

THE GOVERNANCE OF SPECIAL REGION

**Building Institutional Capacity in the Planning Process for the Development of
Trans-national Border Region between Indonesia-Malaysia in West Kalimantan Province**

THESIS

A thesis submitted in partial fulfillment of the requirements for
the Master Degree from the Institut Teknologi Bandung and
the Master Degree from the University of Groningen

by:

ZANIAR ASWANDI
ITB : 25404042
RUG : S 1578340

DOUBLE MASTER DEGREE PROGRAMME

**DEVELOPMENT PLANNING AND
INFRASTRUCTURE MANAGEMENT
DEPARTMENT OF REGIONAL AND CITY PLANNING
INSTITUT TEKNOLOGI BANDUNG**

AND

**ENVIRONMENTAL AND INFRASTRUCTURE PLANNING
FACULTY OF SPATIAL SCIENCES
UNIVERSITY OF GRONINGEN**



2006

THE GOVERNANCE OF SPECIAL REGION

**Building Institutional Capacity in the Planning Process for the Development of
Trans-national Border Region between Indonesia-Malaysia in West Kalimantan Province**

by:

ZANIAR ASWANDI

ITB : 25404042

RUG : S 1578340

Double Master Degree Programme

Development Planning and Infrastructure Management
Department of Regional and City Planning
Institut Teknologi Bandung

and

Environmental and Infrastructure Planning
Faculty of Spatial Sciences
University of Groningen

Approved

Supervisors

Date: September, 2006

Supervisor I

Supervisor II

(Dr. Justin Beaumont)

(Ir. Roos Akbar, M.Sc, Ph.D)

ABSTRACT

THE GOVERNANCE OF SPECIAL REGION

**Building Institutional Capacity in the Planning Process for the Development of
Trans-national Border Region between Indonesia-Malaysia in West Kalimantan Province**

by:

**Zaniar Aswandi
25403042
S 1578340**

The concept of governance has shifted from the insight of formal institutions of the state to a new method by which society is governed. The implication of this concept is the blurring boundaries between the public and private sectors. It requires the involvement of wider actors in policy/planning process. Therefore, the quality of the governance especially in local and regional level is needed in order to manage the various and often conflicting interests. In the context of collaborative approach of planning, such quality is known as institutional capacity. This research attempts to seek possibility of applying the concept of institutional capacity in the planning process for the development of a special region, in this case the trans-national border region between Indonesia and Malaysia in West Kalimantan Province. To address the research questions, the analysis is done firstly by identifying the range of actors in the policy process of border regional development. Then, the investigation of stakes they may bring in the discussion about the quality of the place is followed. Furthermore, the analysis is continued by examining the availability of institutional capacity elements (knowledge resources, relational resources and capacity for mobilisation) in the governance of border regional development. Basically, the recent provisions and regulations related to planning process have supported the efforts of applying the concept of governance and institutional capacity. But it still needs political will of major actors and the readiness of other actors, especially the community to be involved in the very early stage of policy/planning process.

Keywords: border region, governance, institutional capacity, planning process, stakeholder and public involvement

PREFACE

Several events of disputes related to national border have increased awareness that the border region in Indonesia remains in a poor condition due to the lack of attention towards its development. The management which has been more focused on the security and defence aspects is criticised as one of the causes of the condition. Besides, the management of this area also tends to be centralistic and dominated by formal institution of government, especially at the national level. Within the spirit of the new paradigm of governance, this research tries to seek possibility of applying the concept of the building of institutional capacity in special region like border region.

I would like to thank God for His blessings. I confess that I would not be able to do anything without his help. I also want to express my gratitude to my supervisor, Dr. Justin Beaumont for guiding me throughout the process of the research, for the time he spent and comments he gave. Of course, the role of Ir. Roos Akbar, M.Sc, PhD, as the second supervisor cannot be neglected in the process of the research. Thank for his comments to my writing. Besides, my gratitude is also addressed to Prof. G.J. Linden (the Dean of the Faculty of Spatial Science, RUG) and to Ir. Haryo Winarso, M.Eng, PhD (the Coordinator of this programme in Institute of Technology Bandung).

Thanks also to all my colleagues in Groningen for their support and for our peer discussions which help me find the inspiration and direction for writing the thesis. Last but not least, I would express my great thankfulness to my mother, my lovely wife and my sisters for their everlasting love and support which make me strong and give me spirit during my study.

Groningen, August 17, 2006

Zaniar Aswandi

TABLE OF CONTENTS

ABSTRACT	III
PREFACE	IV
TABLE OF CONTENTS	V
LIST OF TABLES	VIII
LIST OF FIGURES	VIII
CHAPTER 1 INTRODUCTION	1
1.1 BACKGROUND	1
1.2 STRUCTURE OF THE THESIS	5
CHAPTER 2 PLANNING AND GOVERNANCE	6
2.1 THE CHANGING CONCEPT OF GOVERNANCE	6
2.2 THE NEW PARADIGM OF GOVERNANCE AND DEMOCRATISATION OF PLANNING PROCESS	7
2.3 THE CONCEPT OF INSTITUTION, INSTITUTIONALISATION AND INSTITUTIONAL CAPACITY	9
2.3.1 INSTITUTION	9
2.3.2 INSTITUTIONALISATION	10
2.3.3 MISLEADING IN THE CONCEPTUALISATION OF INSTITUTION	10
2.3.4 INSTITUTIONAL CAPACITY	11
2.3.5 INSTITUTIONAL CAPITAL	12
2.3.6 INTELLECTUAL CAPITAL	13
2.3.7 SOCIAL CAPITAL/RELATIONAL RESOURCES	14
2.3.8 MOBILISING INSTITUTIONAL CAPITAL	16
2.4 THE CONCEPT OF STAKEHOLDERS	19
2.4.1 STAKEHOLDERS AND PARTICIPATION IN POLICY PROCESS	19
2.4.2 THE DEFINITION OF STAKEHOLDER	21
2.4.3 IDENTIFYING STAKEHOLDER	22
CHAPTER 3 KEY QUESTION AND RESEARCH METHOD	26
3.1 RESEARCH PROBLEM AND KEY QUESTION	27
3.2 LITERATURE REVIEW AND THEORETICAL FRAMEWORK	30
3.3 DATA COLLECTION	30
3.4 RESEARCH ANALYSIS	31

3.4.1	INVESTIGATING THE SYSTEM OF PLANNING FOR BORDER REGION IN INDONESIA	31
3.4.2	ASSESSING THE CRITERIA OF INSTITUTIONAL CAPACITY IN THE PROCESS OF PLAN MAKING FOR THE DEVELOPMENT OF WEST KALIMANTAN – MALAYSIA BORDER REGION	31
3.4.3	IDENTIFYING STAKEHOLDERS AND THE STAKES THEY BRING IN THE PLANNING PROCESS	32
3.5	CONSTRAINTS AND LIMITATIONS OF THE STUDY	32
3.6	CONCLUSION	33

CHAPTER 4 THE CONCEPT OF BORDER REGION AND BORDER REGIONAL DEVELOPMENT IN INDONESIA (THE CASE OF WEST KALIMANTAN – MALAYSIA BOUNDARY) 34

