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**Decentralisation of Political Parties:  
The Disparity of Party Development in Indonesia**

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Never have Indonesian parties experienced the dramatic changes like the years following the resignation of former president Suharto in 1998, have presented them with. Despite their long involvement in politics, Indonesian parties are still very under-developed. Although during the Old Order era (1945-1966) the parties were free; because of their early stage of development, they were unable to develop fully-functioning organisation to the branches. Instead, they focused on central politics, and competition among parties was based on national issues (Feith 1971). In the New Order era (1966-1998), parties were severely oppressed and manipulated by the government in order to ensure the continuance of the government's electoral vehicle Golongan Karya's, (Golkar, Functional Group) victories. Up until the end of Suharto's era, the Indonesian parties have never had the opportunity to perform their functions effectively – particularly at the grassroots level.

However, the most challenging circumstances by far for the parties came with the start of the *reformasi* (reform) era. With the era now about a decade old, the new Indonesian parties have not only complete freedom to establish branches at the grassroots level, they are required to have extensive branches across the different regions.<sup>i</sup> More importantly, they now also have to manage competing both at the national *and* local levels. The branches' new responsibilities came with the authority and freedom to manage themselves. These dramatic changes have brought more importance for parties' local branches, as they are faced with the challenges of managing both national and local elections. The circumstances mean that despite the lack of experience in organisational management, the reform-era parties have to juggle both national and local politics.

Using the case studies from local branches in Malang,<sup>ii</sup> this article argues that because of the decentralisation trend, some Indonesian parties are facing great difficulties to manage branch organisation. Although theories on political parties suggest that decentralisation is a sign of maturity (Janda 1980), Indonesia's political parties have been subject to various negative impacts largely due to lack of support from the central office. Consequently, the financial and human resource problems have caused them to, at times, abandon party regulations – causing violations in local operations. As organisational effectiveness improves a branch's capacity in managing activities and local members, these challenges threaten their electoral capacity. The greater the electoral capacity of a branch, the more frequent the activities, and the better managed and loyal the members become. In contrast, poor electoral capacity results in erratic activities, and detached members. A poorly organised branch risks losing members, through failure to constantly promote the party, and risks losing votes, as members are swayed by the more active parties.

### *The importance of party organisation and the Indonesian experience*

Mainwaring and Scully argue that one of the most important prerequisites of successful democratic transition is the strength of party 'roots' in the society, and the success of the major parties to provide 'regularity' so that voters know what the parties represent (1995: 5). In this sense the parties' branches should be well-established as party representatives that are successful in familiarising parties to the local community. In order to achieve this condition, parties should have stable and active local institutions. Providing specific measures of parties' organisational success, Janda (1980) contends that some of the indicators of the best-organised parties are their wide-range of activities for their members, and their independence as well as coherence in their relationship to the central offices. Local branches must demonstrate their capacity to manage local administration, and promote themselves as the link between the parties and the community through the regularity and stability of their function. Extensive local organisation is crucial in building effective relationships with electorates, while failure to establish local branches can lead to interaction between party-voters being limited to election periods only.<sup>iii</sup>

Closer examination of party organisation has taken studies towards different perspectives. While some looked at party types (Katz & Crotty 2007), Dalton and Waltenberg (2000) argue that party's organisation capacity has implications on membership and member mobilisation in a party's election campaign. Along similar lines, Blondel (1978: 137-140) presents four 'ideal requirements of party organisation': the party should be 'large' (a large party is seen to be successful in bringing the community together), 'unified', 'dynamic' (organise activities frequently and regularly), and 'democratic' (listen, care for, and implement what members want). In all these requirements, the party needs to establish effective membership organisation. Another scholar that supports the notion of members' importance is Scarrow (1996), who attributes winning elections to effective party organisation and membership management. The importance of local branches in elections is further asserted by Deschouwer (2006: 298), who points out that they are the ones organising local campaigns, holding public rallies, and disseminating leaflets. Thus, these organised parties are ones that are popular, active, and successful in creating close relationships with local branch members.

