Social transformation is the result of actions and decisions taken by all members of society, collectively and individually. The government can only create the conditions for this transformation to take place.

Facilitator Bernadette Deram leading a PEKKA loans and savings group meeting in Adonara, East Flores, NTT. Photo courtesy of PEKKA.



Section Two

Perspectives from Outside the Bureaucacy

Photo Credit: Nani Zulminarni

Nani Zulminarni

“Facilitation, Community Organization, Empowerment, Transformation …”

Nani Zulminarni has been involved in grassroots community initiatives to empower poor village women in Indonesia's remote, rural areas since 1987. She is the founder and instigator of Indonesia's Women Headed Family Empowerment Program (Program Pemberdayaan Perempuan Kepala Keluarga, PEKKA), which was established in 2001 to improve the livelihoods of divorced, widowed and abandoned women and others who are responsible for managing a family and to encourage them to be active in their community's social, economic and political life. While PEKKA focuses on facilitating small loans and savings groups, these groups then form the nucleus for a range of other educational and advocacy initiatives, with more experienced women serving as teachers and facilitators to encourage women to develop literacy, numeracy and financial skills; to build confidence in public speaking and interacting with bureaucrats; and to protect their legal rights and to voice their political aspirations. PEKKA operates in 20 provinces, 87 districts, and more than 1,300 villages across Indonesia.

To establish PEKKA, Nani built on her experiences as a field facilitator and coordinator, researcher and consultant at women's organizations, in all of which positions she gained extensive experience in community organization and empowerment. She also drew on her own personal experiences, particularly her experience of stigma and rejection following a divorce. After completing an undergraduate degree in Fisheries at the Agricultural Institute of Bogor in 1985, she undertook further studies in Community Development at the Department of Sociology at the North Carolina State University (US), in 1993. Nani participates in a number of international organizations and forums, including the Southeast Asia Popular Communication Programme (SEAPCP), an international network of women's rights organizations, and JASS (Just Associate), an international network of women's rights organizations. She played a role in establishing the Association for Women in Small Micro Business Assistance (Asosiasi Pendamping Perempuan Usaha Kecil, ASPPUK), an association of CSOs working on issues related to women in micro enterprises.

The following interview was conducted on 16 November 2019, when Nani took a short break from her activities as the president of the Asia South Pacific Association for Basic and Adult Education (ASPBAE) at a forum involving 35 representative participants from 18 nations.

Can you describe how PEKKA was first established?

In 1987, I started working at the Women's Resource Development Center (*Pusat Pengembangan Sumberdaya Wanita*, PPSW), providing facilitation and assistance to women in villages across Indonesia. Under the Soeharto regime, there were tight limits on the type of activities we could conduct, with strong prohibitions on activities that could be considered 'political,' so we focused on establishing savings and loans groups. At first, I was assigned to assist women to produce bamboo handicrafts, but that initiative was a failure. After that, I acted as a facilitator for women engaged in farming and agriculture.

After rising to the position of director of PPSW, I resigned in 2000, following my divorce. Many people within PPSW thought that it was inappropriate for a women's organization to be led by a divorcee. Divorce was considered to be something shameful, reflecting badly on the woman involved. This reflected general community attitudes the time. Personally, it was an extremely difficult time for me, with a traumatic divorce and a fight for the custody of my children, who were only 12, 10 and six years old at the time.

Shortly afterwards, Mbak Nana (Kamala Chandrakirana) from the National Commission on Violence Against Women (*Komisi Nasional Anti Kekerasan Terhadap Perempuan*, Komnas Perempuan) invited me to manage the so-called Widows' Project, which was established through a collaboration between Komnas Perempuan, the KDP program, and the World Bank. The original purpose of the project was to provide financial assistance to widows in Aceh, but Mbak Nana insisted that we trial it in

four provinces where women had been significantly affected by conflict, in NTT, Southeast Sulawesi, West Java and Aceh. She also recognized that the government's knowledge of these women and their circumstances was very low, so she insisted that we include a component to document the lives of the "widows" in their respective post-conflict contexts.

Frankly, I felt a lot of conflict about accepting the position. I knew that KDP was a World Bank project. In the sector that I had worked in, all my friends and colleagues from the NGO sector regarded the World Bank as an institution that was more likely to undermine grass roots initiatives, rather than to support them. We associated it with the New Order's massive infrastructure projects, which often caused major social dislocation and conflict. And this new "Widows' project" was funded by them! I read the terms of reference that Mbak Nana gave me. After considering it, I told her that I didn't think could accept the position, but that I would help her to develop a strategy, with the involvement of a number of workers from NGOs in the target areas.

When I attended an initial workshop, my worst doubts were confirmed. No-one had any new ideas, and the NGO workers I had invited to attend felt very negative about it. I really began to question my involvement. I discussed my feelings with a number of friends and colleagues. First of all, as I said, I was still extremely dubious about the involvement of the World Bank. Secondly, I still had strong negative feelings about my own personal situation and suitability for the position.

But I began to reflect. Even from a relatively privileged position, with a good education, I still found my divorce extremely traumatic. I had lost my job and I didn't have any savings. I still had to support three children, and I had no skills apart from community organization skills. I kept on thinking that if it was so difficult for me, imagine how much harder it would be for poor, uneducated women in remote villages. I talked about all these issues with my friends and mentors, most of whom were also

involved in grassroots community organizations. I thought the idea of the project was good, but I didn't want to be involved if it wasn't going to be possible to implement it well.

After much thought and reflection, I went back to Mbak Nana and told her that I would work with her on the project, but only on a number of conditions. Firstly, I insisted that we change the name of the project. There is still a huge stigma attached to the word "widow" in Indonesia, so I felt that we should avoid using that word. From my own experiences, I had begun to identify not as a widow, but as a *perempuan kepala keluarga* (woman head of household), with all the responsibilities and duties that that term implies. I felt that the term women heads of households implied a higher level of dignity than widows. So, that is how the name of the project, PEKKA, came into being. Mbak Nana agreed with this suggestion and asked me how I would like to proceed. I told her that the government seemed to consider the project as a financial disbursement mechanism to provide funds to the women. I said that providing funds was useless unless the women had the capacities to manage them, and that the best way to build those capacities was to establish a network of women's savings and loans groups, with a high degree of solidarity between members of each group and with the group serving to teach women essential skills, mostly through peer education.

How prevalent are women heads of households in the community and what specific issues do they face?

Right from the beginning of the project, I was extremely dubious about the official government statistics, which stated that only 13 percent of heads of households were women. From a cursory examination in the field, I felt that this was a massive underestimate. To a very great extent, it depends on the definition used to categorize woman household head. The government statistics only include women who are widowed, divorced, or single mothers living in their own homes. But we found that

many women who were categorized as married were in fact effectively the heads of their households. In some cases, the women's husbands were absent. They might have migrated to the cities to seek work, but never sent money back to their families. In other cases, the women's husbands may have been disabled or otherwise unable to work. In these cases, the woman may have been the primary income earner in the family. In yet other cases, women may have been living under the same roof as other members of the family, but effectively managing their own family, earning their own incomes and providing for their own children. But according to the government statistics, many of these women would not be classified as heads of households. If she is married, it is assumed that a woman's husband is the head of the household. We disputed these definitions and advocated for government agencies to follow our lead. According to our definition, the head of a household is the person who is primarily responsible for managing and providing for her family.

Much later, we used these alternative definitions for research to develop the Community Based Welfare Monitoring System (*Sistem Pemantauan Kesejahteraan Berbasis Komunitas*, SPKBK) with SMERU in 2011-12. We conducted a survey in 111 villages, mobilizing women household heads to collect data based on the government questionnaire. Because the women lived in the same village as the subjects of the questionnaire, they were able to get very high-quality data. It was difficult or impossible for the respondents to lie to someone who lived in the same village! Based on this survey, we found that the proportion of women heads of households in the community was as high as 25 percent!

This is an example of how statistics can lie, of how statistics can hide the reality of the situation. Very often, this is the result of the definitions used by official agencies. It is important to challenge and question these definitions, particularly by mobilizing the community to take part in the collection of data.

So, how did you go about setting up these women's groups?

At the beginning I was provided with funds of Rp 250 million. I bought a laptop, hired an assistant and invited colleagues from PPSW to travel to the four provinces to make an assessment. In 2001, we made videos to document the experiences of women heads of households in the four provinces. They showed agricultural laborers, crafters, small traders, some of the poorest women in the world, facing seemingly insurmountable challenges to feed their children and send them to school. From these stories, I learned a lot about women's strength and capacity for endurance. I also learned a lot more about the stigma that single, widowed and divorced women face. But I also became even more convinced that women needed to organize together into groups to advocate for their rights collectively, that they could do little more than survive if they fought on their own.

With a group of colleagues and friends from PPSW, I began to recruit a number of young women activists to facilitate community organization. After receiving training for a month, they went out to assist women in the villages to form the groups. During the first three years, we faced extremely difficult challenges, mostly related to community attitudes and to the internalized attitudes of the women themselves. It was all about changing these attitudes. It was particularly difficult because at the time, not only women, but everyone were used to being the passive beneficiaries of government programs. When we told the women in the community that we were not there to hand out charity, when we told them we were there to help them help themselves by setting up savings and loans groups, a lot of the women just got up and left the meetings. Some of them were carrying empty sacks, which they had brought along in the hope that we were going to distribute free rice. And the ones who remained demanded to know: *How could they save money when they were so poor?*

So, in the first three months, a lot of the groups just folded because we refused to provide them with funds. But we kept at it. Over and over again, we pushed the women to establish the groups. If women were earning a dollar for a hard day's labor in the fields, we pushed them to set aside five or ten cents a day as savings with their group, which they could access in emergencies.

The women then realized that if they saved, they needed to be able to read the group's financial records, to understand the regulations. So, they wanted to learn to read, and the women who had been involved longer ran classes for them. They began to develop the skills they needed to manage and plan money.

But the government bureaucrats from PMD were becoming increasingly frustrated with us because after a whole year, the budget for the project hadn't been absorbed and no disbursements had been made. They kept on telling us that the agreement was to establish revolving loan funds, so why weren't we doing our job? But we insisted that it was absolutely essential to focus on community organization rather than on the disbursement of funds. I told them that I simply wasn't prepared to disburse the money until the women's groups were ready, because in the end it wouldn't achieve anything. I wanted to empower the women, not just hand them money.

So, through a long and arduous process, we established the women's cooperatives and worked to ensure that they were ready to receive funds, to use them effectively, and to account for them, not just to the government, but to their fellow members. Even though the first two years were extremely difficult, we always found that in each area a small handful of women from the communities really understood what we were trying to achieve and continued to support the initiative. So, we managed to survive and pass through that period.

I simply wasn't prepared to disburse the money until the women's groups were ready, because in the end it wouldn't achieve anything. I wanted to empower the women, not just hand them money.

How did you resolve these differences of opinions with government actors?

After three years, the initial project came to an end. Because of our experiences, I said that I wasn't prepared to work with the government on it anymore. The government side was also fed up with us and didn't want to work with us either. But the World Bank considered that we had actually made excellent progress in terms of building women's leadership, developing women's capacity to work in groups, and ensuring their participation in community empowerment initiatives. They offered to continue to support us.

How did you shift your focus from loans and savings groups to the broad range of political education and legal advocacy activities with which you are now involved?

At about this time, the broader process of democratization in Indonesia had a significant impact on women heads of households in the villages. After 1998, after the fall of the Soeharto regime, none of the PEKKA women were involved in the political reform process that occurred at the national level, so at first, they had little real understanding of what "democratization" might mean. So, we taught the principles of democracy to the women through the cooperatives.

