The Archipelagic Paradox
Islands, Cities and the Modern State, 1808-2008

Howard Dick

Abstract

Indonesia has embraced the concept of an archipelagic state along with the implications for foreign policy. Yet, in the realm of domestic policy, there is still little substance. Transport and communications are fundamental to national integration yet suffer from a massive backlog of investment and chaotic regulation. This paper seeks to explain the lack of archipelagic thinking by combining historical and comparative perspectives. The main argument is that for two centuries state policy has sought not so much to integrate as to standardise the archipelago within a system of territorial administration that overrode natural economic regions. This grand scheme has so far had only partial success but in the midst of this vast national construction site there has emerged one exemplary centre, the mega-city of Jakarta. Urbanisation has fundamentally altered Indonesia's economic and political geography and there is much to be learned from European experience.

Keywords: economic geography, territorial state, colonial bureaucracy, economic system

JEL classification: H77, H88, N95, P51

1. INTRODUCTION

Every Indonesian schoolchild and every foreigner beginning to read on Indonesia almost immediately learns that Indonesia is an archipelago consisting of many thousands of islands. Nusantara (Archipelago) and Tanah Air (Land and Sea) are synonyms for Indonesia. The national motto of 'Unity in Diversity' encapsulates the cultural diversity that goes with this geographic fragmentation. The basic facts are therefore common knowledge, as are some of their consequences. Indonesia has embraced the legal concept of being an archipelagic state along with the implications for foreign policy in terms of access to its internal seas (Cribb and Ford, 2009). Yet, in the realm of domestic policy, there is

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1 The original version of this paper was delivered as the keynote address to the 2008 Indonesia Update at the Australian National University.

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remarkably little substance. An archipelagic state might be expected to give high priority to transport and communications as the very sinews of national integration. In the colonial era this was indeed the case. Since independence, however, transport and communications have received only erratic attention. There is a massive backlog of investment and government regulation usually does more harm than good. After observing this situation over several decades, I rule out simple explanations of ignorance or oversight. To explain the puzzling lack of archipelagic thinking, we must ask what other mindsets come into play and explore their assumptions.

This paper combines historical and comparative perspectives. History is useful because it teases apart the layers that, like a kris, have been hammered together to make Indonesian what it is today. In particular, we may differentiate the precolonial situation, the Napoleonic reforms of the colonial era, the military regime from the 1950s until the end of the New Order, and the new era of democracy and political decentralization. Comparison helps because it seeks resemblances between Indonesia's experience and that of other countries in the modern era of nationalism, industrialization and urbanization. The cases of Italy and France seem to be especially relevant and allow more than obvious Asian comparisons. The main argument is that for two centuries state policy has sought not so much to integrate as to standardise the archipelago within a system of territorial administration. This grand scheme has so far had only partial success but, in the midst of this vast national construction site, there has emerged one exemplary centre, the mega-city of Jakarta.

The paper begins with a brief overview of Indonesia's economic geography and its present state of transport and communications. It then discusses how the centralised Napoleonic system was imposed upon Java and its revival under Suharto's New Order. The next section compares administrative and market hierarchies and suggests that the current era of democracy and decentralisation is giving rise to a new form of urban archipelago in which Jakarta dominates as the ideal modern, national city, a role which may usefully be compared with that of Rome and Paris. A brief conclusion draws out the insights and policy implications of such comparative historical analysis.

2. ARCHIPELAGIC GEOGRAPHY

Harvey (1989)'s concept of "time-space compression" offers a sharp insight into the way modern transport and communications have changed the world. Two hundred years ago the only ways to travel were oar or sail by sea and foot or pony by land. Whichever the mode, speed was about the same and, subject to topography and natural and man-
made hazards, human settlements were more or less equally accessible according to the scale of distance. Steamships, railways and motor vehicles increased speeds by an order of magnitude but only along certain routes, absolutely fixed in the case of railways. Then aircraft added another order of magnitude between fixed points. Meanwhile the transmission of information, collapsed to hours in the case of the telegraph, has been further reduced to minutes or even seconds by high-speed optical fibre cable or wireless. These new technologies have reshaped the contours of economic geography like massive earthquakes, bringing some places into remarkable proximity and banishing others into remoteness.