Indicators of party organisation also involve both the organisational capacity of the branches themselves, and their relationship with central offices. Scarrow's (1996) study on German parties found that the best organised parties establish a system of close control and support for their branches, where the state office provides financial and guidance control and the regional office handles membership, activities, and campaigning. Supporting Scarrow's finding, Janda (1980: chapter 9) points to the degree of 'centralisation', where regional and local bodies have clear guidance from the central office, as a crucial requirement of effective party organisation. Scarrow (1996: 66) and Janda (1980: chapter 9) also assert the capacity of local branches in keeping track of membership figures and overall record-keeping as an obvious indicator of well-organised branches. At the same time, the theories' suggestion that successful parties have better-organised branches (Janda 1980) further implies a successful process of decentralisation within the parties. Well-organised parties conduct delegation of functions to their branches, which are executed well with the support from central offices.

Another important aspect of party organisation is party funding, which is crucial in maintaining party administration and organising events. Webb (1995) focuses on party finance as an indicator of party organisation and contends that resources and the ability to deploy resources effectively are crucial in determining a party's organisational strength. He extends his argument to point out that successful parties have a professional internal organisation which includes the party's financial position and staffing. For Janda (1980), financial arrangements reflect the level of centralisation on the party, where the greater role of central office indicates better party organisation.

Szczerbiak (1999) gave an even more detailed indicator of organisation, by examining the physical condition of local administrative infrastructure. Pointing to the importance of the 'nuts and bolts' of organisation, such as local offices, communication facilities, and paid local party staff, he argues that better-organised parties demonstrate advancements in these aspects. In particular, he observes that party offices that failed to function in a 'bureaucratic sense' were generally 'single rooms fulfilling the basic function of a meeting place' without telephone or other facilities (Szczerbiak 1999: 529). Party employees have been cited as 'one of the most under-researched fields in the study of political parties (Webb & Kolodny 2006: 337). Among the rare studies on party staff, Katz and Mair's (1994) edited book argues that advanced parties employ skilled and professional, usually paid, staff; permanently or seasonally during election periods.

The developments of party organisation in post-authoritarian studies have also demonstrated specific trends. Studies on post-authoritarian regimes typically distinguish between incumbent and new parties, pointing to the disadvantages of new parties, whose local offices cannot perform bureaucratic functions as they are usually single meeting rooms with limited communication facilities and no paid employees (Szczerbiak 1999). In these parties, membership dues are symbolic, and local branches receive minimal support from central office. Similarly, Spirova's (2005) study of Bulgarian parties focuses on membership size, the ratio of members to paid professionals in the party, and the approach towards recruitment and organisation-building. Her study demonstrates the correlation between the level of party organisation with its success in building support and management at the local level, and that new parties tend to be inferior in organisational structures leading to weak links with society (Spirova 2005: 601-609).

In extension to the emphasis on facilities, Appleton and Ward (1995) present a set of indicators for organisational innovation or an 'introduction of new structures and practices', which they group into personnel, finances, activities, and physical resources. In terms of personnel, parties ideally have a clear division of labour and a change from voluntary to paid staff. In terms of finance, parties should demonstrate clear fundraising techniques and subvention formulas (how funds are distributed across different levels of hierarchy). In terms of activities, parties should have recruitment methods and affiliations with other organisations. In terms of physical resources, parties should have headquarters, satellite offices, and the utilisation of new technology, as Appleton and Ward (1997: 353) argue, the 'use of computer or communication systems' represents an organisational adaptation'.

Providing the connection between the parties and the community requires the branches to handle local enquiries, local membership, as well as manage local activities and events. It is through

these aspects that the branches' capacity can be evaluated. Success and efficiency in managing these tasks demonstrate the branches' level of organisation. Once the parties are successful in establishing strong organisations at the local level, they then have 'presence at the local and national levels' (Mainwaring & Scully 1995: 16). Upon the success in a stable local and national existence, the parties can be successful in enhancing the progress of democratic transition.