Firstly, we strictly enforced the principle of one woman, one vote. It didn't matter if some women had more money or higher social status outside the program. Within the cooperatives, we work hard to ensure equality and to prevent any individual or group from dominating the process. We taught all women, even the least confident and poorest, how to express their opinions effectively and to advocate for their own rights. All of the women involved in the cooperatives took a turn to speak in front of the group and to manage the process. We encouraged women to use Indonesian, rather than regional languages, to develop their skills

to interact with officials. This was intended to be a simulation, a training process to enable women to participate in democratic processes in the villages.

So, we began to extend beyond our initial focus on savings and loan activities to provide training to enable women to fulfil these new roles. One of our most basic training activities involves visioning through a method known as simple social analysis. Firstly, we ask the participants to describe their current situation, how they see themselves now. Often, they have a very negative self-perceptions, focusing on all the problems and difficulties they face. So, we then ask themselves to imagine that they had a magic wand, with the power to grant them anything that they want or need in life. We asked them to tell us their dreams. It is amazing to see: almost all of them express a wish for their children or for other members of their family, almost never a wish for themselves. Next, we ask them who is going to help them achieve these dreams. Usually they recognize that nobody else is going to do it for them, that they have to rely on their own resources. So, we then turned to the issue of how they can achieve these dreams, either on their own or working collectively with other women.

Through their participation in the cooperatives, we encouraged women to become involved in a whole range of programs and activities outside the cooperatives themselves. After a few years, the women began to play more and more meaningful roles and to win the respect of the officials with whom they interacted. In this way, we began to overcome the stigma associated with widowhood, to address the idea that women were not capable of playing a meaningful role. Thus, we brought about a reassessment of gender relations at the grassroots level, even in the most remote villages across Indonesia. We challenged the idea that the only role a woman could play was as a wife and a mother of children. It resulted in a reassessment of what it really means to be the head of a household, with a new vision of what constitutes family.

PEKKA was originally established to meet the needs of women heads of households. But what about the other village women, those with husbands? Is there anybody out there working for them?

PEKKA originally focused on women heads of households, a stigmatized group facing particularly severe challenges, as a form of affirmative action. At the early stages, it was important to limit participation to women who really fell into our target category. We needed that period to develop our strengths and our economic resources, to build the capacities of our primary target group.

But many women who are still married kept on telling us how much they needed similar facilities. In some cases, they actually started to become envious of women whom they might have previously despised! So, after 10 years of operation, we started to try to become more inclusive. We began by allowing married women to participate in the savings and loan groups. In some areas, PEKKA women facilitated the formation of groups of married women, based on the same principles as the PEKKA groups. These groups became part of what we referred to as the PEKKA Alliance.

In 2008, we began with a new initiative to encourage communities of women already involved in the cooperatives to establish PEKKA Unions (*Serikat PEKKA*). These unions were explicitly the medium for a political movement, enabling members to conduct advocacy campaigns and other activities to meet the collective concerns of the members of the unions. Later, married women wanted to join the PEKKA Union. After a lot of discussion, we finally agreed that married women should be able to join the union and to have the same access to facilities as other members, although we still insisted that all leadership positions should be occupied by women in the primary target group.

What role has PEKKA played in improving village-level systems of governance?

At a certain point, we began providing training to women heads of households to enable them to act as mentors to other village women to participate in political processes as leaders and organizers. To achieve this, we established the Paradigta Academy, which was intended to provide training to all women committed to women's autonomy, not just women heads of households. The Academy is operated by PEKKA to provide non-formal leadership training for women. Through this academy, PEKKA women act as mentors and trainers to other members of the PEKKA union to build the capacities of all village women.

The Academy has been active for three years now and has produced excellent results. At this point, an increasingly large proportion of top-level village leaders, including village heads, are women who have been trained by PEKKA. Sometimes, the participants are graduates of universities, but they may be mentored by women who barely completed primary school. But even so, these primary school graduates have the experience, knowledge, and skills to develop the capacities of their sisters with a much higher level of formal education. The PEKKA women have real hands-on experience of dealing with village level issues, with a great understanding of the needs and circumstances of the women they represent.

Another initiative established by the PEKKA Union is "KLIK-PEKKA," a face-to-face consultation and information service. Through this facility, PEKKA cadres work with social services, religious courts, and other institutions to provide a daily public information service, with information to enable women to access government and other services. All members of the community can use this service. Again, this helps to develop the perception that women heads of households can play a valuable role serving their community.

Similarly, the PEKKA Union can play an active role in advocating for the broader community if people in the community have complaints or issues that need to be addressed. All of these activities have resulted in a transformation in the community's perceptions of a previously despised group. For example, we can see how attitudes have changed in Madura, where the culture is highly patriarchal and where women have traditionally had low status. In that area, the village head is often extremely powerful, like a little king. At first, village heads in this area were often very contemptuous of PEKKA and its activities, but after a while, they realized how influential PEKKA was becoming in the broader community. Now, they are beginning to engage in active cooperation with us. We see this pattern replicated wherever we operate: at first, male leaders and other members of the community are contemptuous. Later, they begin to accept us. Finally, they regard us as a valuable resource.

What role do you think local government should play in facilitating community empowerment?

From our experience with PEKKA, we have learned that the local government is a major force in the lives of our women and all members of local communities. It exerts its power through its formal structure, policies, and budgets, all of which can have an impact. Therefore, we recognize that engagement with local government is absolutely vital. Right from the beginning, we have never regarded government agencies as the enemy. PEKKA almost never engages in confrontational demonstrations. Our experiences show that most local government agencies do indeed respond positively to constructive engagement. We recognize that they have a role to play in facilitating the achievement of prosperity, health and well-being of all members of the community. Our goal is to hold them to account, to enable them to fulfil their mandate as effectively as possible. To achieve this, we train our women to interact with government agencies effectively. This is not just a matter of confidence, although that is certainly important. It is a matter of

enabling women to express their aspirations clearly and to back up their statements with data and facts that enable the government agencies to respond. This is what we need, these are the resources we already have to achieve it, these are the resources we still require. It is a two-way process. Government officials are often frustrated by unclear, badly formulated requests. When the women communicate effectively, the government is better able to meet their needs.

In many districts, PEKKA has worked with district heads to formulate local regulations that support the empowerment of women. For example, we worked quite closely with Pak Muda Mahendra, the district head of Kubu Raya, in West Kalimantan. He often actively sought our input and advice when he was drawing up local legislation on a wide range of matters, including matters that might not immediately seem to be directly connected to PEKKA's activities. Similarly, village heads across Indonesia often seek our advice and input to draw up village level regulations, just because they know that we have the technical and other skills to ensure that these regulations are effective and well structured.

Many of the bureaucrats we have spoken to have discussed the impact of the Village Law. How do you perceive it?

Government systems and laws are meaningless unless the community engages with them to make sure they serve the community. So, the Village Law and Village Funds are part of a new paradigm that require us to respond in new ways. We need to work to ensure that the Village Law is implemented in a manner that facilitates the achievement of village autonomy and community empowerment. The Paradigta Academy can play an important role in this, training women to understand and leverage the Village Law to achieve these ends. That won't happen unless we engage with government and community agencies to make it happen. This is a major topic of concern for us at present. We have to respond actively.

Can you describe your family background and how this influenced your vision of community empowerment?

I was born in a small town in West Kalimantan, in Ketapang. My family was not rich or exceptional. My mother didn't even graduate from elementary school, while my father only attended middle school. I was the second child, with 10 siblings. From my early childhood I was forced to be independent, to take care of my younger siblings. Even when I was attending middle school, I was already supporting myself financially and making a contribution to the household. My father had very patriarchal attitudes, believing strongly that the man of the house was the head of the household. I always tried to take care of my mother. I thought she made too many sacrifices for the family. But it was she who motivated me to continue with my education. She always taught me that a woman should strive to achieve financial independence, to have her own money, and not to be dependent on their husband. Because of her, I dedicated myself to my studies and was accepted into IPB without having to pass through the selection test because of my grades at school.

Do you think the stigma attached to widowhood continues to affect women in Indonesia? Do you still experience discrimination yourself?

Yes, I'm still aware of negative attitudes, and I've been subject to them myself. I remember attending a meeting at a village hall in Aceh, where I told the attendees that I was a divorcee with three children. The village head got up and confronted me, asking me how I thought I would be able to help the women in his village if I couldn't even manage my own household. I could hold my own against him, and I defended myself vigorously. But I could see how scared and intimidated the women at the meeting were. Some of them started crying when they saw how the village head spoke to me. Later, they came up to apologize on his behalf.

I told them not to worry, that there was no need to apologize. I told them that his response had given me courage and convinced me that what I was doing was worthwhile. I told them that that kind of attitude was exactly what we had to struggle to overcome, and that we could only do it by working together.

Years later, after the tsunami, I returned to the same village. I'd almost forgotten the incident with the village head, but he was still in the same position. By that time, PEKKA had been active in his village for a long time and he could see what we had achieved, how it benefitted not just the despised "widows," but everyone in the community. He actually sought me out to apologize for his previous behavior and invited me to his house. I would have been delighted to visit him, but I had to rush off to Banda Aceh. I was too busy helping women there respond to the tsunami to listen to his apology.

A personal question: you yourself wear the hijab. Around Indonesia, women are facing increasing pressure to do the same, often under compulsion by government regulation or at the insistence of their employers. How do you feel about that?

I wear the hijab as a matter of personal choice. When I completed my undergraduate studies, it was still in the New Order period. At the time, wearing the hijab was officially deprecated, it was considered to be something that only backward village women did. Often, as a fresh graduate, when I applied for work in the private sector, my potential employers expressed interest – but they always asked me if I would be willing to refrain from wearing the hijab if I were accepted as an employee, and I always refused. So now, I strongly support women's right to wear whatever they choose. I experienced discrimination for refusing to dress to conform with society's expectations, so I know what it's like. No woman should face that kind of compulsion and discrimination.

We have used the term "community empowerment" throughout this interview. How would you define this term?

I knew you were going to ask me this question, so I gave it some thought and prepared a response. My response is this: *Empowerment is an ongoing process, rather than a specific outcome. It is never achieved; it is always something that people must continue to strive for. It is a process that enables people to respond effectively to their circumstances, in cooperation with others, to enable the individual and the community to respond to challenges with dignity*.

And now I need to get back to my conference.

Empowerment is an ongoing process, rather than a specific outcome. It is never achieved; it is always something that people must continue to strive for. It is a process that enables people to respond effectively to their circumstances, in cooperation with others, to enable the individual and the community to respond to challenges with dignity.

Photo Credit: World Bank

Photo Credit: Irfan Kortschak

Enurlaela Hasanah

“It’s not just about disbursing funds, it’s about social capital and trust …”

Enurlaela Hasanah ("Ela") currently serves as the Deputy Director for Implementation at the Governance for Growth facility (Kolaborasi Masyarakat dan Pelayanan untuk Kesejahteraan, KOMPAK), a facility funded by the Australian Government to support the Indonesian government in its endeavors to reduce poverty and inequality.

At this point, she has been involved in the Indonesian government's community empowerment initiatives for more than two decades, commencing from when she served as a member of the Local Level Institution Research Team (LLI-1) in 1996. Later, she served as a facilitator at one of the six original KDP pilot districts in West Sumatra, East Nusa Tenggara (NTT) and Central Java in 1996. Following this, she served as an expert at the KDP program's national management consulting agency, before taking up a position at the World Bank. She was involved in preparing program implementation and technical guidelines for KDP and PNPM Mandiri, with significant interactions with government agencies, donors, and field actors.

