COMMUNITY PARTICIPATION IN INDONESIAN DEVELOPMENT POLICY: NEO-LIBERAL AND POST-MARXISM PERSPECTIVE

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Abstract

The meaning of community participation in Indonesian development history at New Era and Reformation has many been changed. The evolution of the meaning is the implication of the dynamic economic and political changing in Indonesia. It is also the consequence of its interaction with neo-liberal and post-Marxism that is promoted by international development institution and other development actors. Three phases movement of community participation meaning have been identified and analyzed in this paper on discussion in two-development paradigms: neo-liberalism and post-Marxism.

Keywords: community participation, planning process, neo-liberalism, post-Marxism.

I. INTRODUCTION

In the last two decades, community participation approach in development program has received a wider support from many parties. The governmental organizations, non-government organizations, and international development agencies have strongly encouraged a community participation approach in delivering their own development programs. Furthermore, community development approach has become a common ground for these agencies to create a partnership in development. Recent community participation-based development programs have been carried out on the basis of a partnership between government agency, non government organization (NGO), and international development agency. Before this new trend emerged, the conflict between NGOs and international development agencies that promote neo-liberal policies has frequently occurred. Conflicting development paradigm between these two parties hampered a mutual understanding and partnership in the development program and policy. This phenomenon indicates that community participation approach has become a bridge that mediates between different developments paradigms. Moreover, this fact established a new understanding among governmental organizations and international development agencies on the significance of the role of NGO in the development process.

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The main purpose of this paper is to examine how the increased emphasis of governmental organizations and international development agencies on the role of NGO and community participation approach fits with the overall global capitalist ideals of economic restructuring and economic liberalization. Specifically, this paper analyzes how these two processes (rise of support of NGO and community participation approach on one hand; and globalization of neo-liberal policies of privatization and partnership on the other) interact with each other. In the light of these two processes, the meaning of community participation in Indonesia's development policy is analyzed. In this context, the different ways in which the notions of participation and community empowerment have been defined, critiqued and redefined in Indonesia's development policies will be addressed.

This paper is organized into four main parts. First, the main idea of both globalization of neo-liberal policies and community participation conducted mainly by non-governmental groups is discussed. This brief description will be followed by the discussion explaining the relation between the rise of community participation initiatives and the mainstream economic policies, neo-liberal paradigm, affecting greatly national development policies in many developed and developing countries. Third, in the context of the great debate between globalization of neo-liberal policies and post-Marxism paradigm, the idea of community participation will be critiqued and redefined. Finally, at the last part, by referring to my experience in observing and participating in the university-community-NGO-local government partnership, community participation notion will be analyzed in the light of dynamic interaction between neo-liberal and post-Marxism perspective.

II. THE ROOTS OF NEOLIBERAL PERSPECTIVES AND ITS LINK WITH COMMUNITY PARTICIPATION

Since the post-World War II to the middle of the 1970s, the welfare state, capitalist and socialist model has become three central models adopted by almost all countries in the world. Although there are varied role of the state in each model, the role of state remains imperative in directing economic and political policies. The state was assigned a key role in correcting market failures and sustaining economic growth and stability as well as social and political development. However, since the beginning of 1980s, neo-liberal paradigm has become a main perspective in national and international economic policies. US under Reagan's administration and UK under Thatcher's administration initiated and influenced other countries to

implement this kind of policy. This change was stated clearly by Francis Fukuyama (1995):

"We are the end of prolonged period in which modern states have been key promoters of economic growth and social transformation. No one would deny that in the past, state intervention in the modernization process has been effective. National governments have abolished entire social classes; engaged in land reform; introduced modern legislation guaranteeing equality of rights for ever larger circles of the population; and provided the infrastructure for modern, complex, information-intensive societies. This institution-building, however, has reached a dead end with the establishment of liberal democratic political institutions and capitalist economic structures throughout the developed world"

This change toward neo-liberal was also encouraged by the fall of the USSR and the collapse of the communist regimes in Eastern European countries. These phenomena showed the triumph of capitalism and liberal democracy and even they became the final model of state or - using Fukuyama's term (1993) - we arrived at "the end of history".