Until the end of the New Order era in 1998, the progress of Indonesian parties in their attempt to develop their organisation, however, has been constantly limited by various circumstances emanating from the challenges of developing local organisation and government interventions. In the period after independence in 1945, Indonesian parties had the freedom to develop, but the requirement to rapidly develop local branches proved to be a serious challenge to most parties and was limited to expansion of membership. In contrast, little attention was given to the branches' organisation (Feith 1971). This priority for mass mobilisation only was highly influenced by the role of members, parties with large membership had greater chance to develop their organisations. Major parties like the Partai Nasional Indonesia (PNI, Indonesian National Party) and the Partai Komunis Indonesia (PKI, Indonesian Communist Party) relied on their capacity to expand party membership for development (Rocamora 1970: 146, Hindley 1966: 73, 78-84).

In this period, the branches were set-up merely as the symbol of expansion, but with minimal support from central parties (Feith 1971). Party organisation was crucial in ensuring coordination between central offices and the scattered branches across the regions, but even the major parties faced great challenges in establishing active and well-functioning local branches. Mostly because parties were established during the times of struggle against colonisers, they had limited resources – and little incentive – to develop local branches.

Although the parties relied on the branches to expand membership (Rocamora 1970: 146), only Partai Komunis Indonesia (PKI, Indonesian Communist Party) was able to manage well-established branches and had good working relationships between central and regional offices, ensured by its constitution (Central Komite Partai Komunis Indonesia 1954: 17). Studies on PKI have also revealed that it had extensive organisational structure, equipped with various supporting bodies at every level of party hierarchy (van der Kroef 1965: 166).<sup>iv</sup> In accordance with Janda's requirements of centralism (1980), PKI had tightly-controlled administrative and financial arrangements, with strict regulations on the frequency of meetings and decision-making process (Hindley 1966, Central Komite Partai Komunis Indonesia 1954). Its success in managing financial policy relied on members' financial capacity and a mechanism of income distribution managed by designated office (McVey 1965: 157).

As an extension of this organisational capacity, PKI was able to hold an extensive range of activities. The party's main focus was education and publishing, with a main emphasis on communism ideology (van der Kroef 1965: 182-203; Hindley 1966: 116; Tornquist 1984: 77). In education, PKI established a university, with communism as an integral part of the curriculum, aside from general subjects (Hindley 1966: 94-95). The PKI also had clear and strict policies on membership and career promotion (Central Komite Partai Komunis Indonesia 1954). Consequently, the party was able to extend these membership policies and the branches were

adherent to them. Because of its organisational coherence, the party has been described as 'one as the most important and innovative (parties) in the world' (Tornquist 1984: 2).

In contrast to PKI, Partai Nasional Indonesia (PNI, Indonesian Nationalist Party) had difficulties in establishing active branches, despite it also being a major party in Indonesia's post-independence period. Alternatively, PNI's organisational enlargement strategies were based on its leaders' popularity, as well as influence in local bureaucracy (Rocamora 1973: 150, 151, 154; Feith & Castles 1970: 28, 153). Party authority was vested in its Party Council, which composed of a chairman, a vice-chairman, and at least fifteen members, in charge of electing the body responsible for formulating party policies and day-to-day operations (Rocamora 1974: 140-141; Sjamsuddin 1984: 6-7). However, constant amendments to its party constitutions resulted in chaotic organisational structures, which were only addressed after its 1952 congress.<sup>v</sup> Consequently, the changes gave more influence to local branches and leaders, which was needed to manage grassroots support for election purposes.