In 2012, Ela served as the leader of the research team for LLI-3, which was implemented by the World Bank. LLI-3 aimed to examine changes to local capacities since 2001 (LLI-2), to determine how change takes place, and to identify the factors that determine the level of local capacities and their impact on community welfare. In this context, local capacity refers to the ability of communities to solve problems through mutual cooperation and collaboration. The following section contains excerpts from an interview with her:

Can you tell us how KDP was originally conceived and implemented?

The initial impetus came from the LLI Study in 1996. The study was initially proposed by the World Bank, and was conducted in cooperation with Bappenas, under Pak Tatag. Scott Guggenheim developed the idea for the study as a reaction to the Kedung Ombo dam construction project. He believed that the project was completely inappropriate for Indonesia and that it had many negative consequences. He believed that rather than focusing on massive infrastructure projects, development initiatives should focus on building social capital within communities. As you can see from the interviews with Pak Ayip and the others, there was a faction within the government that was already tending in the same direction, with pilot studies and initiatives such as IDT and P3DT and others, even before PPK. The LLI study confirmed the vital role of social capital.

Immediately after the implementation of the LLI study, we conceived the idea of conducting KDP as a small pilot study. Initially, the KDP pilot was intended to test a decentralized system of financial administration. From the results of LLI, we could see that the government's conventional infrastructure development projects often involve very high levels of corruption and missing funds. We also recognized that for a project to be successful, it required a high level of social capital and involvement of the community. In the design of the pilot, we used the existing Regional Development Work Unit (*Unit Kerja Pembangunan Daerah*, UDKP) system and the Guidelines for the Preparation and Control of National Development Planning (*Pedoman Penyusunan dan Pengendalian Perencanaan Pembangunan Nasional*, P5D) planning system, which had been in existence since 1975. But we revised these systems significantly, with the work unit including three of six representatives from each village in a subdistrict, with a special forum for women. We referred to this unit as "UDKP Plus." The system involved a verification mechanism, competition between the villages, and an open menu, with very few

restrictions on the type of initiative that could be sponsored. There were six subdistricts in the initial pilot, with two subdistricts from NTT, Central Java, West Sumatra respectively. A year later, the pilot was scaled up to include 513 subdistricts.

The pilot was managed by Bappenas, working in collaboration with a number of people who had lengthy involvement with civil society organizations. After the pilot was scaled up at the end of the first year, responsibility for its management shifted to the Directorate General of Community and Village Empowerment (*Direktorat Jenderal Pemberdayaan Masyarakat dan Desa*, PMD) under the Ministry of Home Affairs. Initially the relationship between Bappenas and PMD was quite good, even though there was some dispute regarding which institution would chair the project at the regional levels. It was decided that Bappenas would chair the initiative, which would be implemented by the regional PMD. Thus, while Bappenas was responsible for planning, PMD was responsible for implementation. Matters related to the villages clearly fell under the mandate of the Ministry of Home Affairs. At the time, Ibu Diah was serving as the director-general of PMD.

With LLI-1, each team visited eight villages, staying at the homes of members of the community throughout our stay. That's when I began to become aware of many issues that we never would have learnt about at university or through the media. Even then, we could see that village communities have enormous potential to play a leading role in development initiatives. For example, during a focus group discussion at a particular village with the village head and a number of other leaders, we asked them to point out on a map where infrastructure that had been constructed by the community was located and when. From that, we became aware of the extent of infrastructure that was developed using the community's own resources, on its own initiative. We found that while in the past, it had been possible for entire villages to cooperate to develop infrastructure of various kinds, this kind of cooperation was

now only possible at the hamlet level. This was because of an erosion of trust and social capital, with this kind of trust now existing only at the hamlet level. That was a revelation to us. At the hamlet level, the level of cooperation was extraordinary, with members of the community quite willing to devote their energies and financial resources to building infrastructure and facilities for the common good. The erosion wasn't just a matter of the availability of financial resources, it was a matter of trust. So, we began to focus on how we could develop that kind of trust within broader communities.

So, it wasn't just about providing financial resources, then?

Not at all! As I said, the issue was not primarily about the availability of financial resources, it was about trust. In its essence, KDP was an exercise in building trust. Unfortunately, that principle is being lost with the way the Village Law is now being implemented, with a lack of downward accountability. The law establishes a number of systems to account for village funds to the district and higher levels, but in practice, there is still a lack of mechanisms to ensure accountability to the community. There is still a requirement to publish information on billboards, but the extent to which people can understand the information provided through this means is questionable, particularly without systems to encourage community discussion. This is a great shame, a missed opportunity.

In fact, KDP used to provide funds to the village not so much as an end in itself, but as a tool to facilitate discussion and cooperation between members of the community. With the present system, funds are provided to the villages more as an end in itself, without addressing the issue of trust. The system is not linked with the regional autonomy initiative. Now, villages have access to funds, but with limited authority and autonomy. KOMPAK is pushing for the establishment of a system to facilitate communication and interaction between the district and village levels.

The issue was not primarily about the availability of financial resources, it was about trust. In its essence, KDP was an exercise in building trust … In fact, KDP used to provide funds to the village not so much as an end in itself, but as a tool to facilitate discussion and cooperation between members of the community.

Where do you see the gaps between the design of the new law and its implementation?

When KDP was implemented as a pilot project, I applied for a position as a facilitator. It was only then that I became aware of the challenges related to translating the theoretical ideas into practice in the field. For example, the implementation or operational guidelines might state that 40 percent of women's representatives had to be present for a meeting to take place. In practice, this meant that I often had to go backwards and forwards to the village over and over again to locate the women to ensure that they attended. Sometimes they didn't turn up, other times they attended, but sat at the back of the hall without saying anything. I realized how difficult it was to actually implement the ideas we had talked about at the national level. A simple little idea intended to ensure women's participation could result in hours and hours of hard work for a facilitator in the field. For that particular example, I was extremely impressed by the initiatives conducted by PEKKA and Kapal Perempuan. In East Java, I could see that Kapal Perempuan facilitators played a role accompanying village women to attend medical services and so on. I became convinced that those two initiatives could have a very powerful impact.

There was a lot of conflict resulting from the difference in the approaches of the government and NGOs such as PEKKA provided a budget of several hundred million rupiah, but the absorption rate for disbursements was close to zero, because Nani, the head of PEKKA, insisted that there should be no disbursements of funds until the women had organized themselves into effective groups. While that was vital to build the capacities of the PEKKA groups, it was disastrous for the government, which measured the success or otherwise of a project almost entirely in terms of the extent to which funds were absorbed. It was challenging for both parties.

In general, what was the government's relationship with organizations like PEKKA? How well did the two cooperate?

Scott Guggenheim initially tried to implement PEKKA within the KDP framework. PEKKA insisted on being provided with a great deal of freedom to implement ideas that may not have been consistent with the government's approach. Initially, the government just accepted it, but particularly after the issue with the disbursements, it became harder and harder. Thus, PEKKA was not implemented according to the original plan. According to the original plan, PEKKA would have involved local NGOs, but after discussions with them, Nani couldn't reach an agreement with them, so she abandoned the plan of involving them at the institutional level, although she did recruit individuals from these organizations to assist in the field. Nani was criticized for going off on her own tack and refusing to cooperate with others, but she managed to establish a very strong system.

After I had served for a while as a subdistrict facilitator in the pilot project, I had to withdraw temporarily for various reasons. Later, I again applied for a position as a facilitator, but I was offered a chance to serve as a KDP National Management Consultant in Jakarta. Initially, I served as Lenny Dharmawan's assistant, in which capacity I was responsible for receiving reports from the districts. From reading those reports, and with my own experience, I could understand the difficulties facing the subdistrict facilitators and their need for support. I developed a system for classifying the reports, with some of them related to administrative issues and others to implementation issues. This became the basis for the development of a complaint handling mechanism. Compared to other government programs at the time, I could see the difference resulting from the involvement of the World Bank. Sometimes their involvement created additional challenges, but it also played a positive role in terms of ensuring transparency and accountability.

The biggest challenges for PMD at that time related to the management of consultants, to sustainability, and to the establishment of priorities. For example, at the time, the government didn't place a particularly high priority on training facilitators. There has been a dramatic shift since then, as a result of the government's growing familiarity with the concept of facilitation and acceptance of its importance. In the KDP program, we strived to ensure the quality of facilitators. At the time, PMD was enthusiastic about the program because it considered village affairs to fall under its mandate.

I have to say, despite the challenges that we faced in dealing with PMD, the situation was still far better than that it is now with the implementation of the Village Law. KDP wasn't just a project, it created space for thousands of people to learn and innovate. Many of the people involved in the project are now making major contributions in a number of fields. A lot of people in the government learn many useful lessons from their participation in the program.

The Urban Poverty Reduction Program (*Program Penanggulangan Kemiskinan Perkotaan*, P2KP) was established somewhat later than KDP. It was established on similar principles, but with slightly different approaches. For example, the P2KP Team Leader at the World Bank thought that the KDP approach was too mechanical for implementation in urban contexts. However, the approaches adopted by KDP and P2KP began to converge again after the Tsunami in Aceh. At that point, we began to exchange modules, to create films together about CDD and engage in other cooperative activities.

The important thing is not merely disbursing funds, it is about developing trust and building social capital. For the Village Funds to have a real impact, the government must return to a focus on those aspects.

Looking forward to the future, how do you see Indonesia's community empowerment initiative unfolding?

At present, the government's primary focus is on the Village Fund system, but I don't see that as being primarily a tool to achieve empowerment. It's more a budget disbursement mechanism than a community empowerment initiative. It does involve the provision of facilitation, but government programs have always deployed facilitators, going back for decades. What is good at present is that there are government regulations being enacted to enable higher levels of cooperation and engagement with CSOs, with facilities for providing these CSOs with grants. In principal, this is excellent. It is a recognition of the limitation of the government's capacities and of the CSO's ability to fill this gap. Unfortunately, judging from the requirements imposed upon CSOs, it seems there is still a lack of trust between the government and the CSOs. The requirements for full audits to be conducted every three years and so on often limits the involvement of organizations with the greatest experience at the grassroots level, which is exactly where the CSOs greatest strengths lie.

Sometimes I feel frustrated at the proliferation of programs and institutions focusing on village governance issues, on developing planning meetings and systems and so on. But it seems as though no one is really interested in actively checking in to see if these initiatives meet the needs of members of the community or not. It seems a bit like a reversion to the idea that the community is just an object of government initiatives. Even trying to ensure that village budgets are used to meet the needs of the poor seems to require an extraordinary effort. As I said before, the important thing is not merely disbursing funds, it is about developing trust and building social capital. For the Village Funds to have a real impact, the government must return to a focus on those aspects.

With KDP, villagers could utilize the funds they were provided with for any purpose they chose, so long as they developed well-prepared plans ... With the Village Law, there are a multitude of restrictions and requirements regarding the use of the funds.

We still have a long way to go. What is missing under the Village Law and with the Village Funds is accountability to the community. There are no longer any accountability meetings. Information is provided to villagers through the billboards, but that's all. We need technical guidelines to ensure active community involvement. Finally, there is a tendency to regard the Village Law as the final, ultimate embodiment of the community empowerment initiative, with a danger that this means that nobody thinks it is important to innovate and to develop new initiatives and interventions.