The effects have been manifest in Indonesia no less than elsewhere but its archipelagic geography has yielded some odd paradoxes (Dick & Rimmer, 2003). From the 1850s steamships began to knit together the archipelago in networks of routes focused on Jakarta, Surabaya and Makassar, but also Singapore and Penang. For the next century, coasts and therefore islands conferred proximity, as also did navigable inland waterways. Land transport, by contrast, remained archaic. The Great Post Road through Java was interior to a Roman road and, besides, allowed only to official travellers and dispatches. Notwithstanding the Cultivation System (1830-70), goods movement relied heavily upon human porterage when there were not waterways, this being part of the reason why the system was so onerous. From the 1870s, however, railways led to the rapid integration of Java, without as yet having much effect upon the Outer Islands. Only in recent years have roads begun to improve intra-island communications in Sumatra, Kalimantan and Sulawesi. Meanwhile, jet aircraft have reduced transit times between the cities of Indonesia to just a few hours, while telecommunications have become almost instantaneous.

Familiar two-dimensional maps of the archipelago therefore no longer reflect economic reality. In effect, there are multiple time-distance layers by different modes and at different costs. Information moves much faster than air passengers and freight, which in turn are much faster than goods or passenger movements by land or sea. By telecommunications or by air, interisland cities are adjacent to each other and also to neighbouring Southeast Asian cities, whereas cities and their hinterlands may be quite distant, according to the standard of road and rail transport and the degree of congestion.

A second reality is that economic activity spreads very unevenly across the archipelago. Java and Bali account for 60% of economic activity, Sumatra and Kalimantan another 32% and the vast expanse of eastern Indonesia just 8% (calculated from BPS, 2006a). Economic activity is therefore highly concentrated in Java, which is also the island best
integrated by the various modes of transport and communications. The thesis of Dick, Houben, Lindblad and Thee (2003) was that the emergence of a genuinely national economy in Indonesia has involved the integration of Java with the Outer Islands, a process that began with the protectionism of the 1930s but did not accelerate until the economic development of the New Order. The industrialisation of Java then began to draw upon the resources of the Outer Islands, which in turn became part of the expanding domestic market.

Policies to promote economic integration would logically focus upon improving the country’s internal logistics across the various modes of transport and communications. Yet a recent study commissioned by the ASEAN Secretariat revealed that Indonesia has the worst logistics among the 10 member countries by the criteria of regulatory environment, foreign investment climate and adequacy of infrastructure (Souza et al., 2007). The fundamental problem is massive underinvestment in infrastructure, a backlog exacerbated by the Asian Crisis of the late 1990s. Contributing to this is the role of woefully inefficient state enterprise, most notably in railways, and a regulatory environment that discourages both productive efficiency and investment. With the possible exception of airlines, no mode of transport is more important to interisland integration than shipping. Here the deregulation of the 1980s is now giving way to re-regulation that pays less attention to trade and logistics (Dick, 2008).

How is the neglect of the practicalities of economic integration to be explained? There is no simple explanation. The fact that politicians and bureaucrats can so readily fly around the country may explain some lack of knowledge of the actual logistics involved in the flow of goods. The control of the Ministry of Communications and its directorates-general by retired military personnel may explain a preoccupation with security and lack of grasp of commercial realities. Entrenched habits of rent-seeking also come into play, as does weak coordination between ministries and the chronic inefficiency and under-investment of state enterprise. A deeper explanation, however, would explore the nature of the modern Indonesian state.

3. ORIGINS OF THE TERRITORIAL STATE

‘Good governance’ may be a new phrase but the problem is not. Indonesia has inherited a tradition of formal state administration and law that derives from Western Europe, albeit in recent years both enriched and confused by Anglo-American borrowings. These Western traditions have, of course, entwined with Indonesia’s own indigenous traditions and habits of government. Disentangling them helps to elucidate some of
the country's present dilemmas. It is also pertinent in view of a significant but little remarked bicentenary that fell in 2008.

Nationalist historiography identifies colonialism with the Dutch. However, we must beware of anachronism and allow for complexity. Before 1830 the Netherlands as we know it today did not exist. Previously the Low Countries, to give the literal English translation, included the more developed and in part French-speaking territories of Belgium – a not inconsiderable reason for the separation was the enormous cost of financing the Java War (1825-30). Even in the now Dutch part of the Netherlands, the elite was conversant in French. In 1795, not long after the French Revolution, revolutionary armies occupied the entire country (Schama, 1992). Dutch republicans who had fled the country to escape royalist repression were welcomed back. The Netherlands thereby became part of the grand revolutionary experiment. In 1806 Napoleon installed his own brother Louis on the Dutch throne.

A distant consequence of the Napoleonic War and the associated British naval blockade of Europe was that the privatised government of the archipelago, the United East India Company (VOC) went bankrupt and was taken over by the state, necessitating an interim civil government of its former employees (Vlekke, 1945). For a decade the archipelago remained in limbo. Then in 1807 King Louis Napoleon dispatched the forceful Dutch republican and military commander, Marshal Hermann Daendels, to fortify the colony against the British and introduce the basic set of Napoleonic reforms. He arrived in Batavia to take up the post at the beginning of 1808. Daendels’ term as Governor-General was short and controversial, and was almost immediately overtaken by the British conquest and reforms, then eclipsed by the returning royal Dutch administration.