4.1	WHAT IS BORDER REGION?	34
4.2	BRIEF OVERVIEW OF WEST KALIMANTAN BORDER REGION	37
4.2.1	PHYSICAL AND GEOGRAPHIC CONDITION	37
4.2.2	NATURAL RESOURCES	37
4.2.3	ECONOMIC	38
4.2.4	POPULATION AND SOCIO-ECONOMIC CONDITION	39
4.2.5	LEGAL, SECURITY AND DEFENCE ASPECTS	40
4.2.6	INFRASTRUCTURE	41
4.3	THE DEVELOPMENT OF THE BORDER REGION IN INDONESIA	41
4.3.1	PROBLEMS IN BORDER REGIONAL DEVELOPMENT IN INDONESIA	41
4.3.2	MODELS OF BORDER REGIONAL DEVELOPMENT USED IN INDONESIA	42
4.3.3	BILATERAL CO-OPERATION	44
4.4	INSTITUTIONAL DEVELOPMENT OF BORDER REGION	46
4.4.1	FORMS OF BORDER DEVELOPMENT INSTITUTIONS IN INDONESIA	46
4.4.2	LEGAL FRAMEWORK FOR THE MANAGEMENT OF BORDER REGION	48

CHAPTER 5 INSTITUTIONAL CAPACITY AND PLANNING PROCESS OF BORDER REGIONAL DEVELOPMENT 51

5.1	STAKEHOLDER ANALYSIS FOR THE CASE BORDER REGION OF WEST KALIMANTAN – MALAYSIA	51
5.1.1	RANGE OF ACTORS (WHO ARE IMPORTANT ACTORS IN THE BORDER REGIONAL DEVELOPMENT)	52
5.1.2	IDENTIFYING ACTORS' ROLES AND INTERESTS	54
5.1.3	MAJOR ACTOR WHO MANAGES THE GOVERNANCE OF BORDER REGION	57
5.1.4	PROBLEMS AND DILEMMAS; THE CASE OF CONFLICTING INTERESTS IN THE DEVELOPMENT OF THE BORDER REGION	58
5.2	AVAILABILITY OF CRITERIA FOR INSTITUTIONAL APPROACH IN THE BORDER DEVELOPMENT PLANNING PROCESS	60
5.2.1	INTELLECTUAL CAPITAL	60
5.2.2	RELATIONAL RESOURCES	62
5.2.3	CAPITAL MOBILISATION	65
5.3	FACTORS INFLUENCING THE APPLICATION OF THE NEW CONCEPT OF GOVERNANCE AND INSTITUTIONAL CAPACITY DEVELOPMENT FOR BORDER REGIONAL GOVERNANCE	68
5.3.1	DEGREE OF COMMUNITY INVOLVEMENT.	68
5.3.2	LEGAL FRAMEWORK	69

5.3.3	CONCLUSION	70
<u>CHAPTER 6 CONCLUSION AND RECOMMENDATION</u>		<u>72</u>
6.1	CONCLUSION	72
6.2	RECOMMENDATION	75
<u>REFERENCES</u>		<u>78</u>

List of Tables

TABLE 2.1 “REAL WORLD” STAKEHOLDER GRID OF FREEMAN AND REED	23
TABLE 5.1 MAPPING STAKEHOLDERS IN THE PLANNING PROCESS FOR BORDER REGIONAL DEVELOPMENT	53
TABLE 5.2 STAKEHOLDERS’ STAKES IN THE DEVELOPMENT OF BORDER REGION	55

List of Figures

FIGURE 2.1 THREE ELEMENTS OF INSTITUTIONAL CAPACITY	13
FIGURE 2.2 NAN LIN’S MODEL OF THEORY OF SOCIAL CAPITAL	18
FIGURE 3.1 FRAME OF THINKING OF THE RESEARCH	27
FIGURE 4.1 THE ORGANISATIONAL STRUCTURE OF SOSEK MALINDO	45

Chapter 1 INTRODUCTION

The development of border region in Indonesia has gained increasing attention in recent years, especially after several disputes with the neighbouring country, Malaysia i.e. the Sipadan-Ligitan case in 2002¹ and the case of Ambalat Block in 2005². Those events have raised widespread awareness that until now border regions in Indonesia are marginalised in national development process. The increase of local's authority due to the Autonomy Act (the Act number 22 year 1999, now replaced by the Act number 34 year 2004) led to the demands of sharing authority regarding the rights and responsibilities of the management of border regions because local governments feel that they have insufficient authorities. It makes them face many problems in border areas. This shows that their interests have not been accommodated in the process of policy making regarding border regions. As stated by Healey (1998), the governments, whether national and local cannot meet all the demands of development by themselves. It needs involvement from various stakeholders of this region. Hence, the planning process of border region requires the institutional capacity of governance so that stakeholders can share their knowledge and interests in order to formulate a good policy for its development. This research will put emphasis on the study of the importance of the institutional capacity in the planning process for the development of West Kalimantan border region.

1.1 Background

West Kalimantan is one of provinces in Indonesia, which has a direct inland border with the neighbouring country, Sarawak, Malaysia. Its border area has a length of approximately 850 km, width of 2.1 million hectares or nearly as wide as East Nusa Tenggara Province or South Sulawesi Province. Administratively, this region covers areas of 5 regions, consisting of 14 sub-districts, 98 villages, 180,000 population and 9 persons per km of

¹ See, <http://www.thejakartapost.com/yesterdaydetail.asp?fileid=20060313.A01>

² See, http://id.wikipedia.org/wiki/Insiden_Penyerempetan_Kapal_RI_dan_Malaysia_2005, see also, Schofield and Storey, 2006 at <http://www.asiaquarterly.com/content/view/160/1/>

density level (Hamid, 2003). This condition may be deemed as one of West Kalimantan's characteristics, that requires a special attention in the development process due to several problems within it.

As stated by Rumley and Minghi (in Guo, 1996, p. 33-34) the remoteness from the centres of power and decision making, and its marginality in relation to its national core has brought geographical disadvantages to this region. This statement can be understood both as the length of distance between the centre of the government and development, and also from the view that the attention given to such area has been less than other regions. That is why West Kalimantan border region, and other border regions in Indonesia, is much less developed than other regions in this country, above all neighbouring regions, Sarawak of Malaysia. Recently, it is seen that there is a contradiction of development in border region, that is on the one hand the advancement of Malaysian economy, yet on the other hand, the decline of Indonesian economy. This may be caused by the different approach of regional development. Malaysia uses prosperity belt approach while Indonesia use security belt one (Kurniadi, 2003. p.2).

The poor condition of West Kalimantan border region may be the result of the centralised approach of government policies in the past. Various policies and programs were uniformly drawn up for the entire territory of Indonesia and were implemented through centralised control (Tirtosudarmo, 2002). The two main proponents of the new order, military elites and economist-technocrats neglected the fact of cultural pluralism and heterogeneity in the Indonesian community. The specific treatment to this area was only in defence and security view where this region was deemed as a vulnerable area facing threat from foreign parties. Perceived threat comes from the military's view emphasising state security and territorial integrity as the objective rather than people's welfare (Kurniadi, 2003, p. 2).