I was very surprised and disappointed to see that village heads are regarded as the ultimate representative of their communities. I think that there is still a great distance from the village head to the community, and building the relationship requires a lot of hard work. In this regard, very few people within the government seem to be aware of the work conducted by PEKKA and Kapal Perempuan.

There are other issues of great concern. According to a regulation issued by the Ministry of Villages (Permendes 2, 2015), villagers can only attend the consultative meetings if they are invited. To receive an invitation, a member of the community has to report to the village government and to register. In the past, these types of meetings were explicitly open to all members of the community to attend.

How do you assess the transition from the PNPM program to its institutionalization through the promulgation of the Village Law?

People often claim that the principles of KDP are manifest through the new system. But with the transition from PNPM to the Village Law, I think a lot has been lost. With KDP, with the open menu principle, villagers could utilize the funds they were provided with for any purpose they chose, so long as they developed well-prepared plans and their proposal passed through the competitive selection process.

With the Village Law, there are a multitude of restrictions and requirements regarding the use of the funds. For example, villagers may believe that their most important need is for new school buildings. However, under the present system, they can't use the Village Funds to build the facilities without the approval of the district-level education agency. I couldn't understand it when I was told that for villages to use the funds for that purpose, specific new regulations would have to be promulgated. Why is there a need for these regulations? The whole idea is that the community can determine what their most pressing needs are. It's their money. But under the current system, they wouldn't be able to use the funds for that purpose without the approval of a district agency.

Therefore, to enable villagers to develop facilities for health services, education and administration, KOMPAK has advocated for regulations that enable the communities to conduct activities that meet their needs. Some have questioned the need to strengthen the subdistricts, particularly given that this was such a major focus of the previous programs. But the context is different now. In the past, we focused on building subdistrict capacities to interact with villages, with much less focus on the relationship between the subdistricts and the districts. The context is different now because of the evolving relationship between the villages and the districts. So, the Village Law fails to incorporate many of the best practices derived from the previous programs. To address this, they should have been some form of pilot study to identify weaknesses to the implementation of the Village Law, with a longer transition period between PNPM and the new system.

What are the other fundamental differences between the Village Funds and the previous programs?

In the past, we regarded the disbursement of funds primarily as a tool to achieve empowerment. Now, the disbursement of funds is in itself the main focus of the system. It is little more than a financial disbursement

system. Little priority is given to ensuring that the community is the subject of the development initiatives. Those defending the Village Law always talk about strengthening the village, they never talk about strengthening the community. There is huge difference between those two concepts. The whole focus is on the relationship between village level administrations and the national and district levels. These ideas are based on the unquestioned assumption that the village is a harmonious entity, with the village head effectively representing the interests of all community members. It fails to recognize that within the village, there is a conflict between different interests, between the elites and other members of the community.

It is vital to remember that the village and the community are two separate inter-related concepts.

To achieve social accountability, I believe that it is vital to develop simple mechanisms, with simple and easy-to-understand documents and templates so that villagers are able to express their ideas and aspirations. For example, villagers could be able to express their level of satisfaction with village institutions using emoticons on a simple questionnaire. That would enable them to express their opinions easily. If it's too complicated and technical, they won't want to participate. For office bearers to serve the community, the community needs to be able to express its aspirations in a manner that enables them to be heard.

***

The opinions and views expressed in this interview are those of Enurlaela Hasanah. They do not necessarily reflect the official policies or position of KOMPAK, DFAT, or any other organization or entity with which she is or has been associated.

Collecting firewood (Ngloro, Saptosari, Gunung Kidul, Yogyakarta. Photo by Poriaman Sitanggang)

Photo Credit: Irfan Kortschak

Budiman Sujatmiko

Empowerment, the Democratization of Data, and Community Networking

Budiman Sujatmiko holds a Master's degree in International Relations from the University of Cambridge (UK) and a Master's degree in Political Science from SOAS, the University of London (UK). He has served as a member of Indonesia's national parliament as a representative for the Indonesian Democratic Party of Struggle (Partai Demokrasi Indonesia Perjuangan, PDI-P). In this capacity, he was closely involved in the process of drafting the Village Law. Budiman's involvement in political activism goes back to the New Order period, when he was imprisoned for political crimes. He has been involved in a number of social movements and civil society organizations focusing on agrarian and land rights issues and on strengthening and empowering village communities. He was an active supporter of the PNPM Mandiri.

Budiman is the Chairperson of Innovator 4.0 Indonesia, an initiative established on September 11, 2018. The initiative consists of a community of academics, researchers, programmers, artists, doctors and others with interest in a diverse range of issues, including quantum computation, genetic engineering, precision agriculture, artificial intelligence, drones, renewable energy sources, talent management and social and cultural issues. Their goal is to facilitate Indonesia's involvement in the Industrial Revolution 4.0. In mid-August 2019, together with the Indonesian Village Government Apparatus Association (Perkumpulan Aparatur Pemerintah Desa Seluruh Indonesia, PAPDESI), Innovator 4.0 Indonesia signed an MoU with a state-owned industrial electronic equipment company (PT Len Industri) in Jakarta to support the advancement of villages. This MoU drew heavily on Budiman's ideas and thoughts regarding community empowerment, PNPM Mandiri, the Village Law and the associated Village Fund Program. In this interview, he outlines some of his ideas on these issues:

Could you describe the development of the concept of community empowerment in Indonesia and the associated initiatives?

There is a huge difference between the aims and approaches of the community empowerment initiative in the authoritarian New Order period and those in the Reform period that followed. In the earlier period, community empowerment was a tool for political advocacy to liberate the people living under an authoritarian, centralistic, top-down regime. It was intended to empower the community, to give them voice and to enable them to organize themselves.

Its goal was to achieve democratization at the community and village levels. It was also intended to enable the community to defend itself at a time when it was objectified by the New Order's system of repressive developmentalism. It was not an anti-development initiative, but it insisted that development should be based on democratic values. At that time, community empowerment focused on achieving political freedom.

During this period, the community empowerment initiative involved a number of different groups and factions, with varying aims. Some of these elements were mainly focused on improving living standards and livelihoods. Others were more focused on cultural issues, while some saw empowerment as an initiative to create space to enable the oppressed to express their aspirations. During this period, the different groups and factions interacted and collaborated with each other. However, the differences became more apparent following the fall of the New Order regime. There was a shift in emphasis from improving livelihoods to political advocacy, although much of the agenda remained the same.

Community empowerment was a tool for political advocacy to liberate the people living under an authoritarian, centralistic, top-down regime. It was intended to empower the community, to give them voice and to enable them to organize themselves.

The changes facilitated by the community empowerment initiative extended beyond the village level to encompass a wider subsection of groups and classes. To some extent, ideological concerns related to democratization, transparency, and so on became linked to more practical concerns, such as creating income-generating opportunities and developing skills and capacities at the village level. In terms of political advocacy, the community empowerment initiative inspired a wide range of social and economic and groups within the community to advocate for change.

In your opinion, what role did PNPM play in this initiative?

PNPM emerged as a result of the meeting of two major currents. At the global level, there had been a major shift within the World Bank. With the fall of the Soviet bloc, it appeared that communism had been defeated and that capitalism and liberalism had emerged victorious. But for a number of reasons, within the World Bank, there were pressures to ensure that the victory of liberalism did not result in an end to the struggle for equality. This had a significant impact on the policies of the institution in countries undergoing a transition towards democracy, such as Indonesia. At the same time, at the domestic level, there were a number of indigenous, home-grown initiatives to facilitate greater community empowerment and democratization.

So, PNPM emerged as a result of both a shift in the global development paradigm and pressures resulting from the political and social changes in Indonesia, which resulted in dramatically increased demands for decentralization and regional autonomy after the fall of Soeharto. According to this paradigm, regional autonomy did not merely involve the redistribution of power from the links at the central level to elites and the regional level, it required grassroots participation and full involvement of the community. These ideas heavily influenced the conceptualization of the Village Law.

PNPM was established as a program, with a limited lifespan. Thus, the devolution of power from central elites to the regions was conducted by the government. At the same time, the goal of PNPM was to empower the community and to build its capacities. It represented a meeting point between political democratization and social democratization. The two processes were like railroad tracks, running in parallel but never meeting. For example, the direct election of district heads following the implementation of regional autonomy did not necessarily facilitate community empowerment. Similarly, neither did the increased role of district representative bodies (DPRD).

Community empowerment was not mainstreamed into district government processes and did not become entrenched. In general, PNPM did not result in dramatic changes to systems of governance, its impact was through strengthening the community.

However, you also have to remember that outside PNPM, a wide range of civil society organizations and groups were involved in empowerment initiatives. They worked on the basic principle that community empowerment should serve the interests of the people. They rejected the idea that empowerment could be achieved solely through a single program with a limited lifespan, but rather insisted that it should be incorporated into the long-term agenda for change. They believed that if empowerment initiatives were managed primarily by the district level executive, the initiative would stall if there was a change in the executive. It was too dependent on the support of individual district heads, and thus unsustainable. In other words, they believed that empowerment should be incorporated into general systems of governance, through the legal and administrative system, rather than being subject to the whims of the ruling regime.

> *They rejected the idea that empowerment could be achieved solely through a single program with a limited lifespan, but rather insisted that it should be incorporated into the long-term agenda for change.*

In addition, PNPM was criticized for failing to improve systems of village governance. Village governments were seen as being an integral part of a corrupt and centralized system of power. The village should be structured as a self-governing community, despite the imposition of a uniform, hierarchical system of governance under the New Order. It was vital to involve village governments and to structure them to play a role in the empowerment initiative. My comrades in the agrarian reform movement adopted an even more radical viewpoint: they opposed the programmatic approach because they wanted to establish a system that would be impervious to interference, regardless of changes in leadership at the national level. So, while PNPM had many positive aspects, it was merely a preparation process to achieve even greater changes. It relied too heavily on the commitment and involvement of bureaucrats. Instead, we wanted to entrench community empowerment through fundamental changes to the system of governance, as expressed by law. Under the Village Law, we hope to integrate ideas regarding empowerment from outside the PNPM program, with the mechanisms established by PNPM.

How do you see the transition from PNPM to the Village Law?

In general, I believe that any compromises that have been made do not result in essential changes. If the Village Law is implemented consistently, it may contribute to development strategies throughout the world. I have been invited to attend forums in a number of countries around the world, where there has been much interest in Indonesia's Village Law. The Minister for Village Affairs once told me that 32 countries in Asia, Africa, and Latin America had been inspired by this law. It is very rare for a law that was drafted less than five years ago to have had such a significant influence of the global level.

How can the Village Law facilitate the achievement of community empowerment?

If the Village Law is implemented by those from outside the community empowerment movement, as a political or pragmatic or bureaucratic process, it will become meaningless. The Village Law reminds me of the story of the blind people trying to describe an elephant by touching it. If one person touches the elephant's trunk, they will say it's a snake; if another touches its ear, they will say it's a leaf; if another touches its foot, they will say it's a tree trunk. It can mean different things in different contexts. The challenge is to make it meaningful for the achievement of community empowerment.