Neo-liberal paradigm has been institutionalized and disseminated to other countries through international funding agencies, especially the World Bank (WB) and IMF. Proponents of Neo-liberal in WB believe that, even if the market is an imperfect instrument to address economic problems, state interference will bring about the situation worse (Schuurman, 2003:997). The proponents of Neo-liberal perspective assert that state more as an obstacle than a driving actor in the development process. In the 1980s neo-liberal showed the limitation of the state and encouraged market liberalism as the most efficient instrument for sustaining economic and social development within a global market system (Mohan and Stokke, 2000:248).

Structural adjustment program - that have a main spirit to decrease the role of state- have been implemented widely in the developing countries. The role of non-state actors such as private sectors, non-profit organization, and community development organization have been encouraged to replace the role that has been previously conducted by the state. In the light of this context, the rise of community participation initiatives fits with the idea of globalization of neo-liberal policies. Community participation and development initiatives offer a possibility to solve economic and social problem by mobilizing non-state resources and minimizing the role of the state. According to neo-liberal paradigm, the role of civil society is becoming more important because they will substitute the role of government in initiating and implementing community development program. By referring

several researches, Sam Hickey (2002) concluded that growing community development programs is primarily used by transnational development actors to transmit narrow neoliberal agendas to developing countries. This conclusion is also justified by Mohan and Stokke (2000:248) arguing that neo-liberal policy has moved from market deregulation to institutional reforms and social development as well as community empowerment.

In case of Indonesia, limitation of the state resulted in the need for a collaborative approach to solve collective problems. This was supported by the fact that local and central government experienced severe economic crisis since 1997. By encouraging community participation and development, the government has a moral justification for reducing its role in providing basic services.

III. LIMITATIONS OF NEO-LIBERAL'S COMMUNITY PARTICIPATION

The meaning of community development and participation has evolved and many different schools of thought have tried to criticize and redefine it. Four main limitations of neo-liberal's community participation that needs a new definition are identified. First, the emergence of the notion of community participation in 1970s should be understood as a strategic way to increase efficiency and affectivity of government social and economic development program. In this context, the notion of community participation has been understood narrowly within short-term project framework. Here, participation becomes a means to achieving pre-defined goals, rather than as an end itself (Lane, 1996). Neo-liberal policies supported community participation and development initiatives because they offer a great possibility to increase efficiency and effectiveness of the project. It guides to more appropriate target groups that minimize the gap between their needs and the design of policy objectives. Furthermore, participation also can build ownership for policy solutions among target groups and implementers; which can drive higher use rates of goods and services, lower maintenance and operating costs, and better conformity between policy intent and outcomes (Brinkerhoff, 1999:124-5)

Second, the notion of participation has been focused at the local level and it has been isolated from the larger social and political system of a nation. Some studies (Parfitt, 2004; Brocklesby and Fisher, 2003; Botes and Rensburg, 2000) analyzed the success and failure of participation as merely local factors and ignored the nature of political relation between state and society as well as between central and local government. Neo-liberal perspective focused on community participation at the local level, without addressing the need for social and structural transformation of state-society relation.

The third characteristic appeared as a result of ignoring the notion of participation from power relation at the local and national level. It has been assumed that community participation is a neutral process that was sterile from the dynamic interaction among varied power relation of stakeholders (Nelson and Wringht, 1995). This notion of participation was constructed on the basis of harmony model of power. This implies that community participation can be achieved successfully within the existing social and political power without any structural transformation efforts toward balanced power relation among economic and political actors.

The last nature concerns the way or process in which community participation has been implemented. Neo-liberal paradigm carried out community participation on the basis of a top-down strategy. This paradigm adopted community participation as a way to get community support to pre-decided projects. These kinds of projects were not the result of the dynamic interaction between state and society but rather they have been formulated on the basis of perception and interest of higher level of government.