However, we cannot blame the security approach at all. The recent condition in West Kalimantan border region still needs much attention from the security and defence apparatus. Criminal activities like smuggling, trafficking, and illegal logging often happen there. Even, the bad condition in that area has led to the encroachment of national sovereignty. This is one of the reasons why the border region has a strategic position.

Hence, the concern is how to synchronize the interests of securing that region with the interest of improving its socio-economic condition. Based on current legal provisions, the former interest is in the jurisdiction of the national government while the latter is mainly in the authority of local/regional government.

The changing governmental system in Indonesia in the last 1990's has brought an impact to the approach of the regional governmental system and development. Nowadays, not only does the central government have responsibility in the development of border region, but also the provincial and local governments. Thus, it widens the range of actors involving in border region development planning which formerly was handled by the national government institution and consequently more interests come to the planning process. The new governmental system then brings the demand of changing the paradigm of governance into the one which engages various interests and concerns of those who may affect and be affected by the policy. This meets Healey's opinion that planning is an interactive process undertaken in social context than a purely technical process of design, analysis and management (Healey, 1997, p. 65). The process needs a communicative effort among stakeholders to gain the better plan for development. Hence, to realise the communicative process the need of building up the institutional capacity comes to appear.

However, insight into institutional approach itself it seems that it has not been well implemented in the policy process in Indonesia, particularly related to the border region. Although the management of border region has already involved the role of lower tiers of government, so far it still be handled based on sectoral approach by related departments and institutions at the national level with regard to their field of main tasks. Based on the document entitled "Kajian Penyusunan Kelembagaan Perbatasan Antar Negara/The Study of the Formulation of the Institution of International Border Management" issued by the National Planning Board of Indonesia (later called Bappenas) in 2004, there are 3 main components of the management of border region. They are border committees, central government institutions and local governments. Nowadays, the coordination among sectoral institutions for border management is held by several ad hoc committees. Particularly in West Kalimantan border region, this function is held by the General Border

Committee RI-Malaysia (GBC) which is chaired by the Commander of Indonesian National Armed Forces.

Through the document, Bappenas proposed several alternatives to improve the institutional aspect of border management. However, it can be said that the institutional aspect meant by the document is still in the formal form because it still emphasises on the formation of formal organisation to cope with border regional management. Jepperson (in Powell and DiMaggio, 1991) argues that institution can be understood both in physical and non-physical form and emphasises on the non-physical one which refers to the social order or pattern. Supported by the work of other experts, the institutional approach of planning process, then, relates to the networks of stakeholders and the engagement of various interests in such process.

In regard to the shifting pattern of governance, Stoker (1998) suggests that governance should refer to the development of governing which obscures the boundaries between public and private sectors and focusing on mechanisms which do not rest on recourse of authority and sanctions of government. Furthermore, Stoker proposes several considerations about aspects of governance which one of them is setting of institutions and actors that are drawn from beyond government.

The engagement of a wider range of actors in the planning process may bring many advantages of the process of planning and the quality of the plan itself. It will enrich the planning process with many inputs of both knowledge and experiences of involving actors. The involvement in the very early stage of the planning process instead of merely in the implementation of programmes would help the governance to anticipate the conflicts of interests which may lead to a worse condition. Hence, the quality of local governance in managing such various interests becomes important.

Despite the importance of a strategic view in the border regional management, the effort of improving the quality of the place (Healey, 1998) through the involvement of a wider range of actors, especially those who come from beyond the government, should also be taken into consideration. By this reason, this research tries to explore the possibility of applying

the concept of building up institutional capacity for the development of the region with strategic position like trans-national border region. This work consists of the identification of the availability of institutional capacity elements, the identification of actors who may be included in the policy process and recognition of factors which may influence the application of the new concept of governance and the concept of institutional capacity building to the development of trans-national border region.

1.2 Structure of the Thesis

This thesis consists of six chapters. **Chapter 1** is an introduction to the thesis and also a short explanation about the background and reasoning of choosing the topic, the idea to analyse the importance of institutional capacity in the planning process in border development, problem formulation and problem questions, methods and techniques, and an outline of the thesis. **Chapter 2** discusses the theoretical framework mainly about the institutional approach in the planning process. This chapter also discusses the shifting paradigm of governance and the involvement and roles of actors beyond the government. The method used in this research is provided in **chapter 3**. In this chapter, the key question and sub-questions for the research are discussed as well as the way to obtain data, method of research analysis and the determination of scope and limitation of this research. Then, **chapter 4** provides a description of the area of study including a brief observation about the recent condition of West Kalimantan border region, its position in the planning system and current policy regarding to border region. This chapter also discusses the existing efforts of border regional development in Indonesia, especially in the area of West Kalimantan-Malaysia border region. In **chapter 5**, the analysis about the appearance, the importance and dilemma of institutional approach in the planning process for border region development is done. The analysis to determine the range of actors in the planning process by using the method of stakeholder mapping is also done. Finally, **chapter 6** provides conclusions, discussions and recommendations. This chapter summarises the way research questions are addressed. In other words, it briefly discusses the result of the analysis to answer the research questions and proposes recommendations for further related research.

Chapter 2 PLANNING AND GOVERNANCE

2.1 The Changing Concept of Governance

Based on a widespread-simple insight, governance refers to activities done by government institutions. In other words, it is said that government is a formal institution within or by which governance activities are performed. As said by Healey (1997), governance traditionally has been equated as what governments do, with the state as machinery. State, as a formal institution, was deemed as having monopoly of coercive power to exercise their policy. Yet, it brings disadvantage for the government itself due to limitations they have to arrange policies in order to fulfil all citizens' demand, for example, the provision of welfare, defence against attack, and promotion of economy. Jenkins et al. (2004) state that where governments exercise strong powers, the space for governance is narrow, but where the government exercises less strong powers (whether willingly or not) that space is wider. Hence, there should be roles of other parties in governance. Healey (1997) defines governance as processes through which collective affairs are managed. This definition implies that there is not merely a single formal agent to cope with governance activities.

The appearance of modern state has made distinction between the public sector (the state and society) with the private sector. Van Totenhove et al. (2000) maintain that in the early modernization, there is a separation of roles between state, private sector and civil society. In this case, state plays its roles in the field of public policy, private sector in the field of market competition and civil society in maintaining solidarity. In other words, activities of the state are in different field from economic activity and social life. However, such specialisation is denied by theory and empirical evidence (Healey, 1997). In Neoclassical perspective, the government deals with matters which private sector cannot deal with. Marxist political economists perceive the state as either a creature of capital or a product of class struggle between capital and labour. From institutionalist analysis, there are complex interactions between formal government bodies, economic activity and social life.

As Rhodes (in Stoker, 1998) maintains, governance signifies a change in the meaning of government, referring to a new process of governing; or a changed condition of ordered rule; or the new method by which society is governed. With regard to Healey's definition of governance, there should be a shifting method of governance. The outputs of governance both in former and latter paradigm may not be different. The difference of both paradigms is in processes (Stoker, 1998). The management of collective affairs is no longer held solely by public sector (especially the state) but there should be involvement of other parties in society due to their interest in particular matters. Hence, boundaries between state, private sector and civil society have become blurred.

