

# PROMOTING TRUST IN GOVERNMENT : THE INDONESIAN CASE\*)

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## INTRODUCTION

In many Asian countries, public administration is in the process of considerable change and reform. Citizens in these countries, as well as in Indonesia, have demanded faster, better, and cheaper public service. They have also demanded for more effective and efficient government. In order to meet these demands, the nation has to change its public into more democratic, efficient, and citizen-oriented governance. Good governance is much more than routine operations of the government. It is a redefinition of governance-citizen relationships in which civil society, business, and other interest, groups have a stake. Hunter & Shah (1998 ) have developed a good governance quality index based on four sub-indexes, namely :

1. *Citizen participation index* : An aggregated measure using indexes of political freedom and political stability.
2. *Government-Orientation index* : An aggregated measure using indexes of judicial efficiency. Bureaucratic efficiency, and lack of corruption.
3. *Social development index* : An aggregate measure using indexes of human development and egalitarian income distribution.
4. *Economic management index* : An aggregated measure using indexes of outward orientation, central bank independence, and inverted ratio of debt to gross domestic product.

This governance quality index is three-tiered : good, fair, or poor. The result for select countries in Asia is summarized in Table-1 below :

**Table-1**  
**Quality of governance in selected countries**

No	Country	Quality index	Governance quality
01	Singapore	65	Good
02	Japan	63	
03	Malaysia	58	
04	Republic of Korea	57	
05	Sri Lanka	45	Fair
06	Philippines	44	
07	India	43	
08	Thailand	43	
09	China	39	Poor
10	Indonesia	38	
11	Nepal	36	
12	Pakistan	34	

Source : Adapted from Hunter & Shah's (1998) Table-2.1.

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A couple years later, in 2003, The World Bank constructed an index for *government effectiveness*, comparing the quality of public bureaucracy, policy making, and service delivery as one of six elements of a measure of governance. When government effectiveness was tested against data from 175 countries, the analysis confirmed that government effectiveness contributed to higher national income (Kauffman, 1999).

The assessment of governance quality in Indonesia (Table-1) is clearly *poor*. Therefore administrative reform is badly and seriously needed. Good governance is the most important state guarantee to ensure that political and economic activities benefit the whole society and not just a select group of influential individuals or institutions. In the absence of good governance practices, corruption and discretion flourish.

## **ADMINISTRATIVE REFORM**

As for as administrative reform is concerned, it was directed toward reducing the “trust deficit”. The “ trust deficit “ can be reduced only by creating a government that is efficient and also just. In the United States, this paradigm has stimulated rethinking about what government is and how it should work. Among the products of that rethinking were two theories of government administration under two great presidents. One is the minimal state theory which the administrative strategies used by the Reagan’s Administration and the another one is the reinventing government during the Clinton’s Administration.

The minimal state theory is similar to school of thought that have roots in the work of Frederick A. Hayek and Milton Friedman and draw intellectual sustenance from the work of William A. Niskanen, Gordon Tullock, Nobel Laureate James M. Buchanan, and other members of the public choice school. During the Reagan’s Administration, minimalism was implemented through various means that sought diminished expectations of government; budgetary restraints and centralized decision making; a leaner and more responsive political establishment; and a focus on a few objectives of overriding natural importance (Carroll et al 1985).

The reinventing government, in the other hand, takes the inspiration from the experience of practitioners such as David Osborne, a journalist, and a former city manager, Ted Gaebler (1992). Ideas posted by Osborne and Gaebler had the enthusiastic endorsement of President Clinton when in 1993 has requested Vice President Al Gore Jr to review the performance of the federal government of the United State of America. The purpose of the review, as the title of the report that was submitted in the same year indicates, was to create a government that is result oriented, works better and cost less (Gore, 1993). The report notes that only 20 percent of the American people trust the federal government to act rightly most of the time. To reduce this “trust deficit” then becomes an important objective of the administration at that time.

In spite of the strategic differences among the two reform movements, there is a common theme : the urge to debureaucratize government administration. Several innovative public programs that have broken free of the constraint of bureaucratic procedures were introduced. In order to understand the debureaucratizing agenda in these two reform movements, comparison of them with regards to four dimensions of public administration namely : purpose; personnel, organization, and management procedures, is summarized in Table 2 below. These dimensions address the question of why, who, what, and how public administration ought to be conducted<sup>1)</sup>.