After the victory of Waterloo, the Dutch had no reason to look favourably upon Daendels’ republican and Napoleonic credentials and, after independence in 1945, Indonesians even less so. He became a mere footnote to what is now Indonesian history. Yet Daendels has solid claim to be the founder of the modern Indonesian bureaucracy. It is etched in stone. Opposite Jakarta’s Lapangan Banteng in the northern entrance to the old Department of Finance building, the former headquarters of the colonial bureaucracy, is the foundation stone that translates from Latin as “1809 founded (by) Daendels – 1828 completed (by) Du Bus (de Gisignies)”.

In 2008 it is worth remembering that Napoleonic reforms were introduced to Java – for indeed they were applied only to Java and not to the whole archipelago – almost simultaneously with France and occupied Europe. For example, in 1806 the French conquered the Spanish Kingdom
of the Two Sicilies: General Murat became ruler in Naples and proceeded to abolish feudalism, establish provinces, organise a centralised and professional bureaucracy and introduce Napoleonic legal codes (Astarita, 2005: 257-63). Conversely, the Napoleonic reforms were introduced nowhere else in Asia. The British had taken the opportunity to seize the spice island of Sri Lanka from the Dutch as early as 1797. In Japan and Thailand, modernisation of state administration did not begin until the 1870s.

Moreover the Napoleonic reforms, although much modified by Thomas Raffles and his Dutch successors, were consequential (Sutherland, 1981). Best known, perhaps, in Indonesian historiography is the Great Post Road, a Napoleonic feat of public works stretching from Anyer on Sunda Strait via Batavia and the Priangan to Semarang, Surabaya and, in an attenuated final stage, to Banyuwangi. All this was done, with enormous sacrifice by Javanese labourers, within about two years, allowing rapid movement of official messages and senior government officials without threat of interruption by British blockade. The Post Road was gradually elaborated into an impressive network that prefigured the railways of the late nineteenth century (Dick & Rimmer, 2003: 118-20).

Also consequential was the more rational division of Java into prefectures and regencies (kabupaten) under salaried officials, another quintessentially Napoleonic Reform. Under the VOC, domains had been arbitrary in size and, like that of the Northeast Coast, almost personal fiefdoms (Vlekke, 1945: 230-2). Now Java was sub-divided into territorial units of administration. Although the prefectures were soon redesignated with the less Francophone terminology of residencies (in the 1920s grouped into provinces) and the issue of salaries remains unresolved to this day, their seminal republican origins still echo. Now there was at least an expectation of accountability to the colonial government and a consistent standard of what was expected.

The third reason why the Napoleonic reforms continued to be relevant is that they were irreversible. The French conquest could be reversed, a Dutch king restored and the empire recovered, except for Ceylon, but many elements of the republican system of government persisted because it was actually better than the ramshackle version that had preceded the revolutionary interlude. Thus not only better public works and a more rational bureaucracy but also clearly articulated codes for bureaucratic administration became part of the expectations of the time for ‘good governance’. They were ratified by the Constitution of 1854 and over time, with some lags and modifications, transferred to Java to consolidate and improve upon the initial reforms.
The Napoleonic impetus for reform was in, the first instance, military. The Republic needed to be defended against enemies from within and without. This required rapid communications to and from the nerve centre in Paris, thus roads for relays of horses but also along which armies could march briskly with their guns without impediment from bad weather and mud. There was nothing much new in this. The basic ideas were copied from what the Romans had done then Gaul two thousand years before. Secondly, there was the republican ideal of rational government in lieu of patronage and benefice, hence the establishment of a salaried civil service with a precise territorial mandate. Thirdly, however, the combination of belief in equality and fear of difference meant that in practice citizens should not only be equal before the law but also as far as possible the same. Thus centralisation was not only a matter of communications and administration but also the making of new citizens (Schama, 1989). In marked divergence from the American model, it was not a question of citizens enjoying their individual liberty but of submerging their individual identity in the new collective one.