2.2 The New Paradigm of Governance and Democratisation of Planning Process

Planning process is not a value-free activity. Because it is applied to the community and environment, it will bring impact more than what it objected. As Healey (1997, p. 65) stated that planning is an interactive process, undertaken in a social context, rather than a purely technical process of design, analysis and management, It cannot be separated from the dynamic of human's inter-relationship in social life. Hence, the impact of an activity in certain aspects can bring influence to other aspects. No wonder if there are many interests represented by various actors demanding to be involved in the planning process.

Planning activity cannot be done merely by a sole agency which has authority to determine all steps in development process. If there's only government's responsibility in planning process, there are many limitations that cannot be fulfilled only by the government as a single actor. In regional planning, the government, whether national or local, seems unable to meet all demands of conflicting interests. A policy may satisfy certain parties but on the other hand it probably invites complain and dissatisfaction from other parties. To deal with this condition, Healey (1998) suggests the combination of new policy directions and styles of working on urban governance with a diffusion of governance power and responsibility. She proposes partnership and collaboration between social partners as the watchword which symbolises a blurring of the boundaries between the public and private sectors or between state, market and community.

As stated above, the planning process as a governance activity cannot be held by a single actor, in this case, the formal institution of government. It relates to the changing paradigm of governance as noted by Stoker (1998) that theoretical work on governance reflects the interests of social science community in the shifting pattern in styles of governing. Furthermore, Stoker cites Rhodes' (1996) statement that governance signifies "a change in the meaning of government, referring a new process of governing; or changed condition of ordered rules; or the new method where society is governed". Healey (1997, p. 59) also states that governance is the management of common affairs of political communities, thus involves much more than formal institutions of government. It means that governance may occur in informal arenas.

In the spatial planning context, the changing paradigm of governance process also means the transformation of public discourses about the qualities of places (Healey, 1997, p. 61). It becomes an attempt to create relational links among networks in urban region, and building up a new system of meaning. That is why building up the institutional capacity of a place is needed in a regional development planning process. Moreover, cited from Amin and Thrift (1995), Healey (1997, p. 61) says that "the concept of institutional capacity refers to the overall quality of the collection of relational networks in a place, developed in the regional economic literature to refer to the social qualities which seem to make difference to regional economic performance".

The democratisation in the planning process has brought a demand of involvement of various interests. Hence, in order to create an arena in which various actors can play their role in a fair game it is important to build up an institutional capacity to create innovative and self sustaining responses to changing situations. Healey (1998) mentions three reasons why creating capacity is needed in this process. Firstly, the impact of the policy may undermine not only the structure of local economy but also the position of different players and different institutional places in it. Secondly, the increasing emphasis of environment aspect has given more players in a policy arena and increased the demand of rethinking policy agendas. Thirdly, the stable parameter is needed to allow individual innovation to

flourish into sustainable improvement in the quality of life, local economies and environments.

Through broad involvement of actors and interests in this process, there will be an enrichment of knowledge about them and their influence and helps to develop the interconnection between issues, problems and policies dimensions (Healey, 1998). A dialog among actors will open a conversation about how to deal with the issues and problems and why a policy is needed. Then, sharing knowledge and understanding will be helpful for coordination and will strengthen legitimacy of a policy. Other advantages of building institutional capacity as a governance culture are “to resist forces leading to economic exploitation of people in places, to limit environmental degradation, and to maximise the possibilities of human flourishing in sustainable environmental relations” (Healey, 1998).

2.3 The concept of Institution, Institutionalisation and Institutional capacity

2.3.1 Institution

In order to build understanding about the importance of institutional capacity in the planning process, it is necessary to investigate the root of such term. The first impression when one hears the term institution, he/she may automatically relate it to a formal organisation, especially a governmental organisation. Nevertheless, institution also has a different dimension which is rather “non-physical” than the commonly first impression about institution.

Jepperson (in Powell and DiMaggio, 1991, p 145) uses a metaphor to develop a conceptualisation of institution. Institution represents a social order or pattern which has attained a certain state or property. The process of attainment is known as institutionalisation. Order or pattern in this case refers to standardised interaction sequences. Hence, institution is a social pattern revealing a particular reproduction process.

Furthermore, Jepperson says that institutionalisation is an attempt to counteract deviations from the pattern in order to make them keep in a regulated fashion by means of repetitively activated and socially constructed controls (by some sets of rewards and sanctions). From

this view, institutions can be understood as social patterns that, when socially constructed, have persistence to relatively self-activating social processes. Because of the emergence of routine reproductive procedures supporting and sustaining the existing patterns, institution doesn't need "additional action" and / or recurrent collective mobilisation to maintain its existence or to secure the reproduction process.

2.3.2 Institutionalisation

As stated before, institutionalisation is the process of attaining particular state of social order. This process happens because persons in a particular environment or social pattern always (re)mobilise and (re)intervene the pattern (Jepperson, *ibid*, p.148)). It is a chronic process, which occurs in a relatively long time and repetitive in nature instead of an acute process distinguished by the occurrence of "action" or collective mobilisation. There is an example to distinct whether a collective action is a form of institutionalisation or just an "action". In the United States, democracy is embedded in a host of supporting and reproducing practices. People will automatically refer to democracy in many aspects of daily life. Thus we can say it as an institutionalisation in the social pattern. On the other hand, in some countries of Latin American (for example), democracy is highly dependent on repeated political intervention for its employment. In this case, we can see that democracy is just an "action" through mobilisation.

2.3.3 Misleading in the Conceptualisation of Institution

In his definition about institutionalisation, Jepperson (*ibid*, p.149) argues that the best representation of institutionalisation is a particular state of a social pattern. He uses the term "best represented" in order to distinct it from misleading perception of institutionalisation. I have said that people usually perceive institution as a formal organisation. We may consider a formal-governmental organisation (such as a governmental body for particular affair) as an institution. That seems the only perception often accompanying the term of institutionalization so that we often ignore that institution is not merely a "physical" form. Even Jepperson (*ibid.*, p. 149) says that identifying institutionalisation with formal

organisation is “arbitrary”. Furthermore, he states that “voting” and “marriage” are also forms of institution even though they are not a formal organisation.

Besides formal organisation, Jepperson also identifies 2 other aspects which often mislead the definition of institution. They are: contextual effects and culture. For contextual effects, Jepperson says that all institutional effects have contextual qualities but not all contextual effects are institutional. For example, international markets have institutional foundation but their effects on national economics as contextual effects cannot be considered as institutional (Ibid., p. 149). Moreover, Jepperson says that associating institution with culture is also confusing because culture as one of various social control structures may be more or less institutionalised but it does not encapsulate institution by itself. In this case, the position of culture is not as representative of institution but more as one of primary carriers of institution together with formal organisation and regime (Ibid., p. 150).

2.3.4 Institutional Capacity

From the definition about institution and institutionalisation, we can simply make sense that institutional capacity is capacity required for making a particular movement or action institutionalised or how actors related to such action can automatically move to attain or sustain a certain state. In other words this should be a capacity to make the movement socially constructed and routine-reproduced. In policy realm, to ensure that a policy will be implemented in a “voluntary” manner and deeply understood by stakeholders it should be institutionalised. Activities related to the policy are undertaken automatically by stakeholders based on their roles.