In short, the main characteristics of neo-liberal's community participation are short-term project, local level, less consideration of power relation and top-down approach. However, after 15 years of largely unsuccessful adjustment and liberalization policy, the proponents of neo-liberalism tried to make a modification. They look at a more positive role for the state and believe that development is a social and cultural process that needs to be considered. As a result of this shift, the current neo-liberal policies support multiple stakeholder approaches in the development process involving partnership between state, private sector and civil society (Mohan and Stokke, 2000: 255). Due to inefficient and unresponsive state organizations, they believe that civil society should be understood as an alternative institution. This notion emphasizes on the state-society relations rather than looking at the state and civil society as a separate entity. Furthermore, the World Bank that has socialized neo-liberal policy to developing countries concluded in his 1998 annual meeting that participation matters are not only as a means of improving development effectiveness but also as key to long-term sustainability (Francis, 2001:72).

These four main characteristic of neo-liberal's community participation attracted widely critics from practitioners and researchers (Miraftab, 2003; Parfitt, 2004; Mohan and Stokke, 2000). One of the critics came from the proponents of Post-Marxism that believe the goal of community participation should be beyond efficiency and effectiveness of pre-determined projects. This is a fundamental difference between neo-liberal approach and post-

Marxism approach in understanding, initiating and implementing community participation. The former considers community participation as a means and the latter understand it as an end that encourages community empowerment process especially disadvantaged and powerless groups. Therefore, post-Marxism redefined and made a new formulation of community participation in the light of spirit of empowerment process.

Laclau and Mouffe (Mohan and Stokke, 2000:249) believed that the main idea of empowerment process focuses on bottom-up social mobilization in society as a challenge to dominant power and interests within the state and the market. Moreover, Laclau and Mouffe (p. 249) asserted that "conscientisation and collective identity formation around common experiences with economic and political marginalization are key elements in this process. Power is conceptualized in relational and conflictual terms. Hence, empowerment of marginalized groups requires a structural transformation of economic and political relations towards a radically democratized society". Specifically, the meaning of empowerment refers to the capacity of a community to influence decision-making process that affects their living conditions (Miraftab, 2003:227).

From the notion of Laclau and Mouffe above, it is clear that participation as a means has substantial different implications from participation as an end. First, the latter believe the success of community participation largely depend on structural transformation of power relation among stakeholders. Within asymmetric power relation, community participation could be a manipulation process to support powerful stakeholders. Referring to Arnstein's ladder of participation (1969), this kind of participation is not to enable people to participate in planning or conducting program, but to enable powerholders to "educate" and or "cure" the participants (1969:217). Therefore, the success of community participation has a close relation with advocacy planning encouraged by third actors (non-state and non-market actors) that drive structural political change toward democratic governance (Peterman, 2004:274).

Second, community participation as an end requires a long-term commitment from all related stakeholders. Empowerment process is not short-term project but it involves a long process of structural and cultural transformation of society (Nel, 2001:12). Basically, this empowerment process is an effort to increase community capacity both internal and external aspect. Internal is individual and organization level within the community whereas external domain refers development of network outside the community. The individual level concerns human capital and leadership – the skills, knowledge, and resources of individual residents and their participation in community-

improving program. At the organizational level, empowerment operates through collective institutions involving local government, private sectors and community organizations. Empowerment at this level is manifested in the capability of such groups to perform their functions effectively and efficiently, as well as making a network to other institutions, both within and outside the community. Finally, at the network level, empowerment works through relationships among individuals, informal groups, and formal organizations on the basis of trust providing the support and access to resources known as social capital (Gittel and Vidal, 1998; Putnam, 1993).

Somerville described (1998:233) empowerment as any process by which people's control (collective or individual) over their lives is strengthened. In this context, empowerment refers to political power owned by a community to control their resource and to determine their future live. Similar to this idea, John Friedman argued (1992 and 1996) that empowerment is a discursive construct, its assigned meaning resulting from the exercise of power. Process of empowerment is a process to increase community capacity in political decision making process. The fundamental characteristic of empowerment is a process of helping a group or community to influence a political decision or relevant legal authority (Zippay, 1995:74). This process could be carried out by a community by lobbying, negotiating and developing network with other parties.