From this simple sketch, we can see immediately why the basic Napoleonic model lent itself so readily to colonisation, whether in Africa, Indo-China or the Netherlands Indies, for notwithstanding its republican ideals the Napoleonic Empire was itself a colonising venture. After the victory of Waterloo in 1815, the occupied powers quickly removed the most obnoxious features of Napoleonic rule as they affected their own people, but they heeded the lessons. Rust en Orde (Peace and Order) was the mission not of the profit-minded VOC but of the reformed colonial administration which, especially after the hard-won victory in the Java War, was determined never again to face challenge to its authority. Roads, a standing Army (staffed mainly by local mercenaries) and the Binnenlands Bestuur were its means. Indeed, rust en orde, for better or for worse, was the only ‘public service’ provided by the colonial administration throughout the entire archipelago. After 1901 it was softened by the Ethical Policy but, even so, education and health services were seldom enjoyed beyond the cities, or even in urban kampungs. These were privileges, mostly for those who could afford them. At the same time, such benign neglect, did not, as under the Napoleonic model, seek to eradicate local difference. On the contrary and especially outside Java, the perpetuation of indirect rule and official recognition of customary law (adat) meant that colonial government actually rested quite lightly.

A refinement of colonial rule in the late-1920s was the creation of provinces. These were forged out of smaller units known as residencies, which were the prefectures created by Daendels. West, Central and East Java were the first provinces to be established, followed gradually by the
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Outer Islands. Not only the civilian rule of the Binnenlands Bestuur but also the territorial commands of the Police and Army (then KNIL) were thereafter organised on the provincial system. These colonial origins are significant because the provincial system, like the prefectural system that preceded it, was a means of military and political control over a potentially rebellious population of ‘natives’. The territorial commands of the Police and Army (TNI) still display this fundamental tendency to preserve rust en orde.

The genius of Suharto was to exploit the full potential of the Napoleonic-cum-colonial system. To set out the proposition in this way is to draw out a double irony. First, although the Napoleonic model was introduced to Java at the same time as Europe when it was still new and, by the standards of the time, enlightened, it took another 160 years before it was applied as ruthlessly as Napoleon or Daendels might have done given time and opportunity. By the mid-1960s, however, it was already a very old model, predating railways, automobiles, the aeroplane, satellites. Suharto was consolidating his empire while western Europe had emerged from the dark age of fascism into a new age of democracy and the welfare state. The second irony is that Suharto was not a colonial ruler, even if he was a child of the colonial state (Elson, 2001). This reminds us that the Napoleonic reforms retained something of the vitality of the French revolution, seeking to overthrow the Old Order in Europe and establish something better in its place. The French did see themselves as liberators. Was Suharto and his circle ever mindful of how far back the term ‘New Order’ would echo, or that his role in suppressing the Communist revolutionary ferment was a repetition of Napoleon’s suppression of the French revolutionary forces?

The irony is compounded, because Suharto as a young adult was a product of the Japanese military occupation. Albeit much later than the Dutch in Java, Japan had in the 1870s adapted a mix of both French and Prussian/German reforms as foundations for the modernisation of its civil service, army, police and legal codes (Dower, 1975). What translated to occupied Indonesia was a bastardised version of the Napoleonic reforms, barely recognisable in fact amidst the chaos of wartime military rule. However, two aspects are worthy of particular comment. First, the Japanese ‘liberation’ of colonial Asia in 1941/42 displayed a similar impulse to the French ‘liberation’ of Europe after 1795, one under the tricolour, one under the rising sun, both fiercely nationalistic yet professing universalist or at least, in Japan’s case, pan-Asian ideals. A young man could not but be impressed by their élan. Secondly, the absolute insistence upon military hierarchy and discipline showed a way of getting things done, not as a mere subaltern in the colonial army but as an officer with aspirations.
The revival of the Napoleonic model under Suharto and the New Order was therefore more logical than one might expect, despite the time warp. First, thanks to Dutch resistance to colonial education and economic development, Indonesia had slipped much further behind Europe than it had been when the VOC collapsed in 1797. It was now a backward, underdeveloped country. Secondly, the Dutch refusal to acknowledge Indonesia's independence took power and authority away from the small, educated elite in favour of a less enlightened core of army officers. Thirdly, these officers happened to be strongly influenced by a militant Japanese nationalism at just the time when the world was under the shadow of fascism. Finally, the United States, the great beacon of democracy, trained this cadre, supplied them with modern techniques, and encouraged their rise to power as a tactic in the Cold War. Thus, when the military finally seized control in 1966, the managed fear of threats, most notably from the PKI, justified hierarchies of suppression for decades afterwards. Under the doctrine of dual function, the unreliable civilian bureaucracy was stiffened with military cadres and pushed down to the village and kampung level, after the Japanese model even down to the neighbourhood cell. The colonial state never achieved such penetration.