To make a clear insight and better understanding about institutional capacity, there is a definition offered by Amin and Thrift (Healey, 1998., p. 1541) that institutional capacity (Putnam, 1993., called it as social capital) is “The quality of the social arena, reflecting both the range and density of networks between stakeholders in a place and the degree of trust and translatability between the different social words surrounding the different stakeholders”. From the definition we can identify that the main factor in institutional

capacity is “stakeholders” and the main issue is how to draw a wide range of actors or stakeholders in an arena.

In spite of the fact that technical-rational plan is made by experts, there is no guarantee that it meets a good quality. The close process of plan and decision-making leads to inadequate input about the condition of the field, the benefit of policy and resources needed for the implementation of the policy. Policy decisions from such process tend to be contentious solutions or at the very least sub optimal, “They tend to serve a single interest and pay too little attention to other interests. The aims of innovativeness and sustainability are then poorly served by the selected solution, which consequently also diminishes the economic, technological and ecological benefits” (Glasbergen and Driessen, 2004, p. 265)

There are many things beyond knowledge owned by experts so that they need a lot of additional knowledge and information especially regarding localities. It is not merely additional knowledge. In planning process, planners and planning authority (in the context of contemporary governance) must take into account various interests and capacity for managing such interests which are often adversarial. The well known examples of conflicting interests are among others the development of infrastructure or amenities with the interest of nature conservation and struggles of jurisdiction between national, local and regional government.

2.3.5 Institutional Capital

The planning process for improving quality of a place needs involvement of a wide range of stakeholders who bring their own knowledge and interests in to such process. Healey (1998, p.1541) says that enhancing the ability of place-focused stakeholders to improve their power to “make a difference” to the qualities of their place depends on their institutional capacity. Furthermore, Healey argues that institutional capacity has three dimensions: knowledge resources (K), relational resources (R) and capacity for mobilisation (M). Through the three dimensions, the governance system can encourage the ways of thinking and the ways of acting in which all stakeholders can discuss the plan of developing the quality of their place to address many constraints and problems including

conflicting interests among them in a “non-combative” way. The following figure illustrates Healey’s description about how the three elements of institutional capacity work in improving institutional capacity of governance.

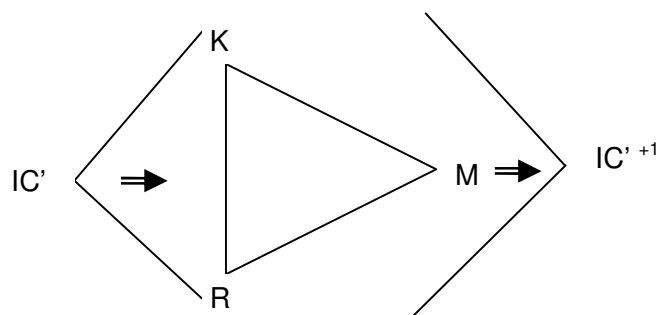


Figure 2.1 Three Elements of Institutional Capacity
Source: Healey (1998)

Louis Albrechts (1999) proposes an additional element for institutional capacity, that is, political capital (in order to get necessary support by negotiation and building alliances with (members) of political parties, ministries, trade unions etc). The institutional capital of Albrechts is assumed to have a close relation with relational resources of Healey, in which the former is more focused on the relation with parties with political power. From Healey and Albrechts, I try to elaborate the institutional capital through three aspects: knowledge resources/intellectual capital, social capital and political capital.

2.3.6 Intellectual Capital

One thing that is always to be a consideration in the discussion about institutional capacity is the limitation of knowledge of experts, particularly regarding localities. That’s why the importance of mediation between technical-scientific realm of experts, profit interests of private sector, nature conservation and day-to-day experience of community has increased significantly. This leads to the interactive process of planning practice within which “talk

and argument” matter (John Forrester in Healey, 1992). Until recently, discussions about planning method still put emphasis on technical and scientific aspects of analysis and design, but the definition of knowledge here is not as technical as it was.

Planning theory and method now recognize the importance of these issues as seen in the interest in negotiation and conflict mediation in planning (Susskind and Cruikshank 1987; Fisher and Ury, 1983., in Healey, 1992). Then, we can recognize that technical and scientific subjects are not the only form of knowledge. Jurgen Habermas (in Healey, 1992) categorises the above form of knowledge as “knowing”. There are still two other forms. They are, understanding and reasoning. Such “knowing, understanding and reasoning” has its own principles of understanding: rational technical reasoning, moral reasoning, and aesthetic expressive understanding.

Therefore, planners work with what is known as “everyday knowledge” (Innes, 1989., in Healey, 1992). It means that they do not work solely as working in a lab, but work in interactions with other actors in a complex institutional setting. In this setting planners and other actors share their knowledge of various fields and views. This activity then enriches knowledge resources in this arena or in other words improves intellectual capital.

2.3.7 Social Capital/Relational Resources

The social capital is created through consensus building. Comprising of personal networks and trust, social capital helps coordinate various interests by ensuring informal communication among stakeholders (Innes, 1996). Formal communication seems only possible for actors with fixed position. Fixed position here means that stakeholders are limited to actors with obvious power and “voice” (Healey, 1998., p. 1539). Meanwhile, in the new paradigm of governance a more inclusive approach of stakeholders’ involvement is required. Therefore, the involvement of actors from beyond government (Stoker, 1998) is required.

A wider argument about social capital is provided by Coleman (in Schneider et.al, 1997) who states that social capital is generated as a by-product of individuals engaging in forms of behaviours that require sociability. If we adopt this sociologist term to the concept of

governance we can say that the level of social capital is related to the degree of sociability of governance. Furthermore, Schneider et.al. say, "high levels of social capital engender norms of cooperation and trust, reduce transaction cost, and mitigate the intensity of conflicts". Putnam (1993) argues that the level of social capital within a region determines the quality of governance. Still about the importance of social capital, Francis Fukuyama as cited by Schneider (1997) concurs:

The ability to cooperate socially is dependent on prior habits, traditions and norms, which themselves serve to structure the market.....If social capital is abundant, then both market and democratic politics will thrive and the market can in fact play a role as a school of sociability that reinforces democratic institutions.

The development of social capital is determined by the quality of networks between stakeholders in a region. This, of course, relates to how policy makers translate the technical language of policy into simpler terms which can be understood by a wide range of stakeholders. De Bruijn and Ten Heuvelhof (2002) examine the degree of translatability of experts view into the mind of stakeholders. They propose three strategies to make both analysts/experts and stakeholders receptive to the different view about policy problems, aims, the way of decision-making and the result of the decision. The three strategies are improvement of the quality of analysis, communication and interaction. Among the three strategies, it is seen that the technical knowledge needs support from the process of communication and interaction in order to reach "negotiated knowledge" and build mutual understanding among actors in planning process. Hence, in the context of governance for regional planning, social capital is a function of interaction (necessarily in an informal way) among all levels of government, scholars and experts, private sectors, community, and other interest groups.

In the discussion about social capital, it has not been told about the efforts to attain political support from key actors in decision making due to the authority they own. As other actors, they come into the arena because of their role and interest. Without any purpose of underestimating the roles of other stakeholders, actors with political authority and

legitimacy seem to have important and central position in a governance arena. That is why Albrechts (1999) specifically discusses the importance of political aspect in social relations with particular stakeholders. Political aspects may be brought by government, politicians and interest groups.