When I was serving on the Special Committee for the Village Law, at one meeting, I told everyone that we had to rid ourselves of the idea that the law fulfilled the same function as any ordinary piece of legislation. I said that it would be more meaningful to compare it to the process of developing a framework to build a new nation, like in 1945, following the declaration of Independence. When I was discussing the issue of inequality with the Minister for Home Affairs, I told him that at the national level, our Gini coefficient was already at 0.41, going up to 0.46 in the rural areas. This indicates a dangerously high level of inequality. At those levels, we run the very real risk of increasingly severe divisions within society, with ordinary people losing trust in the state and the government. If I was still a member of the Marxist People's Democratic Association, I would say that the conditions are ripe for revolution. By developing this law and making it work effectively, we are taking the last chance we have to manage social inequality in a peaceful, constitutional way. This is not just a matter of poverty, it's about the integrity of the nation.

We had to rid ourselves of the idea that the Village Law fulfilled the same function as any ordinary piece of legislation … It would be more meaningful to compare it to the process of developing a framework to build a new nation.

Did PNPM have a positive impact on inequality, as measured by the Gini coefficient?

It never got that far. PNPM never got to the stage where it could address inequality. I remember in a discussion with Max Pohan from Bappenas, he said that the Village Law was too good to be true. What he meant was that under the Village Law, all matters except those related to intelligence and military issues were devolved to the level of village governments. Villages have the power to promulgate laws, to establish businesses. But he questioned whether the villages had the resources and capacities to implement these responsibilities effectively. But Indonesia has been an independent nation for 70 years! If we are not ready for true independence yet, then when will we ever be?

When the negotiations around the law were taking place, I enabled live streaming to enable all interested parties to observe the process. The negotiations involved clashes and differences of opinion between people with widely varying viewpoints. Some had a very romantic vision, others saw it in terms of economic development, while others were influenced by post-modernist ideas. We want the law to remain rooted in reality: I call it a grounded futuristic approach.

The Village Law recognizes that the Indonesian nation consists of more than 7000 communities, each of which has its own origins, traditions and cultures, which they can build upon to govern themselves effectively. The Village Law recognizes that each of these communities is grounded in tradition, but also that each of them can grow and evolve. For example, with technological changes, village communities can leverage new technologies to establish themselves as digital communities, while at the same time preserving their traditional cultures.

Under PNPM, the emphasis was on strengthening communities, while under the Village Law the emphasis is on strengthening villages. Those are two different things. How do you reconcile the difference?

Under the Village Law, a village is defined as a self-regulating community, rather than just in geographical terms, as a place of residence for members of the community. We have to recognize that the diversity of the villages was affected with the imposition of uniformity under the New Order.

We have talked about the terms of the Village Law. How about actual implementation?

Well, the manner in which the law is actually implemented will be significantly influenced by political considerations, particularly as these are expressed through implementing regulations and guidelines. At present, there are overlapping mandates, with a lack of clarity between the roles of the number of ministries and agencies, even though the law clearly stipulates that the mandate should be held by a single ministry.

The Javanese term *manunggaling kawula - gusti* is often used to describe the ideal relationship between the village leaders and the people they are meant to serve. In actual practice, sometimes it seems as though the head is separate from the body. Actual implementation is a matter of power politics. So, we have to recognize that the Village Law must transcend party politics, that it cannot be seen as the property of a single political party. We need to strive to continue to address that issue.

According to the law, villages have a mandate to undertake a very wide range of initiatives, so long as they are conducted in accordance with the principles of deliberative democracy, through village level deliberations. This is intended to ensure that village heads and other members of

the village executive do not control village resources for their own benefit. To ensure that, there is a village level representative body. All these components are mandated by the Village Law. The law also sets out a system for the provision of facilitation. In theory, the facilitator corps should be managed professionally, according to good systems of governance. But yes, in practice, it is hard to prevent political interests from interfering.

Frankly, I am not happy with the excessively entrepreneurial approach to implementation. It still involves way too many top-down processes. In principal, the idea of the BUMDes (village enterprises) is excellent, but it may take time to make it work. We have to continue to focus on ensuring that the law facilitates the achievement of democratization, and not merely the development of infrastructure through a top-down approach. I'm also not particularly happy about the manner in which the system for facilitators has been implemented. After the establishment of the Ministry for Villages, many experienced individuals who previously served facilitators under PNPM were replaced with underqualified individuals who were appointed on the basis of political considerations. Not only do these individuals lack the technical skills necessary, they also lacked the political skills to enable villages to conduct initiatives in collaboration with district level agencies. But it must also be remembered that the Village Law has still been implemented for less than five years. We still need to make a lot of improvements.

In the context of the implementation of the Village Law, what are the prospects for community empowerment?

I think its ability to facilitate community networking is the key. I currently serve as the Chairman of the Village Heads' Council, a cross-party organization. Village heads have a higher level of authority than village facilitators, so if the quality of facilitation is poor, we can still play a role.

When we were drafting the Village Law, we were aware of the implications of what is now known as Industrial Revolution 4.0. and of the impact of disruptive technologies. These developments have significant potential to facilitate the pursuit of freedom, a liberating potential. However, for this to occur, the developments must be accompanied by social innovation. Without that, inequality and the gaps between different groups in society will increase dramatically.

In my opinion, the Village Law can enable those in rural or marginal areas to catch up by leveraging technological developments. But without social innovation, villages will become disempowered, the passive objects of data mining initiatives. If America had its Silicon Valley and if China has its state-driven industrial revolution, then Indonesia could leverage the Village Law to establish a village-driven industrial revolution. BUMDes could fulfil the same function as technological start-ups elsewhere.

I'm currently campaigning for issues in the post-political democratization period by promoting revolutionary reforms to funding mechanisms, based on the principles of regional autonomy and building on the system developed by the Village Law. In this new period, the emphasis will be on the democratization of data, with data serving as a powerful currency.

Communities across Indonesia should all have control over their own data, which they can share with other communities on the basis of mutual consent and common agreement. Each of these communities can hold the 'key' to their own data and only members of the consortium can access and utilize it.

This block chain, or data chain, technology is a new form of digital-based, smart social contract. It has the potential to facilitate empowerment because it can limit the hierarchical control over data by central level ministries and institutions. It can also help to establish solidarity between different communities and different elements within the

community. Thus, nurses, farmers, laborers, fishermen unions can share data for their mutual benefit, building solidarity and trust. If central level ministries are not prepared to share data, communities can bypass them using non-centralized, distributed networks. At a previous stage of the community empowerment initiative, from IDT to PNPM, the focus was on participation and political democracy. At this new stage, it is about democratic access to and control over data. According to this model, the community not only collects and utilizes data, it also produces it. I have discussed these concepts with President Jokowi, and he expressed some interest in the idea of replacing hierarchical bureaucratic systems with Artificial Intelligence.

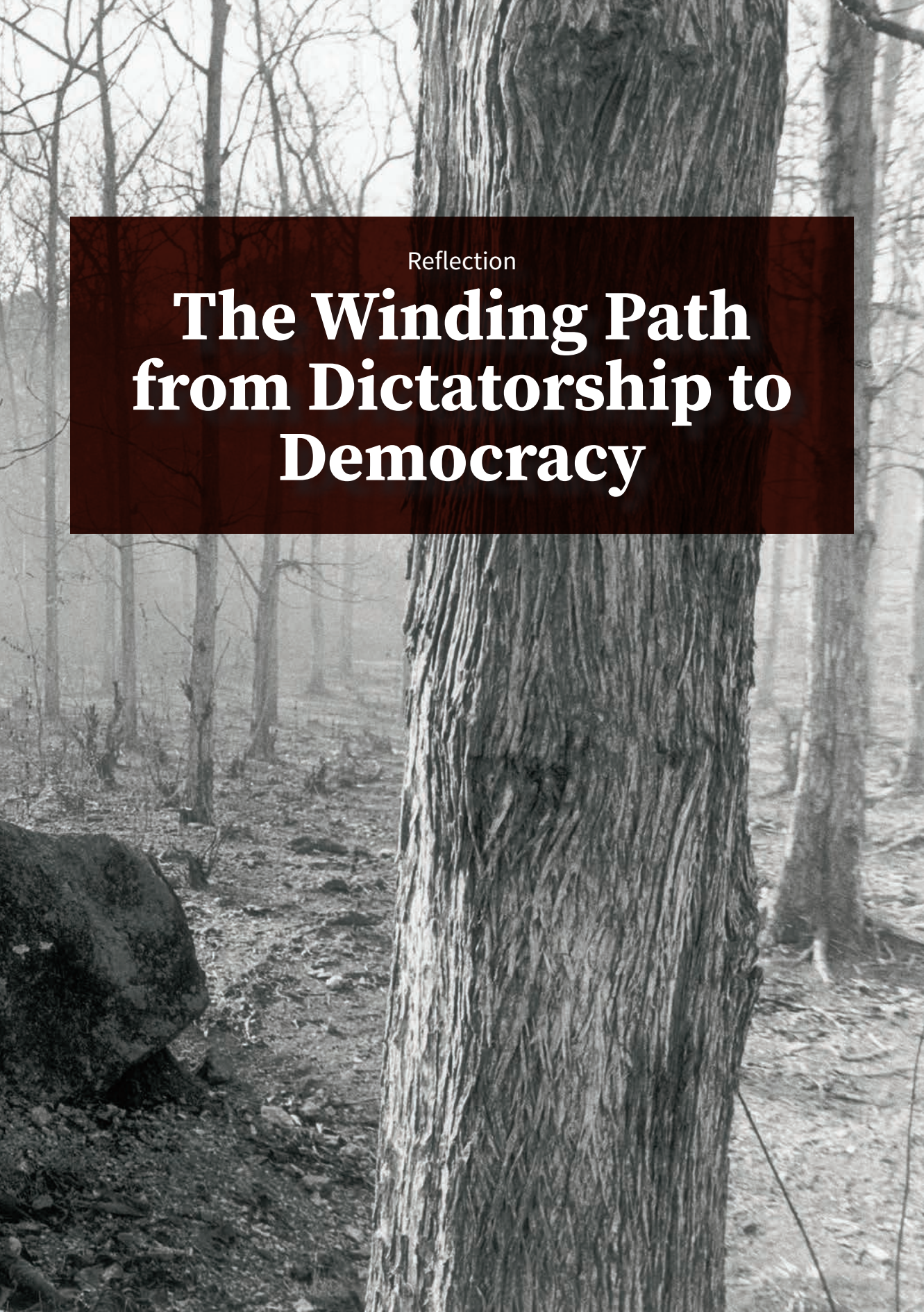
Do you mean that community empowerment initiatives do not have to be implemented by the government, or at least not exclusively by the government?

I believe that the best bureaucracies are those that focus on two main points: piloting and event organizing. At present, bureaucracies adopt a formalistic approach, with success measured in terms of budget absorption. This is symbolized by ribbon cutting ceremonies, with these serving as a perfect indication that a budget has been fully absorbed. But this approach is both high cost and low impact. It involves high costs for official trips, the procurement of consultants and so on.

At another level, we adopt the principles of the professional, the entrepreneur, to achieve cost efficiency. Rather than utilizing a formalistic approach, it involves the application of professional standards, with key performance indicators and so on. The goal is both accumulation and expenditure of financial capital. At the third level, nation building requires communities to volunteer. This is low cost, but high impact. It involves the accumulation and expenditure over different type of capital – social capital, rather than financial capital. The Village Law digs down to these two deeper levels, beyond the bureaucratic level. It combines both

the professional and entrepreneurial level with the community-driven social capital level. You can see this from the geographical location of most BUMDes in the villages – right next to the village consultative body, only a few meters away. This enables effective interaction between these two different levels.