And yet, this is not the whole story. For while the New Order certainly maintained ruthless control under the rationale of ‘stability’, it also brought ‘development’, something promised but never delivered by the colonial government. For the first time in Indonesian history, the state hierarchy actually delivered benefits down to the village level: roads, schools, clinics, electricity, seeds, fertilizers, insecticides, etc. It may not have been enough and the quality may often have been poor but it was necessary and the results in terms of poverty alleviation were remarkable (Hill, 1996). This was something more than the Napoleonic system. Centralisation was no longer merely for its own sake but actually to deliver benefits at the local level to improve the quality of life. Napoleon would surely have been impressed, coming as he did, like Suharto, from a humble background on the small island of Corsica that was not even French. They were both outsiders.

4. ADMINISTRATIVE AND MARKET HIERARCHIES

The territorial system of rule was imposed at a time when the then Netherlands Indies was an agrarian society. To control the people, the colonial government had to control the villages and integrate them at least minimally into a system of government. The administrative and the economic system are both hierarchical, with villages at the base and cities at the apex. The economic system, however, is more open. Whereas the administrative system has a single apex in the national capital of Jakarta,
the economic system has multiple points of entry and exit. Natural economic relations therefore often go against the administrative flow. National integration is therefore a double challenge. Administratively it is the challenge of coordinating district level governments with the centre; economically, but it is the challenge of bringing together natural economic regions. When administrative control is given priority, economic prosperity tends to be sacrificed.

The situation has become more complicated because of rapid urbanisation. In the last colonial census of 1930, the population of Indonesia, then some 60 million, was just 7% urbanised (Hugo et al., 1987: 31, 89). Jakarta was no larger than 0.5 million people. In 2010, however, 54% of the entire population of Indonesia can be counted as urban (UN, 2007). The urban hierarchy as of the 2000 census is shown in Table 1. Greater Jakarta had become a sprawling city of over 20 million people. The next largest city, Greater Surabaya, had around 5 million people, followed by 5 more cities in the range of 1-2 million.

In economic terms, the hierarchy is even more attenuated. According to Gross Regional Domestic Product estimates by district, as of 2003 Greater Jakarta contributed 21 per cent of the total Indonesian economy, followed by Greater Surabaya with 5% (BPS, 2006b). No other city contributed much more than 1%, making about 30% in total for all seven cities.

Jakarta's dominance becomes even more marked by some other partial indicators. Greater Jakarta accounts for about 30% of the construction industry, around 40% of the finance sector, about 40% of the total number of passenger cars on the road, and probably almost half the nation's middle class (BPS, 2006c, 2007).

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<tr>
<th>Table 1</th>
<th>Indonesia's Urban Hierarchy as at the 2000 Census by Population and GRDP</th>
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<tr>
<td>City</td>
<td>Population 2000 (million)</td>
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<tr>
<td>Greater Jakarta</td>
<td>21</td>
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<tr>
<td>Greater Surabaya</td>
<td>5</td>
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<tr>
<td>Bandung</td>
<td>2.1</td>
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<tr>
<td>Medan</td>
<td>1.9</td>
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<td>Palembang</td>
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<td>Semarang</td>
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<td>Makassar</td>
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Source: BPS (2000, 2006b)

2. For these indicators, Greater Jakarta may be taken as the province of DKI Jakarta plus about half of West Java and Banten.
Another way of viewing Indonesia's hierarchy of cities is in terms of networks and accessibility. The megacity and capital of Jakarta connects by air with most main cities in Indonesia, as well as enjoying good daily international connections (OAG, 2006). Surabaya and Medan have no daily international connections beyond neighbouring Singapore and Malaysia but mediate their own sub-national networks in western and eastern Indonesia respectively. Except for the tourist entry port of Denpasar (Bali), other provincial cities have no daily international connections beyond nearby Singapore and Malaysia.

This urban hierarchy suggests that urbanisation along with modern air transport and telecommunications is giving rise to a new kind of archipelago, less one of islands and seas and more one of cities and hinterlands. In some ways, geography now matters less. But how does this urban hierarchy relate to the state? The centralised state has not disappeared, it has just contracted. The overlapping hierarchies all remain in place: the civil service, the armed forces, the police and, invisibly, the intelligence service. Each has its secure funding mechanisms. None of these hierarchies are under threat. All remain under firm central government control. Is Jakarta therefore still the manifestation of ongoing centralisation?

5. THE JAKARTA CONUNDRUM

Clear proof that centralisation is not yet a spent force is the remarkable vitality of Jakarta. After the Asian crisis, regime change and decentralisation, Jakarta was a city at a standstill. For several years, cranes rested in the sky where they had stopped years before when the money ran out. Yet in the past two to three years Jakarta has seen a renewed construction boom. Malls, hotels and apartment blocks are proliferating. There is no such boom anywhere else in the country, modest prosperity, especially in the resource-rich provinces, but no high-rise construction boom. There is no second Jakarta, not even in the leading provincial cities of Surabaya, Bandung or Medan. This Jakarta boom is not driven by a surge of foreign investment and expatriates. Foreign investment, the manufacturing sector and non-oil exports remain weak. It is a domestic boom, underwritten by consumption spending.