Financially, the PNI was lacking behind the rigour of PKI. The party relied on contributions from the business community, while a miniscule three to 10 per cent of the party's budget came from membership dues (Rocamora 1974: 190). Studies on the party found it also attempted to manipulate taxes.<sup>vi</sup> Although there was a specific department to manage its cadres, there was little contact between local, provincial, and central offices (Rocamora 1973: 156). What resulted was a dependence on local leaders to enforce party discipline at the local level (Liddle 1970: 173). The strongest sign of the party's struggle to maintain solid organisation came from the failure of the branches to adhere to regulation and the choice to elect local leaders from non-cadres and even non-members (Rocamora 1973: 155).

These cases of two pioneers of Indonesian parties demonstrate the importance of support and discipline from central offices to ensure the success of local branches. Only major parties were able to set up branches across the country, and even the large parties faced great difficulties in maintaining active and well-functioning branches. In this setting, although the parties had the freedom of self-administration, they faced serious organisational challenges to establish well-functioning branches that adhered to party regulations.

In the next period of administration in Indonesia, parties were oppressed and manipulated as government intruded into internal affairs of parties.<sup>vii</sup> Between 1966 and 1998, Indonesian parties were denied the freedom and capacity to develop their organisations. During the New Order era (1966-1998) Indonesian parties faced even worse conditions. The Suharto government banned parties from having grassroots organisations, claiming that they would only distract society from economic development. Known as the floating mass concept, the implication of the policy saw the restriction of political parties, with only Partai Persatuan Pembangunan (PPP, United Development Party) and Partai Demokrasi Indonesia (PDI, Indonesian Democratic Party) allowed to contest in elections beside the government-backed Golongan Karya (Golkar Functional Group). Through its attempt to create an apolitical society that was fully under government's control, the authoritarian regime had ensured that the parties became dysfunctional. The parties were prohibited from being active during non-election periods, and they could not have a genuine connection with the grassroots, although in practice Golkar was able to continually be present at the community level. The PPP and PDI received minimal funding support, while

Golkar had abundant financial resources. Party organisation suffered frequent intrusion from the government, and internal affairs were often decided by the government. Even the government-backed party, Golkar, was denied independence and the chance to develop its organisations, and was placed under close government and army control. In this period, party organisation became the mechanism of institutionalising government control.

The PPP and PDI were formed through a forced fusion, and they were denied freedom to choose their own ideologies. For the PPP, government control was most strongly felt through the denial of the party's Islamic ideology, which was central to its popularity among supporters (Hakim 1993: 52, 75-95). The constant internal conflict caused frustrations. Government intrusion caused the party to be unable to decide on its own leadership, and even speculation having president Suharto himself as party advisor (van Dijk 1984: 162-166).

Similarly for the PDI, the requirement to adopt the state ideology, Pancasila, as party ideology has denied them of a genuine chance to compete for public support. Government interference was also strongly felt when it sabotaged the popular choice for leader, Megawati Sukarnoputri, who is also Sukarno's daughter, enforcing its candidate Suryadi instead. However, different than PPP, PDI was able to gradually build opposition support that eventually became a strong element in the democratisation period.

Golkar itself was also under such strong interference from the government, that it ended up crippled and dysfunctional. The government used Golkar's status as a non-political organisation to allow them to operate at the grassroots level, while the PPP and PDI were prohibited from doing so and remained active outside election periods. The government's funding and support from civil servants ensured that Golkar's victories dwarfed the other parties. Ironically, the government had provided such a strong and interfering support for the party, that it ended up being the most vulnerable among all the incumbent parties.

Thus, until the beginning of the reform era, which started with the fall of Suharto in 1998, Indonesian parties have never had the chance to develop successfully. In the post-independence period, the parties were still at an early stage of development and the size of the country posed a great challenge for the parties to implement party regulation rigorously. During the New Order period (1966-1998) the parties were disallowed to exist at the grassroots level, and thus had a centralised administration. In terms of decentralisation, there was a strong demand for decentralisation but the parties were limited in their capacity to develop their branches. Decentralisation during the New Order period happened in a narrow and limited sense only in that the parties had offices at the district level. As a result, party branches' activities were restricted and very limited during this New Order period. In both periods, party branches were unable to perform and function. It was in against this lack of experience in development, the freedom for parties was created.