In the early morning, a boy walks to school through the dry, denuded scrub of West Timor. (Kefamenanu, North Southeast Timor, West Timor, E. Nusa Tenggara. Photo by Poriaman Sitanggang)



Reflection

The Winding Path from Dictatorship to Democracy

Reflections: Steps Along the Winding Path from Dictatorship to Democracy

As the stories in this book show, the 1998 "revolution" and the decade that followed swept away not only the New Order's rigid, top-down administrative system, it also challenged beliefs regarding the trade-off between the need for hierarchically-determined, centrally-managed economic growth and the freedom of citizens to participate meaningfully in determining national priorities. At this point, beliefs so deeply held and entrenched that they appeared to those who held them not as beliefs, but as immutable facts, began to become subject to argument, contestation and discussion.

New conceptions of the significance of social justice and the community's rights to participate in decision-making processes began not only to become a central part of Indonesia's political discourse, but to have a real and tangible impact. In this period, democratically-constructed community groups gained access to financial resources and developed the skills and capacities to manage those funds to build the infrastructure and to provide the services they needed. The military ceased to play a dominant role in civil administration. The central government acceded to local demands for decentralization, granting some 40 percent of the national development budget to district administrations. The centrally-imposed, anodyne and enervated construction of an Indonesian identity gave way to a flowering and revival of local traditions, with provinces and districts across the country, including the restive provinces of Aceh and Papua, suddenly receiving an unprecedented degree of social, economic and political autonomy. Indonesians begun to regard good health care facilities and schools as their rights as citizens. Increasingly, through civil society organizations, media and other means, they began to insist upon these rights, with the government beginning to respond to their demands.

But how did this transformation happen? Despite many foreign media reports that made precisely this claim, it is hard to argue that it was the result of a sudden eruption of "people power," with the masses rising to demand and create change after decades of repression. It isn't much better to claim that an idealistic group of reformers that had remained silent during the New Order somehow managed to take control of the agenda to usher through some deeply held, idealistic vision. While the decisions of key individuals at critical points clearly had a dramatically significant impact, such as when President Habibie boldly took the decision to hold free elections and then step down when he lost, it can be more convincingly contended that the transition occurred as a result of the government's incremental responses to the radical changes to the economic, political and social context that buffeted Indonesia over this period.

This becomes abundantly clear from reading the stories of the officials that are included in this book. With few publicly available records that explain the mechanics and motivations of the government's involvement, their stories reveal the manner in which dramatic transformation can occur when circumstances create opportunities and when individuals and agencies seize them. These officials either participated in or had privileged access to government deliberations at the highest levels and played a central role in the government's programs.

And yet, from reading the stories, it becomes obvious that they were certainly not far sighted, visionary revolutionaries. As agents of the government, senior officials such as Pungky Sumadi, Vivi Yulaswati, and Ayip Muflich were assigned specific tasks by their superiors to address specific political imperatives in the rapidly evolving context. Certainly, they had a degree of agency. They had their own ideas, their own opinions, their own ideological positions. As is so clear in the interviews with Sujana Royat, Ayip Muflich or Bito Wikantosa, they obviously believed in the development programs that they devised and implemented to

support decentralization, community service delivery, social protection transfers and so on. Many of them describe the conflict they felt during the New Order, a conflict between their own beliefs in justice and social reform and the requirement to conform to a political environment that believed in neither. And to a certain degree, the seismic changes that occurred following the Asian financial crisis did to some extent create space for them to express these beliefs.

But it must be remembered that the interviewees told their stories up to three decades after the events actually took place, with the benefit of hindsight and full knowledge of how Indonesian society has evolved since. Inevitably, this affected their perceptions of their own actions, which in retrospect might have seemed far more significant, visionary and inspired later than they did at the time. Sometimes, the interviews give the impression that they were indeed "planning it all along." But past a few minor expressions of grandiosity, it becomes clear that transition was more about launching initiatives but then negotiating their implementation; devolving power but then trying to pull it back; rejecting New Order controls but then re-building them. In short, it involved a continual struggle between competing values, interests, coalitions, and abilities, rather than the smooth rolling out of a large vision. But out of all of this negotiation, struggle, and micro-decision-making, as initiatives were launched, modified, and re-launched over the decades, a great and positive transformation did indeed occur.

Thus, the interviews in this book convey a sense of the lived experience that the largely invisible officials within the New Order bureaucracy confronted as the certainties of the New Order crumbled in the face of the powerful, historical changes that were sweeping across Indonesia from 1997 onwards. Indonesia's transformation involved more than great and important players making great and important decisions. The officials and bureaucrats interviewed for this book may not have been the leading figures behind reform, but, as Pungky Sumadi and

Vivi Yulaswati's interviews so clearly show, through programs such as the citizens' initiative, the cash transfer for poor people programs and, somewhat later, the inauguration of a national health insurance program, they were responsible for shaping the new ways that ordinary citizens would experience the state. Not surprisingly, as these mass social programs took root, Indonesia's population began recognizing that politics mattered. To paraphrase Theda Skocpol (1983), politics shaped Indonesia's social policies, but the social policies then shaped the course of politics.

Certainly, the writers of the book hoped that it would be useful to the current generation of bureaucrats, facilitators and community activists, those who are directly involved in the programs associated with the initiative, that they could learn from the experiences of their predecessors. But in general, these practitioners are interested in the how questions, related to the nuts and bolts of implementation. While these issues are vitally important, they rest on the assumption that the why of the government programs is clear and uncontested. In fact, there is usually quite limited discussion of these why questions, even within the government institutions or development agencies, except perhaps at the highest levels, behind closed doors and off the record.

But these why questions are important, and not just to the bureaucrats, but to all Indonesians: *Why is it important that women attend village planning meetings? Will that do the villages, or even the women, any good? Why should local governments bypass their own bureaucracies to provide funds to village community groups? What should the role of the bureaucracy be, if not to manage funds for the public good? Why do community groups need to be provided with facilitators to conduct tasks that could be performed by experienced, professional bureaucrats? Why do community groups build better, cheaper village infrastructure than government agencies?*

These questions require an examination of the basic priorities of the Indonesian nation, of the rights and duties of citizens, of the relationship between the state and society, of the manner in which the state and society see each other.

These questions are critically important at the present time. At the level of expressed ideology, Indonesia's government remains committed to inclusive development. However, many of the subjects of the book, activists, observers and members of the public more generally have expressed some unease at the government's current directions, as the extended protests and demonstrations in the latter half of 2019 indicate. Increasingly, there are tensions and questions related to the divisions within society, divisions between the adherents of different religions; between those with different sexual orientations; between the rich and poor; between the residents of rural and urban areas; between those who live in the Javanese heartlands and those who live in remote provinces.

This unease reflects growing concerns that state policy is being captured by elite and sectarian forces aiming to divide and exploit rather than to involve a greater proportion of Indonesia's population in social, political and economic decision-making. However, while there are concerns, there is also pushback. Whereas fear of New Order repressive machinery made virtually all protest unthinkable, in today's Indonesia there is open competition between the various views of the relationship between the state and society. But while the New Order power structures are dormant, they are not dead. The unease that many Indonesians feel reflects the reconstruction of some very familiar traditions. Once again, political discourse counterposes the need for economic growth against political freedoms, social inclusion, and transparent government. In the conduct of their duties, the subjects of the book clearly had to consider questions about the purposes of development carefully and at length.

In this regard, the fact that the subjects are able to look back from the perspective of the present is no bad thing. With hindsight, their opinions, ideas and observations on these subjects can feed into a broader discussion that should take place at present.

Amartya Sen, the brilliant development philosopher, defined development as a quest for *the freedom of individuals to live lives that are valued*, stating that not only is the goal of development the achievement of this freedom, it is also the *means* by which it is achieved. In *Development as Freedom*, Sen outlines five specific types of freedoms: political freedoms, economic facilities, social opportunities, transparency guarantees, and protective security. Political freedoms refer to the ability of the people to have a voice in government and to be able to scrutinize the authorities. Economic facilities concern both the resources within the market and the market mechanism itself. Any focus on income and wealth in the country would serve to increase the economic facilities for the people. Social opportunities deal with the establishments that provide benefits like healthcare or education for the populace, allowing individuals to live better lives. Transparency guarantees allow individuals to interact with some degree of trust and knowledge of the interaction. Protective security is the system of social safety nets that prevent a group affected by poverty being subjected to terrible misery.

While Sen strenuously defends the proposition that the development of these institutions will increase economic prosperity rather than being a burden upon it, he also insists that these represent significant goals in and of themselves, and not merely *as a means to an end*. In this context, political freedoms in particular have not merely an instrumental and constructive role, but a constitutive role as well. Having and using these freedoms is how democracy gets built. Sen argues that "our conceptualization of economic needs depends crucially on open public debates and discussions, the guaranteeing of which requires insistence on basic political liberty and civil rights.[11]"

Without such rights, the validity of a dominant political and economic agenda is not susceptible to alternative interpretation by those whose interests are at variance with those who control that agenda. Sen's argument that democracy is as much a process as it is an outcome is mirrored in the interviews with Ela Hasanah and Nani Zulminarni, who are worried that the new village law threatens to replace an ethos of "community empowerment" and "participation" with a more state-focused expansion of village head control and centrally monitored and measured financial disbursements.

It is interesting to note that while Sen's ideas have only slowly, over the past couple of decades, become part of the mainstream of development theory, similar ideas have been expressed by Indonesia's founders and leading intellectuals from a much earlier period. While they have certainly not always guided the manner in which government is actually implemented, they have had a profound *ideological impact*.

Even at the height of the New Order period, when the authoritarian, top-down system was at its most intense and the control over expressions of local culture was at its strongest, there was a somewhat romantic reification of village communities, a putative recognition of the value of the diversity of local traditions and the village community. This idea was even expressed in the country's official national motto, *Bhinneka Tunggal Ika*, an Old Javanese phrase usually translated as "Unity in Diversity" (Out of many, one). Even though in practice the emphasis under the New Order was always on the first side of the equation, rather than the latter, these ideas continued to inform and guide would-be reformists. For example, Soedjatmoko, an Indonesian diplomat and intellectual who served as a senior adviser to Bappenas during this period before being suppressed and marginalized for questioning the government's commitment to addressing the needs of Indonesia's poor, wrote in 1980 that:

The revitalization of the countryside through the restoration of pride and self-confidence and a new self-assertion by the rural poor inevitably leads us to the innermost dynamics of a culture. For development to become a self-sustaining process, it will be necessary to tap the deepest impulses of a culture, impulses which are beyond the reach of economic incentives or disincentives. Therefore, in order to be successful, development from below must be development in the local idiom.

Indonesian Bureaucracy and Social Power

The paradox of Indonesian bureaucracy is that while the overall system is famed for its rigidity, in actual practice the individuals within it have tremendous power to shape the form that policies and programs take. In principle, senior bureaucrats receive policies from democratically-elected parliaments and presidents, which they then carry out in ways governed by the rules of the civil service, budget authorities, and law. There is a straightforward chain of commitments: A Minister explains his vision, his Deputy Ministers translate that vision into programs, and the managerial staff of the ministry then carry out the programs. Staff that carry out their superior's instructions well are rewarded; staff that deviate or innovate are either formally or informally punished using the tools of career and salary reward or punish.

The early New Order bureaucracy faithfully embodied these Weberian ideals. Lant Pritchett (2017) has compared the Indonesian bureaucracy of the New Order government to an army: extremely efficient at carrying out orders from the top even over very large areas, provided that they did not require any local discretion or innovation. Thus, once President Soeharto decided that universal literacy was a New Order priority, the education ministry could build 200,000 nearly identical schools across the country in just a few years. But they could not change their shape, adjust the materials, or modify the curriculum to reflect local content.