Third, referring to John Gaventa's idea (1998) and Frances Cleaver's notion (1999 and 2001) on institutionalizing participation, community participation as an end needs both scaling up and scaling out efforts. Basically, these efforts are part of advocacy planning to strengthen community participation in the larger context. Scaling up refers to disseminate and institutionalize community participation at higher organization level, whereas scaling out refers to the extension in realms of community influence and control in decision-making process. This implies that the success of community participation can not be achieved by limiting scope of influence at local level but it needs serious efforts to generate an enabling environment in the larger context (Mohan, 2001:166)

IV. COMMUNITY PARTICIPATION: INDONESIAN EXPERIENCES

Basically, there are some studies on Indonesia's participatory planning using longitudinal observation and public planning policy (see for example: Beard, 2002 and 2003; Ferrazi, 2001). In line with the shift of community participation paradigm, the notion of community participation in Indonesia's

development policy showed the paradigm change gradually that could be categorized into three phases:

In the first phase (1970-1990), the meaning of community participation has been built on the basis of understanding of short-term project relation. Authoritarian regime at that time constrained the scope of program focusing on technical and local problems of community. Practical knowledge has been disseminated from university and other development actors to community and – to some extent- it has improved community capacity to solve their technical problems, such as: making village map, improving rice production technology and so on. However, when a problem was a part of or implication of asymmetric power relation between state, society and private sector, this kind of partnership got the difficulty to address it. For example, improving performance of farmers and small-scale entrepreneurs faced a complex situation because of their low bargaining position in the decision making process especially their limited access to the financial resources.

In this phase community participation was understood as a means to increase the efficiency of pre-determined government projects. Involvement of community in the planning processes has been frequently started after projects have already been decided by the government. Spatial planning process at the city and regional level as well as sectoral development planning across nation have not been designed to enhance process of community empowerment. Although neo-liberal paradigm has not affected principles and approach of community participation in this phase, the authoritarian regime of new order has designed community participation to sustain the existing power relations.

Very few of university-community programs have been conducted on the basis of community participation approach. Likewise, at this phase, it was rarely to find a program that encourage students or lecturers to work independently as a community advisor or try to introduce the notion of community participation in the planning process. Prof Hasan Poerbo from Institute of Technology Bandung (ITB) was one of the pioneers of the planner who has worked for the poor community. His work has inspired many new generations of planners in 1990s. Unfortunately, this innovative idea did not get wide support from the government because it was not in line with the spirit of rational-comprehensive planning approach dominating most of the planning process of Soeharto Era.

Second phase (1990-1998) is the beginning of influence of neo-liberal approach on state-society-private sector partnership. Since beginning 1990s, centralized system of government has been criticized widely by both national and international actors. Proponents of neo-liberal policy, including WB and

IMF, introduced political outcome as a main important development achievement. The idea of community participation, bottom-up planning, community development has become popular in Indonesia's urban policies, especially at urban poverty alleviation programs. In this phase, the government has encouraged a wider partnership by involving multi-stakeholders in solving collective problems. Universities, private sectors and some NGOs have participated in partnership program either was supported by the government or by their own resources.

The notion of privatization has become popular as a result of reposition of government in providing public services. The private sectors have been stimulated by incentives to involve in managing public services that has been previously managed by the government, such as water provision, highway development and management, and so on (Firman, 2002:244). However, this kind of partnership has been carried out on the basis of already existing power without considering structural transformation toward balanced power relation. Jakarta water privatization is an example of this kind of partnership. The privatization of Jakarta's water is the story of powerful multinational corporations that used international agency (the World Bank) and authoritarian regime of central government to control a major city's waterworks.

In case university-community partnership or NGO-community cooperation, this phase has indicated a wider network for addressing community problem by involving local government and NGOs. Several poverty alleviation programs supported by international funding agencies, such the World Bank, have been conducted on the basis of partnership between NGO or university and community organizations. This phase generated a new paradigm of community participation by looking at university-government-NGO and society at large as a single entity sharing their resource to solve community problems. The government has become aware that multi-stakeholder partnership is the best way to increase efficiency and effectiveness of the government projects. Furthermore, Limited public expenditure of government due to structural adjustment program has encouraged the government to mobilize non-state resources.

This phase showed scaling-up process of community participation by involving higher layer of government. Central and provincial government has become more active in initiating and managing multi-stakeholder partnership, especially in solving poverty problems. However, scaling-out process remained a main problem indicated by low bargaining position of community in the decision making process. Although this phase has disseminated successfully the notion of participation to all level of government, structural

transformation efforts to drive balanced power relation has been blocked by undemocratic system of government.