### ***Grassroots party organisation in Malang***

Post New Order, parties have enjoyed freedom in self-determination. However, the dramatically contrasting conditions between the Suharto and reform-era days have brought varying consequences for the parties. The lack of experience, and indeed lack of reference to

organisational success from predecessors have left the current parties to interpret and use the freedom variably among one another. While for better-organised parties the freedom has been successfully utilised to establish active and well-functioning branches, for the poorly-organised parties the independence means lack of central support and chaotic branch management. The following cases also demonstrate that organisational superiority depends on local personnel commitment and not on the party's age. Because better-organised parties produce more frequent activities, they are more effective in establishing the roots of the parties in the community (Mainwaring & Scully 1995). Thus, decentralisation in Indonesia has been detrimental for the poorly-organised parties, as it hinders their attempt in creating stronger roots in society.

### *Partai Golkar*

Partai Golkar's<sup>viii</sup> Malang branches demonstrate the party's capacity to remain the most-organised party in Indonesia. The main reason for success in decentralisation for the party is the well-preparedness of its local branches. Because of all the New Order's support for the party, Partai Golkar's branches are the most organised among the incumbents. Its branches have the best resources and staff to maintain strong connections with the community. Party activities are wide-ranging and frequent, and the party's sub-organisations have a strong presence in local bureaucracy. Party personnel are professional staff with adequate administrative skills, and although office facilities are quite modest, filing and archives are well maintained. In particular, its *kodya* (municipal) branch has also established a close working relationship with the central office, with regular quarterly reporting mechanisms in place. For the party, decentralisation has been implemented successfully with its branches' capacity to effectively handle local responsibilities.

The branches' superiority in administration has resulted in overwhelming support originating from the former New Order government. The institutionalised network of support that the Suharto government established has been extended to its branches. In Malang, Partai Golkar's offices own the buildings that they occupied – an advantage that no other parties has. The ownership of the office buildings signifies its superior resources, while at the same time simplifying its daily administration. Most notably, the party is free of the burden of having to relocate frequently as the other parties. The party is also the only one that is administered by professional administration staff. The capacity to hire staff with administration skills is also the party's advantage against the other parties.

The success of decentralisation in Partai Golkar is also evident in the frequency and variety of activities organised by the branches. Local staff members demonstrate their commitment and organisational skills through the extent of local activities. Most notably, the party was successful in organising schools which aimed to serve members. The local chairman, who is also a businessman, used his business contacts to connect employers with unemployed members and the party organised an event to help promote local vendors to the members and community leaders. Aside from these activities, the branches hold regular religious meetings as well as regular meetings among different sections in the party.

The party's financial capacity has further demonstrated its capacity in achieving independence. Local members have said that lack of funding support from central office forced the branches to

conduct their own fund-raising programs. Although Indonesian parties tend to be reluctant in sharing information on their funding matters, it is generally understood that the business community and supporters are their main resources (Mietzner 2007). In Malang, Partai Golkar's frequent activities and the choice of employing professional staff is a testament of its success in acquiring stable funding resources, despite the lack of central support.

Because of the capability of the branches to secure and maintain resources, Partai Golkar in Malang has been able to have a strong presence among the local community. Its frequent activities and popularity have also been supported by the prevalence of its sub organisations at the community level.<sup>ix</sup> All these factors play important roles in establishing well-functioning local branches. In turn, these branches are instrumental in attracting and maintaining support for the party. During elections, these branches have the responsibility to organise campaigning activities. The lack of central support has made it even more important for them to have stable and a well-functioning organisation. In this sense, Partai Golkar's Malang branches have been successful in providing support for continuous support for the party.