Planners may claim that they know the public interests while politicians also claim to know it. Alan Altshuler (in Innes, 1996) argues that planners have power to make other stakeholders cooperate in a comprehensive planning. And it seems impossible for comprehensive planning to gain political acceptance. There are two reasons provided by Altshuler for this statement: firstly, because politicians prefer having continuous influence over action and secondly, because interest groups prefer piecemeal of issues, so that they can see exactly how each proposal will affect them (Innes, 1996).

In the discussion about institutional approach of planning and decision-making process, the quality of a plan or policy does not depend merely on the content of the product, but also in the quality of planning or decision-making process (context). As mentioned earlier, comprehensive planning which emphasises on technical rationality of planners, often finds difficulties in getting political acceptance. Such acceptance is very important to give the product of planning or decision-making process power and legitimacy to get into implementation stage. Therefore, political capital (Innes, 1994) as a specific form of social capital (as relational resource in interaction with political actors) is required for local governance to get political support.

2.3.8 Mobilising Institutional Capital

Capacity of mobilisation is one aspect of the three dimensions of institutional capital, together with knowledge resources and relational resources (Healey, 1998). This capacity refers to the extent to which local governance/spatial planning has attempted to include all actors with stake in particular locality (Breukers and Wolsink, 2003., p. 3). This is a capacity of local governance to make all stakeholders involve in planning process, contribute their resources and communicate their interests.

In the context of formal government (in local level) especially in a two-way relationship between local government and other stakeholders, the local government seems to have the capability of shaping the conditions in which social networks thrive (Lowndes and Wilson, 2001., p.631). It is possible for local government to affect the mobilisation of social capital (including intellectual capital) due to its authority and legitimacy. Nan Lin, a professor of sociology at Duke University, says that another quality owned by local government for mobilising institutional capital is its access to the resources in relational networks (Lin, 1999., p. 36). That's why some experts focus on the location of stakeholders as the key to social capital.

For this opinion, Lin cites Ronal S. Burt (Lin, Ibid.) that to assess how far or how close an individual is (in this case, a single actor) from a strategic location, is by identifying where the occupant has the competitive advantage in possible access to more, diverse and valued information. Other experts, as stated by Lin, who emphasise on the importance of network location measurement towards access to social capital are Mark Granovetter (1973), who argues that strength of ties is a measurement for network location and Borgatti, Jones and Everett (1998), who say that there are other measurements of network location, such as density, size, closeness, betweenness and eigenvector.

Another focus of scholars regarding to access towards social capital is embedded resources in the network. Valued resources in most societies, in the view of social resources theory, are represented by wealth, power and status. Simply, it can be said that embedded valued resources in society are measures for social capital. Furthermore, Lin specifies such social resources into network resources and contact resources.

Network resources refer to resources embedded in one's ego-networks, whereas contact resources refer to resources embedded in contacts used as helpers in an instrumental action, such as job searches. Thus, network resources represent accessible resources and contact resources represent mobilized resources in instrumental actions. For contact resources, the measurement is straightforward - the contact's wealth, power and/or status characteristics, typically reflected in

the contact's occupation, authority position, industrial sector, or income (Lin, 1999, p. 36)

However, Lin rejects the two perspectives about access to social capital by saying it as a kind of simplification. She assumes that social capital attempts to capture valued resources in social relations instead of being something to be captured. Network location, in Lin's opinion, is not necessarily a determinant of access to embedded resources. Instead, it should facilitate access to such resources. The use of network location, then, depends on whether it can bridge an actor to desired resources (instrumental action) or maintain possessed resources (expressive actions).

Referring to Lin's argument that effort to capture valued resources can be categorised as a kind of social capital, then it meets Healey's argument (1998. p. 1541) that capacity of mobilisation, together with knowledge resources and relational resources, builds up institutional capacity. The following figure is Nan Lin's model of theory of social capital. This figure can describe the process of capital mobilisation (we can compare it with Healey's three elements of institutional capacity (see figure 1)).

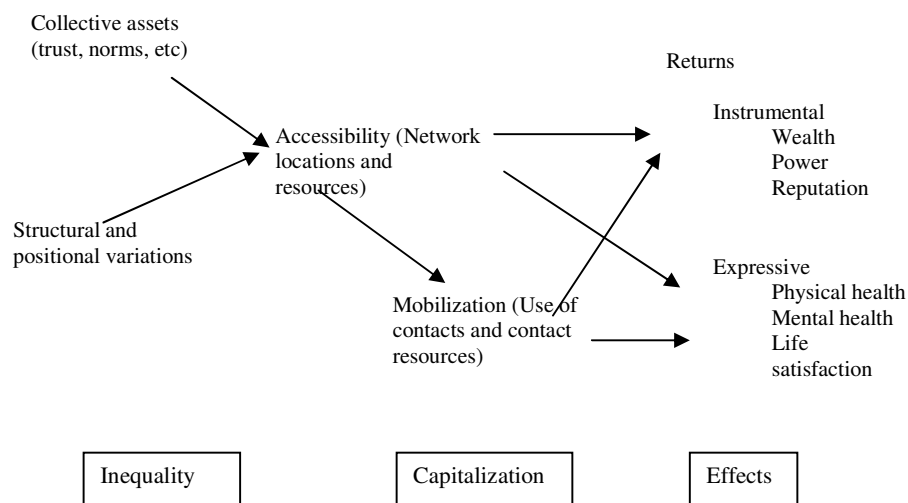


Figure 2.2 Nan Lin's Model of Theory of Social Capital

Source: Lin (1999, p. 41)

The figure above is divided into three blocks. The first block represents pre-condition of social capital, which is recognised by structural and positional variations. Variations in structure can be described as, for example, diversity in culture and ideology, level of industrialisation and technology, level of education, availability of physical and natural resources, economic productivity, etc. Within this structure, there are individuals or actors occupying different positions in social, cultural, political and economic aspects. The variations of structural and positional elements affect opportunities to construct and maintain social capital.

The process of capital mobilization occurs in the second block, where various actors link accessibility to social capital with the use of social capital. Due to the condition of unequal distribution of social capital among actors/stakeholders, then possible choice action owned by each actor is dependent on its position in the structure. As mentioned before, Lin has argued that the closeness of actor to the network location is not the only determinant for mobilising the capital. Also, the advantage in structural position is recognised to make particular actor be able to make a difference (Lin, 1999, p. 42).

2.4 The Concept of Stakeholders

2.4.1 Stakeholders and Participation in Policy Process

In the beginning of this chapter, it can be seen that the focus of interest of this research is on the application of the new paradigm of governance. The framework of governance, in this case, does not embrace merely formal institutions of government. Rather, governance refers to “a change in the meaning of government, referring to a new process of governing; or a changed condition of ordered rule; or the new method by which society is governed” (Rhodes, 1996, p. 652). This new style of governing is more characterised by blurring boundaries between the role of public and private sectors rather than focus on the authority and sanctions of government (Stoker, 1998).