Jakarta’s renewed boom could not be happening without a large transfer of resources from the regions to Jakarta. This is probably happening through four mechanisms. First, the central government’s control of the tax system allows it to dam up a disproportionate share of revenue in Jakarta. Secondly, domestic conglomerates transfer profits from environmental resources back to head offices in Jakarta, notwithstanding that a larger proportion may be transferred to safer
offshore currencies and havens. Thirdly, what foreign investment is coming into Indonesia tends to funnel through Jakarta, where foreign companies have their head offices. This is encouraged by central government control over mining, forestry and marine resources. Finally, however, and most germane to the argument, is the impact of democracy. Not only are the lower and upper houses of the Indonesian parliament and all its committees located in Jakarta. Members of parliament seem to like to spend as much time as possible in Jakarta living the good life rather than in their local constituencies. And members of local parliaments also seem to take every opportunity to visit Jakarta, even en masse. Democracy and local autonomy has greatly increased the need and opportunity to travel and spend time in Jakarta. Since local parliaments control their own budgets, they are literally voting with their feet. Jakarta has therefore become a democratic Versailles, no longer the court of regional officials obliged to pay homage to the Sun King in President Suharto but now the desired city of dreams, the epitome of modern Indonesia.

Long has it been observed by foreigners and Indonesians alike that Jakarta is not Indonesia. But perhaps only Jakarta is Indonesia. Anywhere else may be home, may be comfortable, may be sustainable, but it is second best. Nor is this a new phenomenon. In the 1970s Minahasans were among the better-off Indonesians. Many who owned coconut plantations rented them to immigrant sharecroppers, collected the rents and went off to Jakarta to live as many months as they could afford before returning to Menado, which was home but quiet, conservative and boring. Parliamentarians now have the means to enjoy Jakarta's modern, globalised lifestyle at their discretion. Jakarta is a playground. It is a playground for enjoyment, for escape from the constraints of provincial and small-town life, but also, more seriously, the playground for the new experiment in democracy. To put it in these terms is not to trivialise it. It is of enormous consequence for the future of Indonesia that this experiment is occurring in a confined urban space which is unambiguously modern Indonesia, being at the same time central (if not centralised), open and tolerant in its diversity. Jakarta is to contemporary Indonesia what Paris is to France, London to Britain, the crucible in which the future is born. All these cities were in their time resented as dens of extravagance, inequity, vice and foreign influence and yet, like the carnality of desire, were still irresistible.

6. SOME INTERNATIONAL COMPARISONS

The urban primacy of Jakarta is often commented upon but comparisons are usually made with other Asian cities, seeming to imply that such dominance is somehow exotic. The most obvious close comparisons are
indeed Manila and Bangkok (Dick & Rimmer, 2003). Tokyo might also be invoked. Greater Tokyo (including the prefectures of Chiba, Saitama and Kanagawa) contains a population of 30 million or around 27% of the population of Japan, while its share of GRDP in 2002 was around 31 percent (JSY, 2006: 37, 106). Thus a high degree of urban primacy need not necessarily be a feature of a developing economy. Neither need it be specifically Asian. In view of our previous discussion of the European origins of Indonesia’s modern system of government, a couple of European comparisons may also be instructive.

Italy ought to be of particular relevance to contemporary Indonesia. The Italian state is notable to this day for never having established a functional bureaucracy down to the local level. As in Java, the Napoleonic reforms had little time to take root before French rule was swept away. At the time of the unification around 1870, Italy was still a patchwork of colonies, kingdoms and principalities with no common system of government and few examples of good governance.

The French model held the promise of system and rationality befitting a modern state but implementation, to use modern jargon, was another matter. A significant difference of implementation was that the Italian state, though unitary, adopted not a two- but a three-tiered system of government. The provinces helped to maintain a certain regional identity but their political role is not well defined even to this day; local government merged into local society and was more often that not dysfunctional. As in Indonesia, bureaucrats held, in effect, a hunting licence to live off the land. They were not expected to deliver services, at least not without their fee. State services and privileges were obtained not by entitlement but by networking through local brokers and strongmen. Everyone knows the aphorism that Mussolini made the trains run on time. What this demonstrates, however, is not so much his power as his lack of it. Railways were a state department but not the civil service proper. Mussolini did not so much reform the civil service as find his way around it. The Italian post office, it may be noted, could not until very recently be relied upon to deliver letters.