Much of the Indonesian bureaucracy's rigidity, but also its creativity, can be traced to the organizational culture that developed within the New Order system of government. In a nutshell, credit moves up to the senior levels of the organization while responsibility and therefore blame for working out the details moves down. Senior managers will often set ambitious goals and even quantitative targets without any grasp of whether the resources and capacities exist to implement them. Consequences follow.

First, knowing that they and not their bosses will be blamed for not achieving the targets, middle managers do not report bad news upwards, reporting only on how much progress they have made in meeting the senior manager's goal. Conversely, the middle managers build filters to screen out bad news from the field so that their reports can convey just how much progress is being made. Second, the system builds in strong incentives to manipulate numbers, particularly since nobody higher up will ever give them a reality check. Third, corruption's institutionalization within the New Order bureaucracy followed this same pattern of senior managers requiring a share of the money but the middle and junior managers being the ones to physically sign the documents. With credit flowing upwards but blame flowing downwards, it is not at all surprising that New Order officials became obsessed with formalities and legalisms over substance.

At the same time, it is important to appreciate that while New Order ministries were known for their rigidity, at the same time, when it came to their internal politics, they were also extremely dynamic. Directorates were in constant motion. Each new minister would introduce an organizational and staff shake-up. Civil service rules built in near-continual staff rotations, particularly amongst senior and mid-level managers. While this constant motion to some extent prevented the

build-up of patrimonial fiefdoms within the bureaucracy, at the same time it meant that managers spent a great deal of their time either learning their new job or preparing for the next one. It also reinforced the top-down culture of the bureaucracy. The manager without a high-level supporter was not going to do very well in the next round of rotation. Internal patronage became both a key driver for bureaucratic careers as well as the key means for exerting top-down discipline on project managers.

This capsule description of the New Order bureaucracy highlights what is so interesting about the people interviewed on the community empowerment initiative. Despite all of the administrative controls and counter-incentives to innovate, a number of New Order officials at several levels did realize that innovation was needed. For example, Sujana Royat openly discusses the youthful idealisms that he had carefully set aside when starting his official career but which for Sujana and several others nevertheless stayed flickering in the background as they moved up the hierarchy and which they themselves cite as what made them embrace the community programs after the fall of the New Order. Most surprisingly, virtually none of the officials involved in actually running the community programs interviewed in this book translated their management for what became a presidential program into successful career paths; in fact, for the mid-level officials, success at managing the community initiatives removed them from the rotation and promotion cycle for nearly a decade. Similarly, several of the interviews talk about how they could use the administrative tools of the New Order – its rigidity, the excruciatingly detailed legalisms, its engagement with international development banks and so on – to push back on senior manager's demands for kickbacks, political appointments, and other forms of malfeasance that would have undermined the program.

Bureaucratic Development and Community Empowerment

Several of the interviews talked about wanting to change villages from being the objects of development to becoming its subjects. But there is another way in which the claim reaches deep into the heart of the challenge posed by Sen. In *Seeing Like A State,*[12] James Scott explains how state bureaucracies impose their own sense of order on the people and societies they rule, making diversity "legible" by developing instruments such as standardized maps, tax and property records, master plans, census categories and so on. While all states have always flattened the diversity of the natural and social world this way, what is unique about development states is the extent to which they combine this administrative standardization with claims to be using scientific principles to over-rule local autonomy as part of a nation-building project. Since local communities have their own traditions, modernizing states of this sort use force or the threat of force to back up their efforts to impose "high modernist" projects on the people.

While Scott did not specifically focus on Indonesia in his book, it is probably not a coincidence that all his fieldwork was done in Southeast Asia. What is most interesting in Seeing Like a State is not just the overall argument regarding forcible scientific modernization, but the way that the tools – the surveys, the formats, the census, and so on – that state modernizers use to define and describe their populations disempower local leadership and discount local knowledge. One has only to watch the bewilderment on the faces of villagers being shunted from office to office, filling out form after form, until they finally give up in frustration, to see how the tools of development are in themselves an exercise in power.

The citizens' initiative described in the interviews was quite self-conscious of the ways that development procedures imposed the state's reality on Indonesian villages. As Vice-President Boediono explained in his interview, the new government knew what it wanted to achieve through community partnerships, but it wasn't sure how it could get reform through its own state-run, top-down systems. Making financial information public; shrinking rather than expanding the size of formats; reducing state actors' ability to overturn community decisions; and engaging non-governmental agencies to monitor malfeasance were all done quite consciously by officials in government ministries, who, if not originating these ideas themselves, held all of the power to deflect or deploy them. As Ayip Muflich and Bito Wikantosa both noted, as they saw for themselves that there was growing scope to empower communities, they could protect this space by using their own access to the government's rules about projects. Making financial transparency a compulsory part of a project's operational manual or the terms of reference for its staff still wasn't a guarantee that they would do it, but it was an effective way for project field staff to explain to resistant local leaders why they were being stubborn about trying.

Conclusion

As the stories in this book show, Indonesia's community empowerment initiative was fundamentally about the quest for the freedom of individuals to live lives that are valued. However, just as much, it showed that this freedom was achieved through the participation of individuals with other members of the community. The freedom of individuals to live lives that are valued was predicated on this participation. But the ability of individuals to participate in collective action only became possible with the collapse of the vision imposed on Indonesian society by the New Order.

However, even after the New Order fell, there was no grand plan, no Constitutional Convention or Declaration of the Rights of Man through which a transformative democracy appeared. Instead, Indonesia built coalitions, often from unexpected sources; it experimented with new ideas; and it made concrete investments and introduced participatory processes that showed the people that their voices now mattered.

Vice President Boediono's reflections wisely point out how important it is to place the stories in this book within their historical and national context. Indonesia's community initiatives were taking place at a time when the New Order had collapsed but a new national politics had yet to emerge. The buried dreams of Sujana's or Gunawan's student years could be dusted off and given new life because the political elites were too obsessed with fighting each other to pay much attention to village development. Once the foundations took root, though, reforms such as the 2014 Village Law could follow. Whether Indonesia uses that foundation to continue building an inclusive economy or whether the political structure re-consolidates its former hold over poor people's voices is one of this generation's biggest challenges.

Indonesia's community empowerment initiative illustrates one of the paths through which a government could begin to establish mechanisms and systems that enabled human diversity to flourish and be regarded as an asset, rather than a liability. While the Indonesian government's community empowerment programs were always constructed to work in the Indonesian political, social, regulatory and administrative context, the principles on which they were based and the goals to which they aspired have universal relevance, particularly at a time when this freedom seems to be under such great threat around the world. If those who see respectful recognition of the diversity of human experience as essential to identifying the solutions the world desperately needs are right,

activists around the world can learn much from Indonesia's initiative to achieve this. The authors of this book hope that an examination and discussion of Indonesia's experiences will serve as a small contribution towards identifying these solutions.

The bridge on which these school children are standing makes their journey to school a much shorter one that before. (Pantai Harapan, Cempaga, E. Kota Waringan, Central Kalimantan. Photo by Poriaman Sitanggang)

THE EDITORIAL PROCESS AND THE CAST OF CHARACTERS

This book came into being out of a perceived need to build an awareness of aspects of the government's contribution to the dramatic changes that have occurred to the relationship between state and society in the decades following the end of the New Order administration. The authors believe that the national community empowerment initiative is an important part of that story. It is important because it takes the discussion of "what happened" beyond the realm of national capitals and national policies, and into the spaces where ordinary Indonesians make their decisions about whether development is meaningful to them or not.

For a number of reasons, it was decided to present this story in the form of interviews with the bureaucrats most intimately involved with this initiative over the past couple of decades. This approach had a number of both advantages and disadvantages over a straightforward history. With few publicly-available records of the deliberations behind the government's involvement, it is often difficult to definitively state exactly what happened and why twenty years ago. As an examination of the interviews shows, there is ample space for varying interpretations and disagreements. But by giving bureaucrats holding a wide range of positions in a number of different agencies at various points in time the space to tell their own version of what happened, the team thought that it might be possible not to create a definitive history, but to establish the boundaries between various interpretations. The team was aware that there were many ideological and practical conflicts between the individuals and agencies involved in the initiatives, and sought to understand them and place them in context.

Originally, the team drew up a list of 15 individual bureaucrats and office bearers who have been involved directly in the government initiatives. Of these, the team eventually interviewed eight, with some of the others unavailable for health or other reasons. In fact, the fact that many of the events covered in the book occurred several decades ago presented something of a challenge, with many of the people involved now entering advanced old age or having died. While some subjects had vivid recollections of the events they described, it was clear that there were challenges related to recollecting events that occurred so long ago. To crosscheck and validate the stories provided by the subjects, the team often followed up with other individuals mentioned by the subject, if indeed they were still available.

As a first step to producing this book, the team held a workshop to generate a shared understanding of the government's community empowerment initiatives and the context in which they were implemented in the period from the 1990s to 2015. A number of actors involved in these initiatives were invited to attend the workshop, including two important subjects interviewed for the book, Sujana Royat and Ayip Muflich. During these discussions, the team considered which subjects should be interviewed.

THE CAST OF CHARACTERS

The Subjects

Gunawan Sumodiningrat, who conceptualized and designed the Inpres Desa Tertinggal program (1993) and who was involved in the initial development of the *Kecamatan* Development Program (1996). With his background as an academic and NGO activist, Gunawan is widely known for his ideas on community-based economics and Pancasila economics.

Boediono, who played a crucial role in the Indonesian government's response to the 1998 Asian financial crisis, when he was asked to step away from his academic career to take up a position at BAPPENAS. Later, he held ministerial-level positions before finally being taking up the position of Vice President of Indonesia for the period 2009-2014, under President Susilo Bambang Yudhoyono. He had a significant impact on the number of community empowerment initiatives, including KDP, UDP, and PNPM Mandiri. Under his office, the National Team for the Acceleration of Poverty Reduction (TNP2K) was created to play a major coordinating role for the government's poverty reduction and community empowerment programs.

Sujana Royat, an urban development planning expert who held a number of strategic positions at BAPPENAS before being appointed to the position of Deputy for Community Empowerment and Poverty Alleviation at the Coordinating Ministry for People's Welfare. Sujana was the Chairperson of the PNPM Mandiri Steering Committee (2007-2014), during which period he had a major impact on the direction of the

government's community empowerment programs, proposing a number of radical new projects, including PNPM Peduli (to benefit stigmatized and marginalized groups, including people with disabilities, adherents of unrecognized minority religions, former political prisoners, people with HIV and AIDS, and members of the LGBT community) and PNPM Pusaka (to ensure community involvement in cultural preservation).

Ayip Muflich, a former Director General of Village Community Empowerment at the Ministry of Home Affairs (2007 - 2012) who was involved in all of the government's major empowerment programs since the IDT program in the late New Order period. During his period as the Director General, Indonesia's community empowerment programs were massively scaled up to cover almost all subdistricts across the nation under the PNPM Mandiri umbrella, to become the largest community empowerment program in the world.

Pungky Sumadi, who is currently serving as Deputy for Population and Employment at BAPPENAS and who played a major role in the design and implementation of the Urban Poverty Program. He is currently actively working to develop a number of poverty reduction initiatives that build on previous community empowerment programs.

Vivi Yulaswati, who currently serves as an expert member of staff to the Minister for Social Affairs and Poverty Reduction and who was actively involved in the development of UPP, PNPM Generasi, and the Family Hope Program (*Program Keluarga Harapan*, PKH), and in efforts to develop a data collection and analysis system to provide inputs for studies and program evaluations.