#### *Partai Demokrasi Indonesia Perjuangan*

Having similar status as an incumbent with Partai Golkar, Partai Demokrasi Indonesia Perjuangan (PDIP, Indonesian Democratic Party Struggle)<sup>x</sup> reflects rather dramatically different trends to the previously government-backed party. Its two main Malang branches show different strengths and commitment in maintaining the party's local presence. Although the *kabupaten* (district/regency) branch is quite active in maintaining an active and well-organised branch, its *kodya* branch is inactive outside election periods. In both offices, the staff are party members with minimal administration skills. Branch staff involvement in party activities also differs, with *kabupaten* staff showing greater capacity in administering the office, while *kodya* staff mainly just man the office. Local activities depend instead on the initiative of grassroots leaders while the district leaders demonstrate limited attention for the party. Activities are erratic and branches do not function as an effective link between party and society.

Decentralisation in PDIP has, in general, enhanced the damages that the New Order government caused the party. The lack of capability to function in the party was inherited from the manipulation of the party system during the New Order era. The imbalance of funding and organisational support given to the government-backed and otherwise, created parties that are too dependent on government and unable to administer themselves. Although there is freedom to establish local organisations, the PDIP has been denied the experience to develop. Consequently, even with the current atmosphere, PDIP's local organisation is inefficient.

In terms of its physical office, PDIP enjoyed a similar advantage of inheriting the offices the party used during the New Order. However, different than Partai Golkar, PDIP was unable to manage these offices properly. The *kabupaten* office generally functioned more efficiently than the *kodya* office, which was pad-locked most of the time. The *kabupaten* office hosted frequent gatherings of cadres, with office administrators present in the office daily. In contrast, the *kodya* office was only a physical building but had a very limited function as an office. According to the office minders, fewer meetings have been held in the office compared with previous years. Although the office did keep a membership database, there has been no attempt to establish

regular maintenance to keep it up-to-date. In contrast to the *kabupaten* office, the *kodya* office failed to maintain an office archive. Thus, in terms of local administration, the PDIP case demonstrates that even within the same party decentralisation has different impacts on different branches.

Local branches depend on the initiative of local leaders to determine a particular system to apply and stick to. In the PDIP these initiatives emerged from the grassroots leader, rather than the district ones. Most notably, initiative for local activities came from grassroots leaders – in Malang’s case it was the attempt to build local infrastructure for particular villages. There was also a gathering initiative established among different grassroots groups. The PDIP greatly benefited from these grassroots initiatives, particularly since the district leaders were more occupied with their non-party occupations instead.<sup>xi</sup>

Funding in the PDIP was, similar with Partai Golkar, dependent on external donations rather than central office’ support. The schemes and methods for fund-raising applied in the local branches were unclear, but the district branches’ lack of activity can be seen to hinder the chance of maintaining a close relationship with their external donors. So far, grassroots support has been supported by the popularity of its national leader, Megawati Sukarnoputri, and this has maintained the party’s electoral success. Thus, because of this continuous success in accumulating votes, donation from external sources for the party has remained active as well.

The transfer of authority from the central to local offices in the PDIP has created great challenges for different branches. The branches that are able to establish local administration demonstrates that decentralisation has been successful in creating well-functioning local offices – and vice versa. However, the failure of inefficient branches in this sense cannot be blamed solely on the manipulation of the party system during Suharto’s rule. Rather, initiatives at the grassroots level show that branches’ success depends on the initiative of local leaders instead.

#### *Partai Keadilan Sejahtera*

For a young party such as Partai Keadilan Sejahtera (PKS, Prosperous Justice Party), the trend of decentralisation came much sooner than it did for the incumbents. Decentralisation has been one of the biggest organisational challenges that the young parties are facing. They need to develop strong local organisations throughout the regions, and the branches have to immediately be independent in performing their functions. However, the PKS has demonstrated that young parties can develop rapidly and its Malang branches were successful in establishing active local offices. The district and sub-district branches organise frequent activities, which include aggressive recruitment methods. Party funding was also managed well locally, with party members and cadres showing great commitment in ensuring the flow of financial resources through their contributions. The Malang branches were also the most advanced in the use of technology, with official letters typed in computers and an active e-mail address. Consequently, party staff were also the most technology-savvy. All these factors contribute to the branches’ capacity to project an active party and this in turn contributes to its success of attracting grassroots support.