The other side of the story is that Rome flourished. Before reunification, Rome had been a sleepy, backwater, a capital only for the adjacent Latin States and, of course, the seat of the Vatican. Reunification and the choice of Rome as the national capital soon transformed it into one of Italy’s leading cities (Duggan, 2008). Naples, formerly the vibrant capital of the Spanish kingdom of the Two Sicilies, began to wither as its political lifeblood was drained away (Astarita, 2005). Rome began its revival as a centre of power, became a centre of consumption, and in time emerged even as a centre of business, though not without competition from the northern cities of Milan, Florence and Turin.
Italy was, at times, close to being a failed state and indeed probably was a failed state in Napoleonic terms. It survived because of a very different dynamic, namely that Rome served as an enormous political and business bazaar in which the quasi-autonomy of the rest of the country could be continually renegotiated. Mussolini’s particular contribution was to establish a thuggish kind of order and to corporatise the state in conjunction with big business as a new model for heavy industrialisation. He centralised power but did not transform its local dynamics. Postwar democracy therefore reverted to the bazaar model, not quite dysfunctional but without much organisational capability. Substantive changes have come only in recent years through reforms associated with closer political integration into the European Union.

Yet despite the tempting comparisons, Rome is not a good comparison for Indonesia’s urban hierarchy. In 2007 Rome’s provincial population of 4.0 million was about the same as that of Milan (3.9 million) and not very much larger than that of Naples (3.1 million) (Istat, 2008). Rome’s dominance in government is diluted in the economic sphere by the competition from Milan and Naples, along with smaller cities such as Turin. Milan still holds its own as a centre of finance, fashion and manufacturing. In Italy the centralised state has not swept away older traditions of local autonomy but must contend with them.

The more relevant comparison would seem to be France, another continental nation. Indonesians are proud of their diversity but so also are some Frenchmen:

> France is diversity... it is the dazzling triumph of the plural, of the heterogeneous... With the speeding up of communications, the triumphant spread of the French language...with the industrial growth of the nineteenth century and finally the extraordinary and unprecedented prosperity of the years 1945-75, it would be logical to suppose that such mighty forces would, if not quite flattening, at least have spread a thick coat of monochrome paint over the mosaic...But not at all (Braudel, 1989: 38-9).

The Revolution of 1789, which began in Paris, soon led to extravagant suppression of unrest in the regions, whether for the monarchy, the church, local identity, or local grievance (Schama, 1989). Then came the military-imposed Napoleonic reforms. But while on the one hand the awkward diversity of the regions was to be ironed out, one the other hand its effect was to bring closer the ideal world of Paris, the allure of the modern world. While this may have had little or no impact on the peasantry, for local elites the allure can hardly be underestimated. Upward channels of mobility through the civil service, roads and within decades trains, newspapers and journals opened new vistas which
provincial and small-town life could hardly satisfy, however much it might confer prestige within its own little world. In other words, Paris mediated the local, national and global in much the same way as Jakarta now mediates, seductively rather than by fear.

Paris now ranks just ahead of London as the largest urban economy in Europe (PWC, 2007). Its extended metropolitan area (aire urbaine) equivalent to the Ile-de-France had a population of 11.5 million in 2005, accounting for 19 per cent of the population of metropolitan France and 28.4 per cent of its GDP (Wikipedia, 2008). Paris is thus more dominant in France than is Jakarta in Indonesia.

In different ways, the French and Italian models both suggest other ways of making sense of contemporary Indonesian politics. The perspective of a paradigm shift, explicit or implicit, leads to a false choice between centralisation or local autonomy. The reality is that despite a radical power shift, the outcome is still a compromise. Therefore we need better to understand the negotiation between the centre and the local. But what is the centre? Is it the remnant centralised state-as-nation (or state-as-empire) contending with local autonomy? Or is it an actual centre, Jakarta as capital, exemplary city, crossroads and political bazaar?

7. CONCLUSION

Archipelagic geography was an advantage when land transport was costly, vexatious and dangerous and shipping the cheapest and most reliable form of transport. In the modern era, when mobility is synonymous with the motor vehicle and jet aircraft, this is no longer the case. A few archipelagic countries, most notably Denmark and Japan, have transcended their island geography through massive investment in bridges and tunnels, Greece by reliance on roll-on, roll-off shipping. Indonesia, like the Philippines, still struggles with national integration, worrying obsessively about secessionist politics but failing to address the practical logistics.