Thus, the new paradigm of governance requires a wider range of actors in the governance process rather than a single role played by formal government institutions. Related to institutional resources in a locality, the formal government seems to have a problem with

limitations of social resources, knowledge resources and, even of financial resources. The government, whether in a national or local level, cannot meet all demands of improvement the social and environmental qualities of an area (Healey, 1998, p. 1533). In order to do so, the governance process should include a wider range of actors by drawing them from but also beyond government (Stoker, 1998). This is not only aimed at gaining more resources, but also attaining more support in the implementation of policy. Healey (1998, p. 1535) also suggests some advantages of wider involvement in a collaborative planning, such as preventing people in places from economic exploitation, limiting environmental degradation and maximising the possibilities of human flourishing in sustainable environmental relations.

In accordance with institutionalism, the involvement of wide stakeholders should be embedded in the nature of each actor. It is not a kind of “action” (Jepperson, 1991, p. 145). The movement of all actors in this context is repetitively activated in a social pattern. Thus, an action by using authority or sanction (Stoker, 1998) to impose a wider involvement is not a true participation by citizens. Citizen involvement in a collaborative approach is unnecessarily reflected by the appearance of participation. There are several degrees of citizen participation which vary due to the level of empowerment. Sherry R. Arnstein in her “Ladder of Citizen Participation” (1969) categorises the degree of citizen participation into three parts; non-participation, tokenism and citizen power. Moreover, the whole levels are divided into eight levels corresponding to the extent of citizens’ power in determining the end product (policy decision). In the bottom rungs of the ladder, Arnstein puts manipulation and therapy which represent the condition of “non-participation”. This is not about citizens’ ability to involve in the process of planning and conducting the policy. Instead, those two levels mean the efforts of powerholders to educate and cure the participants. The level of participation in the ladder shows the degree of citizens’ power in influencing both decision and decision-making process.

From Arnstein’s argument we can simply recognise that people involvement in planning and implementation process of policies does not necessarily reflect the real participation. At the lowest level, they act merely as the object of the policy. In the second level, they

may hear and be heard but they still don't have power to ensure that their view will be taken into their account by the powerholder. Citizens (we may include private sectors, NGOs or other actors beyond the formal government in this term) at the top level of the ladder have a chance to exert their interests, are taken into account in the decision-making process and are responsible for the implementation of the policy. Participation in the context of institutional capacity development is not the condition where people don't have influence in decision making process or managerial power although the concept of stakeholder may include those who are affected by a policy. The next discussion will examine the definition of stakeholders and how to recognise them in a policy arena.

2.4.2 The Definition of Stakeholder

Many definitions of stakeholder are provided by management literatures. This is understandable because the concept of stakeholder was first popularized in the strategic management literature by Freeman in 1984 (Post et al., 2002, p. 18). In 1983, Freeman and Reed (1983, p. 91) proposed two definitions of stakeholder, from both wide and narrow sense:

- The Wide Sense of Stakeholder: Any identifiable group or individual who can affect the achievement of an organisation's objectives or who is affected by the achievement of organisation's objectives
- The Narrow Sense of Stakeholder: Any identifiable group or individual on which the organisation is dependent for its continued survival

Another definition (still in the context of corporation) comes from Post et al. (2002, p. 19) who define stakeholder as : "The stakeholders in a corporation are the individuals and constituencies that contribute, either voluntarily or involuntarily, to its wealth-creating capacity and activities, and that are therefore its potential beneficiaries and/or risk bearers."

If we want to broaden the insight about stakeholder definition, i.e. for the application in planning or public policy realm, it needs to loose such definition to be wider than in corporation context. Freeman (in Post et al, 2002. p. 18) provides a loose statement about

stakeholder definition, “stakeholder in an organization is (by definition) any group or individual who can affect or is affected by the achievement of the activities of an organization”. A similar definition for the context of organisation is provided by Carroll (Cited by Buchholz and Rosenthal, 2004, p. 144) that stakeholder can be defined as any individual or group who can affect or is affected by the actions, decisions, policies, practices or goals of the organisation.

Therefore, within the awareness that place making efforts (planning) as a governance activity (Healey, 1997, p. 211) need broad support and widely affect humans and environment, then those who can either support or prohibit the formulation and implementation of a policy or program and those affected by the policy or program should be identified. The identification is important in order to bring many resources especially related to local knowledge and to formulate plans or policies which can closely meet the demands of all parties.

2.4.3 Identifying Stakeholder

In the corporation context, Freeman (1983, p. 91) maps parties categorised as a stakeholder in two definitions, the wide sense and the narrow sense. From both definitions, he mentions such parties as public interest groups, protest groups, government agencies, trade associations, competitors, unions, employees, customer segments, shareowners, certain suppliers, certain financial institutions, etc. Further, Freeman and Reed (Ibid., p. 92-93) introduce an analytical device to depict the range of stakeholder in an organisation. It is a two dimensional grid map. The first dimension is one of “interest” or “stake” ranging from equity interests to economic interests and then to interests of influencer. The second dimension is the power of stakeholders, ranging from formalistic or voting power, to economic power and political power. Economic power means the ability to influence due to marketplace decisions. Meanwhile, political power means the ability to influence due to the use of political process. Freeman and Reed provide two examples of stakeholder mapping (1983, p. 94), a classical grid and “real world” stakeholder grid. I will not discuss the difference between both grids. Instead I merely show who are the stakeholders identified

by Freeman and Reed by using their grid. The grid below is an example how Freeman and Reed identify actors with stakes in a world of a corporation/company.

Table 2.1 “Real World” Stakeholder Grid of Freeman and Reed

Power Stake	Formal or Voting	Economic	Political
Equity	<ul style="list-style-type: none"> • Stockholders • Directors • Minority interests 		<ul style="list-style-type: none"> • Dissident stockholders
Economic		<ul style="list-style-type: none"> • Suppliers • Debt holders • Customers • Unions 	<ul style="list-style-type: none"> • Local governments • Foreign governments • Consumer groups • Unions
Influencers	<ul style="list-style-type: none"> • Government • SEC • Outside directors 	<ul style="list-style-type: none"> • EPA/OSHA 	<ul style="list-style-type: none"> • Nader’s raiders • Government • Trade Associations

Source: Freeman and Reed (1983. p. 94)

The grid above is a simple grid from a view of a corporation. Each organisation will have its own grid. Hence, the grid of local government will be different from that of corporation. Freeman and Reed suggest the use of elements of strategic planning such as SWOT Analysis in the application of this grid in a pure political case (Ibid., p. 95).

Bryson and Crosby (1992. p. 363-367) also provide a technique of mapping key stakeholder in policy change efforts. Called Stakeholder Assessment Process, the technique seeks to answer questions regarding to who individuals, groups and organisations are categorised as stakeholders; goals, expectations and criteria they use to judge what they want; How well the status quo meets their goals, expectations and criteria; their ability influence the effort; and their importance to the success of the policy change effort. Bryson and Crosby put emphasis on the role of public leaders in solving public problems. In this case, they must understand the larger context of the problems, including, economy, politic

and society. They must also attend to the involvement of people, different levels of social organisations (Ibid., p. 31)

Another technique for identifying stakeholders is “the Stakeholder Audit” provided by Nancy C. Roberts and Paula J. King (1989). This technique is a part of what they call as “Stakeholder Management”. The stakeholder management is one of the strategic management models focusing most particularly on the needs of organisation to take into account its relationship with specific stakeholder groups in setting its direction and formulating its strategies. In such model, they propose four basic steps starting from identifying the stakeholders (by means of stakeholder audit process), determining the stake of each stakeholder, examining how well the organisation meets the needs of the stakeholders and readjusting priorities of the organisation.