**Table 2. Characteristic of the Bureaucratic Paradigm in Two Reform Approaches**

No	Characteristic	Bureaucratic Paradigm	Minimal State (Reagan Administration)	Reinventing Government (Clinton Administration)
1.	Purpose of Government	Execution of the will of the state	Provision of public goods and service	Meet citizen expectation
2.	Nature of public servants	Neutrally competent	Rational, self-interested, budget maximizers	Entrepreneurs
3.	Organization of work	Tightly structured hierarchy	Competitive, multi organizational, market like setting	“Appropriate” organizational form
4.	Management approach	Close supervision; Standard Operating Procedures ( <b>SOP</b> )	Cost-minimizing; Consumer-oriented management	Facilitative management; total quality management ( <b>TQM</b> )

This summary is accomplished, of course, at the risk of oversimplification. Nevertheless, it provides a sense of the potential for and content of debureaucratizing agenda. The debureaucratization movement as an administrative reform is more than political act. It is an act of cultural change, reflecting and challenging basic social values. As James Q. Wilson (1989), has commented. “The way in which a bureaucracy operates cannot be explained simple by knowing its tasks and the economic and political incentives that it confronts. Culture makes a difference”.

## **INNOVATIONS IN GOVERNANCE**

The gradual opening up of a society to modernity and globalization era is a crucial theme in explaining a cultural development. Since the development of culture, of the ideas people live with, is a steady process, always in the move onward and give influence to the political and social life of a society.

Recent social and political changes have had profound impacts on Indonesian society and culture<sup>2)</sup>. These, among another, include : democratization, decentralization or regional autonomy, transparency, and openness of information against the backdrop of globalization. In order to adapt to the situation, the Indonesian government started straightening up the bureaucracy, an exercise that involved changes in structures and systems that would result in modern and efficient bureaucracy.

Democratic process brought two important results; namely ; (a) freedom of the press; and (b) freedom of expression. These two freedoms provide the opportunity for the increased “transparency” and “accountability” of government practices and decision making, while also opening room for “participatory government”. Therefore, it becomes an important source to build “trust” in government. However, sometimes mass media reporting goes too far and may end up with negative results, for example leading to rumors. And it is true for the important decision, such as a nomination for the ministerial and other political posts. While the freedom of

expression in terms of “street demonstration”, sometimes become violent and destructive not only to the people’s live but also to the economic’s condition.

Another result of the “Reformation Era” was the decentralization process which was started in 2001. By the implementation of decentralization or regional autonomy vide Law No. 22 of 1999, at the beginning of 2001 and subsequently in 2003, the decentralization process makes differences in the political as well as economical life of the local society.

Power given to the local authority had brought government closer to the people. Also enabling possible improvement in service delivery through additional compensation given to the civil servants in the regions. However, the unbalance among salaries given to the civil servants in different regions or provinces, depending the resources in that respected region, can create a problem of “ unfair treatment”. While the regional civil servants got some additional bonuses or allowances, the central civil servants has to be satisfied with the salaries given according to the law.

Putting the negative aspect aside, the additional income to the civil servants in some regions or provinces could enable the local bureaucracy to perform its duties in a more efficient and professional manner which is beneficial to society and the public services in respected regions. And the good news is, it is also brings reduction of the corruption practices among civil servants in certain regions or provinces. Sad to say, the corrupt practices is still be found in the top local leaders or head of regencies and municipalities.

A major change in governance during the “Reformation Era” is the direct election of the President and Vice President by the people. In the past, during the “New Order Government” (1966-1998), the President was elected by the House of Representative, while the Vice President was chosen by the President, himself. Eventhough a good governance, as imposed by the World Bank and other international donors, not yet implemented fully in Indonesia, the direction toward more transparent and accountable government is on the process. Several laws and regulations had been passed to limit to power of President to modify the government structures with fixed member of ministries or departments that the bureaucracy can have. In the past, the formation of the ministries as well as the establishment of the new government’s institution is determined by the President, himself. Even the Vice President did not have a voice on this matter.

## **CONCLUSION**

Since the 1980s, many countries around the world, including Asian countries, have devoted major efforts to promote administrative reform, focusing on the openness, transparency and accountability in government. The need for good governance appears in all countries in the world regardless of their economic condition or development stage. For some Asian countries, it becomes more important following the Asian financial and economic crisis in the middle and late 1997.

After the fall off the so-called “New Order” government in 1998, and the passing of Law no. 22/1999 on decentralization or regional authority opened up the possibility of public service reform in Indonesia. However, the reform momentum has yet to take Indonesia past the finishing post. Strong and determined leadership to steer reforms is crucial. Whether it exists in Indonesia is a big question. Like all good Moslem in Indonesia one can only say *Insya Allah* (God willing)

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- Notes** : 1). This is a modification of the approach used by Hood and Jackson in their study of administration doctrines. **See** : Christopher Hood and Michael Jackson, **Administrative Argument**, Brookfield, Vt : Dartmouth, 1991, pp. 178-179.
- 2). With the late President Suharto stepping down in May 1998, Indonesia embarked upon Era Reformasi ( “ **Reformation Era**”) with democratization, decentralizations, and good governance as its main pillars.

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