Yet it is not surprising that a recently independent and still poor nation may find the intractable problem of geography easier to evade than to confront. Indeed, the very impetus of nationalism, the need to create an 'imagined community' where none had hitherto existed, is itself a denial of certain realities in order to create a new ideal one. Such negation is the very essence of any ideology. From the perspective of policy, the issue is whether it is sustainable. Will reality eventually undermine the ideology or will ideology in time annihilate the reality?
In Indonesia, the contest between archipelagic reality and nationalist ideology is something of a stalemate. The reality cannot be transcended. At the same time, the nation is becoming more integrated economically and culturally. A new reality has been created: a nation has emerged out of empire and it looks to be durable. But what sort of nation? Here there is a fascinating tension between the logic of market forces, which is to concentrate non-agricultural activity, and the logic of political decentralisation, which establishes a formal equivalence between local governments.

Since the colonial era, the economic geography of the new Indonesia has been transformed. Indonesia’s ‘industrial revolution’, which culminated during the period of the New Order, was accompanied, in line with international experience, by rapid urbanisation. Half of Indonesia’s population now lives in urban areas. The new archipelago is less one of islands than one of cities and hinterlands. Cities on the main islands are somewhat more accessible to each other than to those on other islands but the modern technologies of aircraft, telecommunications and electronic funds transfers collapse the dimensions of time and space. Metronomic distance by land or sea still matters, especially for goods movements, but it matters less. Indonesia’s new archipelagic geography is dominated by the megacity and national capital of Jakarta. Since 2001 the decentralised and democratic political system has actually reinforced Jakarta’s role as the exemplary centre and crossroads as well as the political bazaar and clearing house of the Archipelago.

The primal fear that Indonesia would disintegrate has not been realised. As feared by opponents of regional autonomy, localism does tend towards fragmentation. Yet despite the ethnic and religious violence that accompanied and followed upon the collapse of the New Order, only a few provinces succumbed to such strife and all, except perhaps West Papua, have or are emerging from it. The reason is simple enough. Regional autonomy offers a better bargain: representation, negotiation and access to resources, however modest. Separatism, even for resource-rich provinces such as Kutei and Riau, is a dead end. Brunei and Singapore could become city-states because Brunei had oil, Singapore had location. Kuala Lumpur offered nothing that Singapore did not already have, nothing that Brunei needed. But for Riau or Kutei to reject Indonesia, would also be to reject Jakarta, to lose the centre, indeed to stand against it. Chinese-dominated Singapore would drive a tougher bargain, Kuala Lumpur would be condescending. What is the point of being wealthy if there is nowhere to spend, no playground to call one’s own?
Indonesians remain profoundly ambivalent about the centralised state. On the one hand, there is firm rejection of the corruption of the Suharto era and the excesses of military rule combined with the embrace of new freedoms and local autonomy. On the other hand, there is yearning for the certainties of the New Order and the ability of the Suharto government to get things done. Nevertheless, we should be wary of making the centralised state a bogey. For all its weaknesses and strengths, Suharto’s New Order was an outmoded and probably unsustainable experiment. It would not have been possible but for the conjunction of the colonial heritage, the authoritarian mindset that was so pervasive in the 1930s and 1940s, and its malign reinforcement during the Cold War. In 1966 authoritarian military rule allied with a developmental state was a norm across much of Asia. By 1998 it was, except in Burma, an anachronism. That past is now another place.

European experience suggests that the centralised state will persist but take on the more benign features of a democratic society. What particular form that will take depends on local circumstances. France has retained the basic administrative structure of the Napoleonic state with a high degree of political, economic and cultural centralisation around Paris. Many regions retain vitality but they are subsidiary. Japan, which has adopted elements of the Napoleonic system, shows a similar pattern. In Italy, by contrast, Rome is a hollow political centre because the state remains dysfunctional and economic activity is highly dispersed.

How Indonesia will evolve remains to be seen. Indonesian nationalism was born as a synthesis of Java and the rest of the archipelago and that tension has been manifest ever since. Yet the outstanding phenomenon of politics, geography and economics has been the emergence of Jakarta as an enormous metropolis that embodies and epitomises modern Indonesia. For better or for worse, all the rest of the archipelago is subsidiary. At the same time, this capital city is bursting at the seams and subject to chronic and worsening problems of congestion, pollution and flooding. Jakarta faces an enormous challenge of viability and liveability but government at all levels is too paralysed to do anything about it in practical terms. Ever since Independence, Jakarta’s constant preoccupation has been the loyalty of the periphery. Perhaps the rest of the country should now worry more about Jakarta. One thing, however, is certain. The future Indonesia will not be born in the provinces because there is no common impulse. Jakarta is and will remain the most important island in the archipelago, Ile d’Indonésie.
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