Third phase (1998-now) has been greatly influenced by resignation of Soeharto from the power, wider social movement, and critics to neo-liberal policies in addressing economic and social problems. Social movement generated by NGOs and universities has shifted community participation toward community empowerment in the decision making process. They have tried to incorporate a community participation approach in the legal public planning process by reforming the existing legal planning process.

Planning practices at local level has still referred to the conventional process of P5D (*Pedoman Penyusunan Perencanaan dan Pengendalian Pembangunan Daerah)*, or Guidelines for Planning and Controlling Regional Development that was dominated by the local government agencies and local parliament members and provided limited room for people, especially marginal groups, to involve in the decision making affecting their live. Public planning process, such as P5D, has still used by certain people as a way to get an access to the public fund for their own interest by using their connection to the local government officers. P5D was strongly criticized because it was no longer appropriate with the new spirit of good governance demanding public participation and transparency in the planning process and budget policy.

Although P5D has been assumed as a legal basis for participatory planning, there is a gap between what it is said in the legal basis and what really happens on the field. Indonesian government considered that P5D is a form of "bottom-up" planning process. However, this planning process has been directed by central government. Using Arnsetein's participation ladder (1969), P5D has manipulated the meaning of community participation. Bottom-up planning process has been blocked by central government interest and targets as well as undermined by the dominant role of local government agencies. As a result, participation has turned to cynicism and apathy in the face of unresponsive higher-level decision maker (Ferrazi, 2001:256). Therefore, reforming public planning process is a strategic way to avoid this misuse of fund and encourage public participation in planning process.

According to my observation from several university-community and NGO-community partnerships, the focus of this phase is not only a transfer of technical knowledge from university to the community like the phase I or implementation of pre-determined collaborative program like phase 2, but also an improvement of community capacity and its institutions in a wider sense. Strengthening community institutions by widening access to the financial institutions, knowledge and training resources, and political

decision-making process are becoming new model in community participation program supported by the partnership between NGO, university and local government. For example, through collaborative efforts between Local Government of Bandung Municipalty (*Pemerintah Daerah Kabupaten Bandung*), Local Legislative Body of Bandung Municipality (Dewan Perwakilan Rakyat Daerah Kabupaten Bandung), and Inisiatif Foundation, one of Bandung-based NGOs working on community participation and development issues, the new local regulation on local public planning process was passed on August 2005. It incorporates community participation approach in the public planning process by providing a wider room for community to involve in the decision making process covering all planning and budgeting process.

This partnership also is producing the local regulation that formulates fiscal and authority devolution from Local Government of Bandung Municipality to the institution at the village level (*desa*). In this context, local institutions at the village level have greater authority to decide what program they need and have financial resource to implement the program. Another example came from collaborative approach among NGOs and universities to carry out advocacy planning to increase accountability and transparency of public planning process and management of government budget. As a result, community has been involved in the public planning decision making process and has greater control to management of local government budget. In short, post-Marxism's community participation stressing on community empowerment process has been receiving a wider support in this phase.

V.   CONCLUSION

Although community participation approach has become a bridge and a common ground between conflicting development paradigms, its meaning in the development process has been different. The wider support received by NGOs and governmental organizations from international development agencies in conducting community participatory-based development program does not necessary they have a similar perception and understanding on community participation notion. Neo-liberal's community participation program supported by international development agencies has not been conducted on the basis of community empowerment idea and without reforming the existing power relation among stakeholders. The nature of the programs was design to increase efficiency and effectiveness of pre-determined short term development project at the local level. By contrast, post-Marxism's community participation notion redefined the meaning of

community participation in the light of community empowerment process and it challenge the existing power relation.

Since 1970, the notion of community participation in Indonesia's development policy has changed over time. Its meaning have been criticized and redefined as result of the dynamic economic and political process in Indonesia and the influence of neo-liberal paradigm promoted by international development agencies. In the future, the intense dialogue and partnership between NGO, government, international development agency and other development actors will offer a possibility of convergence between neo-liberal and post-Marxism's community participation notion.

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