Although the party is much younger than the incumbents, the lack of organisational experience did not show in PKS' Malang branches. Instead, the branches were much better-organised than the PDIP's. In particular, the PKS' Malang branches were more responsive to requests. The staff were all party cadres who volunteered to manage office administration. They showed responsibility by being present everyday in the office, and dealing with enquiries swiftly. The commitment and professionalism of the local staff was also evident in their handling of the constant relocation of both offices – a process resulting from the fact that both branches were still renting their offices and thus needing to move every year.

PKS' Malang activities also illustrate the branches' organisational efficacy, with all activities being Islamic in accordance to the party's ideology. However, the range of activities from the branches also demonstrates the creativity of the local personnel and their commitment to ensuring electoral success for the party. Some of the activities that the branches organised were exhibitions of Islamic scholars' caricature, pre-marital information sessions for Muslim couples, and a long-march to remind the society of the coming fasting month. Aside from these occasional activities, the branches also organise regular Qur'anic study groups and recruitment drives to attract new members.

As a young party, PKS has served as a showcase success story and has demonstrated advanced proficiency even in comparison to some of the more experienced parties. The challenges of decentralisation have been addressed successfully through the commitment of party staff. The Malang branches also demonstrate a better-organised funding arrangement, by ensuring that party members regularly pay their dues. Party cadres who served at the local assembly were also required to donate a portion of their salaries for the party. This is different from the other parties discussed in this article, which chose not to impose dues and as a result depend on external sources. Although the branches still rely on external sources, they have greater independence resulting from the success of organising internal funding.

#### *Partai Amanat Nasional*

The Partai Amanat Nasional (PAN, National Mandate Party) was established after the fall of Suharto in 1998. It relies heavily on the charisma of its leader Amien Rais, who is also a prominent figure in the pro-reform movement. Decentralisation for this party has caused even more detrimental effects compared to the PDIP. For PAN, the lack of support from central office has created inefficient branches that struggle to maintain their presence. Inefficient organisation of the branches has seen a lack of local activities. The struggle of local branches to maintain the party's presence at the local level has been reflected in the party's declining votes between the 1999 and 2004 elections.

PAN's Malang branches serve as a showcase of the struggle experienced by the new party that lacks the capacity to handle the challenges of current Indonesian politics. In particular, decentralisation has caused the branches to be inactive. The PAN branches in Malang, similar to the conditions with PKS', had to relocate yearly as a result of renting. However, in contrast to PKS' branches, PAN branches did not manage their relocations well, and consequently the *kodya* branch had a long period of vacuum, with no physical office as party representation and no

activities organised. The *kodya* staff used the local assembly's room assigned for the party as the temporary office during the long search for a new office.

It must be noted here that in both the *kodya* and *kabupaten* office, local staff played a crucial role in ensuring that the party remained alive despite these difficulties. Most notably, the *kabupaten* branch depended entirely on the chairman, who let his residence be used as the physical office, although he claimed that he was looking for a more representative office to rent. The *kodya* staff also showed greater enthusiasm than their leaders in responding to enquiries. When a new office was finally found, the cadres were also responsible in setting up the office.

Because of the failure to maintain active branches, local activities at the *kodya* level suffered a long period of inactivity. For the *kabupaten* office, the activities were also limited because the chairman was mainly running the office alone. The chairman himself was even responsible for the distribution of invitations for regular meetings. These inefficiencies have also impacted on the ability of local branches to attract funding. Local leaders expressed their dependence on external funding, but with the branches' inactivity it would be difficult for the branches to garner support from external donors.

These circumstances demonstrate the difficulties for political parties in Indonesia to cope with the current demands. Although PAN's case shows the weakness of local organisation against the demands of decentralisation, it also highlights the importance of local staff and their role in maintaining parties alive – particularly the challenges of having to be independent. The vacuum of activities and the growing popularity of other new parties are a serious threat to continuing the party's presence and stabilising or growing grassroots support.