Bito Wikantosa, who currently serves as the Director of Basic Social Services at the Ministry of Rural Development and Transmigration. Since commencing his career as a member of staff at the Ministry of Home Affairs, he has been actively involved in designing and implementing IDT, KDP and PNPM Rural.

Muda Mahendrawan, who currently serves as the District Head of Kubu Raya, West Kalimantan (2019 - 2024) and who has a background as an activist for social transformation and community empowerment. In particular, his interactions with the women involved in the Women Headed Household Program (Pekka) had a major impact on his ideas.

Rusdy Mastura, who served as Mayor of Palu for the period 2005 - 2015 and who played a major role in facilitating the institutionalization of community empowerment at the local level. He hosted the launch of PNPM Mandiri, which was attended by President SBY on August 30, 2007.

The Editorial Team

To produce this book, BAPPENAS and the World Bank established a team of three writers, from a range of different backgrounds:

Maria Hartiningsih is a senior journalist at the widely respected daily newspaper, Kompas. She is well known for her journalistic work, with a focus on human development, gender, and human rights. In 2003, Maria received the Yap Tiam Hien Award in recognition for her contributions to journalism. Maria comes from outside the development sector, with no direct experience in the implementation of government programs. Thus, she is an

independent observer who approached her task with a certain distance.

Irfan Kortschak is a writer, translator, and editor who has been involved in producing case studies of village communities involved in Indonesia's community empowerment initiatives. In particular, he was the author of Invisible people: *Poverty and Empowerment in Indonesia* (2010), which documented the life experiences and challenges faced by members of stigmatized and marginal groups in society. He has a Master's degree in international and community development from Deakin University, Australia. He is an enthusiastic amateur photographer, and took the portrait photos of the interviewed subjects (except for Nani Zulmiarni and Muda Mahendrawan).

Taufik Rinaldi has served as an expert consultant for a wide range of community empowerment programs. After serving as a consultant to the KDP program in 1999, he became a senior adviser on empowerment policy at a number of agencies, including the Coordinating Ministry for People's Welfare and the Ministry of Home Affairs. Specifically, Taufik worked on issues related to governance and anti-corruption. In the period leading up to the end of PNPM, he was involved in formulating policies related to the transition to the Village Law.

The diverse backgrounds of the writing team created both challenges and advantages. While Taufik clearly had the advantage of personal experience with the subjects of the book and the initiatives with which they were involved, his role as an insider meant that he was almost too well known by the subjects, who often distrusted his objectivity. By contrast, while Maria had

little direct experience with government bureaucracies, she had extensive knowledge and experience with non-government actors with a critical perspective on government programs, including journalists, academics, and activists. As a result, she herself often adopted this critical perspective. While Irfan had some experience of dealing directly with central government officials, he had previously focused much more on the impact of government initiatives at the community level. Thus, the current task involved a challenging shift of perception by him to understand the dynamics of the interactions at the central level.

Kamala Chandrakirana acted as the team's facilitator and coordinator to develop the concepts and methods for the process of writing and reflection required to produce this book. She has been engaged as an activist for gender and social issues since the early 1980s. She served as the first Secretary General of Indonesia's National Committee for Women (Komnas Perempuan) from 1998 to 2003, and as the Chair of the same organization from 2003 to 2009. Since 2011, she has been a member of the UN Working Group on discrimination against women in law and practice. Kamala is also a member of the ESCAP-UN Regional Asia Pacific Women's Working Group on Women, Peace and Security, and is involved in the Asia Pacific Network on women's rights issues. She was the leader of the Local Level Institutions research team (1996), the results of which served as a major input for the design of the KDP program.

Scott Guggenheim is a social scientist who, as a member of staff at the World Bank, played a key role in the early design of the KDP program, before becoming the task team leader and manager of the PNPM Support Facility. For this project, he acted as an advisor

and reality check, reviewing and commenting on the contents of the interviews as the process proceeded. He also co-authored the English version of the Introduction and Reflections section.

The interview process and the initial writing up of the results of these interviews were followed by an extended brain storming stage. As expected, the team found that there were often serious contradictions between the stories provided to them by their subjects, with conflicting opinions, ideological positions, and institutional interests. The team took the time to investigate these contradictions and conflicts so that they could present the stories of their subjects relatively intact, while at the same time arranging them in a manner that enables the reader to gain a coherent picture of what actually occurred. Not only were there conflicting opinions and ideas amongst the subjects, this conflict was reflected within the writing team itself, with occasionally heated discussions and strong disagreements regarding the manner in which the materials should be presented and how the story should be told.

These conflicts were overcome through an extended process of reflection, with lengthy discussions to harmonize the often widely varying opinions, data, and conclusions of both the writing team and their subjects. As a result of this process, the team found that many aspects of the story that initially seemed to contradict or negate each other actually only told different parts of the same story, and thus in fact complemented each other. This process involved a thorough examination of the patchy but extensive literature on the government's initiatives. Through a series of workshops, the team uncovered the hidden stories. It was often found that what the subjects didn't say, couldn't say, or wouldn't say was as interesting as what they did say. The team found that the search involved more than just an examination of the facts to determine the objective

reality of the stories they had recorded, it also involved adopting a position regarding the initiatives.

As part of this process of reflection, the team interviewed three individuals with particular knowledge and expertise in matters related to the empowerment initiatives, as follows:

Budiman Sujatmiko, a PDIP politician who was involved in drafting the Village Law. Budiman has a unique perspective on this law and on the empowerment movement more generally, due to his lengthy involvement in the political process, during which time he has played a number of widely varying roles. During the New Order period, he was a radical left-wing activist who was imprisoned for a period for political crimes. During the reform period, he played an active role in building social movements with civil society organizations working on agrarian issues and on strengthening and empowering village communities. During this time, he became an active supporter of PNPM Mandiri. The writing team engaged in discussions with Budiman to gauge his thoughts on the definition of community empowerment and its role in political development and the roles played by PNPM Mandiri and the Village Law in achieving this, with particular attention to his views on the manner in which this law and the associated Village Funds have been implemented.

Enurlaela Hasanah, who currently works as a senior advisor at the KOMPAK institute and was involved in designing the KDP. Ela has been involved in this program since its commencement, serving as a district level facilitator in one of the six KDP pilot districts in 1996. She later worked as an expert member of staff at a national management consultancy involved in KDP, before taking up a position as a consultant for the World Bank on matters related to community empowerment programs. Ela was involved in preparing a wide range of program implementation and technical guidelines, during which process she interacted with government agencies, donors, and field actors involved

in the implementation of PPK and PNPM Mandiri. Ela's views and analysis, especially related to day-to-day implementation and interaction between actors and cross-agency PPK and PNPM, enabled the writers to critique the results of the interviews and to sharpen the mapping of issues and gaps in the implementation of the Village Law.

Nani Zulminarni, the founder and manager of the Women Headed Household (Pekka) program since its commencement. Prior to this, Nani had extensive grassroots experience of working to empower groups of women in Indonesia's villages, through her involvement with the Women's Resource Development Center (*Pusat Pengembangan Sumberdaya Wanita*, PPSW), which she joined in 1984. Since then, she has devoted her energies to realize PEKKA's vision as a social movement to empower female heads of households and to address the stigma associated with widowed, divorced and abandoned women, who are often amongst the poorest and most disadvantaged members of Indonesian society. Nani is well known for her tenacious commitment to the process of social transformation. Her conceptualization of community empowerment and the differences (and occasionally similarities) between this concept and that of the government's in its implementation of its initiatives enabled the writers to map fundamental issues related to the implementation of PNPM and the Village Law and to examine questions related to the sustainability of Indonesia's community empowerment initiatives.

Initially, all three writers and all others involved in producing this book assumed that their task was simple and straightforward, involving nothing more than recording and presenting the stories of the senior bureaucrats and officeholders. However, as the assignment proceeded, the emphasis shifted from recording stories to searching for hidden stories. This involved formulating strategic questions related to the sustainability of Indonesia's community empowerment initiatives in Indonesia. It involved a shift from 'recording' to 'inquiry'. In the end, the goal of this

book is both extremely simple and extraordinarily challenging: it is to reaffirm the position of community empowerment within the discourse on development in Indonesia. As stated in the opening section of this introduction, rather than definitively answering questions related to the future direction of community empowerment in Indonesia, it hopes to inspire questions and reflection. We hope that people from a wide range of backgrounds, bureaucrats, facilitators, community figures, students and activists, take these questions and continue to try to answer them.

Variations between the English and Indonesian versions

It was always intended to produce both an English and Indonesian version of this book. However, right from when it was first conceived, it was never envisaged that the contents of the two versions would be exactly the same. This was because the two versions were intended to reach very different audiences, with very different needs and backgrounds. The Bahasa Indonesia version was largely intended to build the awareness of a younger generation of Indonesians of the impact of the community empowerment initiative on Indonesian society in order to encourage them to engage with this initiative and to sustain it into the future. Thus, it focusses to a much greater extent on the process of empowerment itself. The intended audience for the English version is the international academic and development community, with a greater focus on the role of the bureaucracy and the individual bureaucrats in the transformation from a dictatorship to a democracy. These differences are most apparent in the Introduction and Reflections section, with the English version mostly written by Irfan Kortschak and Scott Guggenheim, while the Indonesian version was mostly written by Taufik Rinaldi and Maria Hartiningsih, with major inputs from Kamala Chandrakirana.

ENDNOTES

[1] Mehmet, O., Westernising the Third World, Routledge, New York, 1995, p. 84.

[2] Mehmet, O., Westernising the Third World, 1995, p. 56.

[3] Robison, quoted in Lanti, Irman G., 'Back to the (Slightly Different) Future: Continuity and Change in Indonesian Politics,' Visiting Researchers Series No. 2 (2001), Institute of Southeast Asian Studies, Singapore, 2001, p. 19.

[4] Ali Moertopo, "The floating mass," extracted from The Acceleration and Modernization of 25 Years' Development, 1972 in Bourchier, David and Vedi R. Hadiz (eds), Indonesian Politics and Society: A Reader, 2003, p. 48.

[5] This term was coined by Mohammad Slamet, a lecturer at the University of Melbourne's Indonesian studies department, based on the ideas of Benedict Anderson. It is a neologism based on the Javanese word for "palace" (kraton).

[6] Robison, quoted in Lanti, p. 24.

[7] Molyneaux, Jack, and Paul Gertler, "Evaluating the Impact of IDT", Santa Monica: The Rand Corporation, 1999, cited in "Making Services Work for the Poor". Washington, DC, The World Bank, 2004.

[8] 2011 PSF Progress Report, pp 13-16

[9] Permendagri No.9 Tahun 1982 tentang Pedoman Penyusunan Perencanaan dan Pengendalian Pembangunan di Daerah

[10] Ratu Atut Chosiyah served as governor of the province of Banten, Indonesia from 2007 to 2014. he was suspended in May 2014, after being formally charged by the Indonesian Corruption Eradication Commission on corruption charges. In early September 2014, she was sentenced to a four-year term of imprisonment, which was later extended. At the time this book was written, she was still in prison (see https://en.wikipedia.org/wiki/Ratu_Atut_Chosiyah). .

[11] Sen, Amartya, Development as Freedom, Anchor Books, New York, 1999, p. 148

[12] James C. Scott, Seeing Like a State, New Haven: Yale University Press, 1998.

ISBN 978-602-52841-4-4