### ***Conclusions***

The departure of Suharto has opened many doors for Indonesian political parties to be independent and develop their organisations freely. Despite of, and because of, the lack of experience, together with the growing trend of decentralisation, the opportunity to be independent has caused different effects for the parties. Although the incumbents have more experience, the success of decentralisation has been determined by the organisational capacity of the local branches. The parties with solid local organisation demonstrate better management in the delegation of tasks and thus perform better in maintaining active and well-functioning branches. It is interesting to note that despite the notion of decentralisation being closely connected to a degree of separation from the central offices, the branches that maintain a close connection to the central offices also perform better. In this sense, decentralisation necessitates both independence and adherence to party regulation, to ensure that the branches have rigorous guidelines in their operation.

Political parties' local organisation is gaining importance because the better-organised parties improved their performance between the 1999 and 2004 elections. Local branches also increased their significance for the parties because Indonesian regions now have the authority to hold local elections. The local elections (*pilkada/ pemilihan kepala daerah*) require local branches to be better-managed. Various impacts of decentralisation demonstrate the disparities in capacities of

the party branches. Direct competition among parties also exposes the level of organisation of parties against one another. Nonetheless, it is entirely up to the local branches to improve, in order to perform better at the local level. With the growing demands of current Indonesian politics, and the demand for better-performing parties, there will be a natural selection process which will likely benefit the parties which can better anticipate and adapt to the necessity to have well-organised branches.

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<sup>i</sup> The Habibie government restructured the election system by Law No. 3/1999, which required parties to have branches in at least 14 provinces and 14 districts/special regions, and have established committees (pengurus) in more than half of the Indonesian provinces and in half of the districts and special regions.

<sup>ii</sup> Malang is located in East Java. Its urban and rural population combined to a total of around 3 million people.

<sup>iii</sup> Examples of the two conditions are Thailand's Democrat Party, which encourages establishment of local branches, while South Korea's New Democratic Party (NDP) had branches in all constituencies which were closed in non-election periods (Sejong Institute 2000).

<sup>iv</sup> The party had a Party Congress, a Central Committee, and a Party Conference at the national level. At each level of local government there was a Major District Party organisation, a Major District Party Conference, and a Major District Committee (Central Komite Partai Komunis Indonesia 1954).

<sup>v</sup> Some of the changes made in this national congress were the three-month period of provisional membership, and the obligation of new members to pledge to follow decisions made by the congress, Dewan Pimpinan Pusat (DPP, Central Leadership Council) and Party Council (Dewan Partai). The Party Council was also required to meet more frequently, and branches at levels higher than the district were revitalized. At the same time, reporting mechanism to higher level offices were made stricter (Rocamora 1974: 140-147).

<sup>vi</sup> Rocamora found that Yayasan Marhaenis (Marhaenist Foundation) which according to Sjamsuddin was in charge of coordinating fund-raising activities (1984: 9), in fact 'served as a holding company to which the party transferred the ownership and management of its investments and other properties for tax purposes' (1974: 191).

<sup>vii</sup> The oppression against parties began in the Sukarno administration with the establishment of Guided Democracy in 1957. However, Suharto as the next president institutionalized the systemic manipulation against parties to ensure the continuous winning of the government-backed party, Golkar. For a full discussion on this matter please see, for example Reeve (1985) and Feith and Castles (1970)

<sup>viii</sup> Golkar changed its name to Partai Golkar after the fall of Suharto in 1998.

<sup>ix</sup> Partai Golkar has the most extensive community sub-organisations, which focus on societal and/or occupational groups, such as: women, youth, artists, pedicab drivers, fishermen, etc.

<sup>x</sup> The party is the successor of Partai Demokrasi Indonesia (PDI) of New Order.

<sup>xi</sup> The leaders of both *kodya* and *kabupaten* offices served as members of local parliament.

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