Like Bryson and Crosby, Roberts and King also provide several basic questions to be answered by assessing several steps in stakeholder audit in the attempt of mapping stakeholder. Typical questions in this case are:

1. What are the key stakeholder groups that are affected by or can affect the policies and programs which you are attempting to introduce?
2. What is the stake of each group?
3. How have the stakeholders behaved in the past and what coalitions are likely to form around the issue of educational restructuring?
4. What is the resource power of each stakeholder group and its potential coalitions?
5. How effective have your strategies been in the past in dealing with the various stakeholder groups?
6. What new strategies and action plans do you need to formulate in order to deal effectively with each stakeholder group and coalition?
7. How effective have your new strategies been? (Roberts and King, 1989. p. 68)

In line with Bryson and Crosby (see also Lowndes and Wilson, 2001, Buchholz and Rosenthal, 2004), Roberts and King emphasise the role of formal government institution (especially in local governance) as the major actor. By having legitimacy and formal

position as well as having resources and nearness to the location of governance, it has a quality in stakeholder management and as initiator and facilitator of the policy.

Chapter 3 KEY QUESTION AND RESEARCH METHOD

This research is an endeavour in order to recognize how development planning for border region as a specific area is formulated within the planning system in Indonesia. In this chapter, the formulation of research problem will be done by investigating relevant theories discussed in chapter 2 and then seek to underpin such theories in the context of Indonesia-Malaysia border region in West Kalimantan Province. According to the topic of this research, the work of analyzing information will be addressed to examining the importance of institutional capacity in the process of planning for border region development and observing the practice in planning agency both at the national and regional level and the condition of border area so that the possibility of applying concepts of institutionalism in development planning process can be investigated.

This chapter starts with the formulation of a key question which will be followed by several sub questions. Then, the way of finding relevance of theories regarding to the concept of governance and institutional capacity in planning process to the existing condition of border development in Indonesia particularly in West Kalimantan Province is discussed in the next sub chapter. The way to obtain data and other relevant information is also discussed here and afterwards, a method of research analysis and the determination of scope and limitation of the research will follow.

The frame of thinking of this research can be figured out as follows:

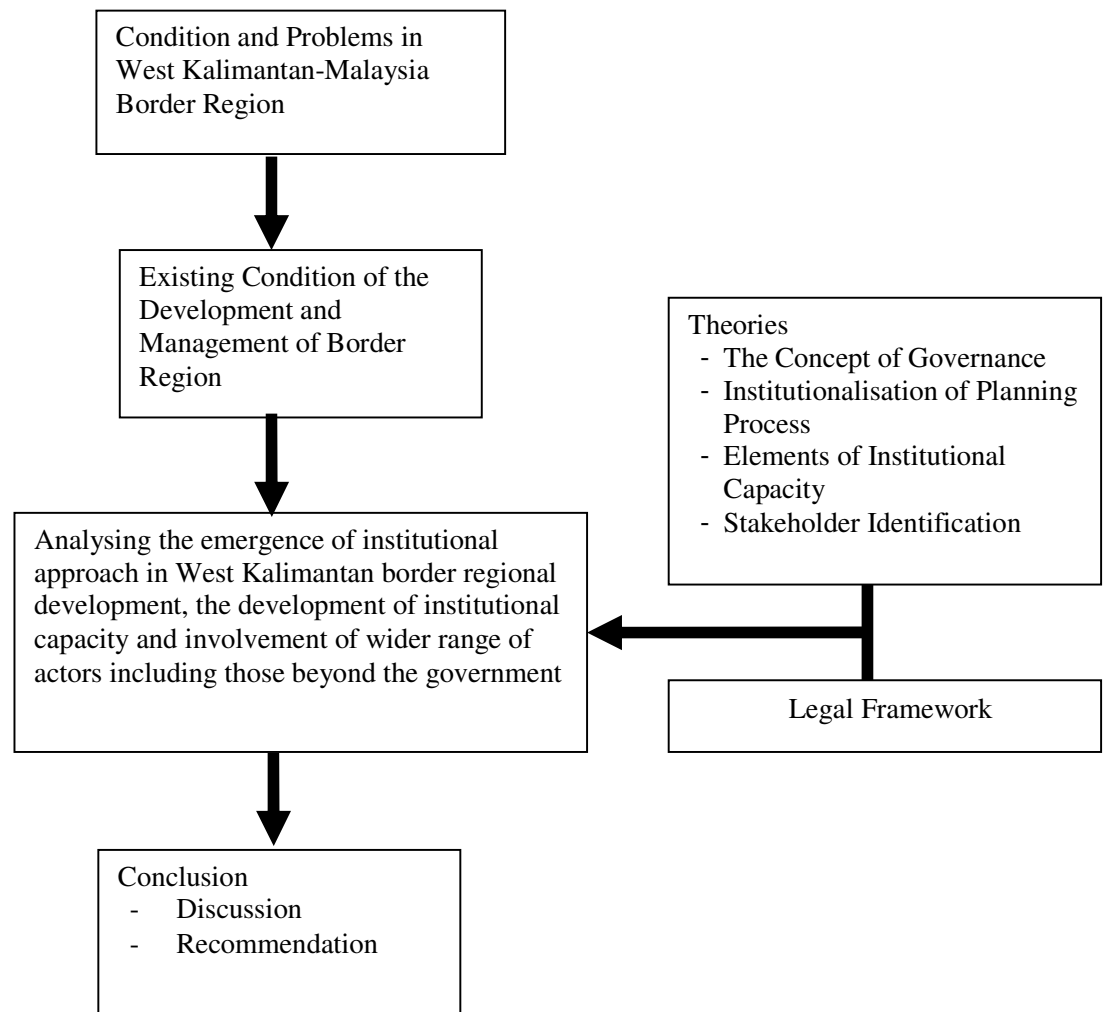


Figure 3.1 Frame of Thinking of the Research

3.1 Research problem and key question

In line with the changing paradigm of governance, the demand of involvement from actors beyond the government is inevitable in governance process. The involvement of actors beyond government should not only appear in the implementation stage of policy but also in the early stage, the planning process or policy making. The breadth of actors in the planning process for border region development may also extend to actors from neighbouring countries. On a one hand, this condition may benefit the process with more

inputs from various stakeholders, on the other hand, this also may increase the appearance of conflicting interests among stakeholders which may cause tensions between actors necessarily related to their interests. The extent of this condition in the implementation can cause the separation of development among different sectors mainly in economic, social and environmental aspects. As stated by Healey (1998), the separation creates major problems for place-making initiatives, where the focus of policy attention is on the economic, social and environmental relationship. Whereas, one of the five propositions in the changing paradigm of governance (Stoker,1998) is the blurring boundaries and responsibilities in tackling social and economic issues. This means that the separation of sectoral development and conflicting interest should not happen. Instead, all actors should share their view and interests in the policy making and planning process so that there will be a learning process and mutual understanding between stakeholders about what should be done in place-making initiative, in this case, the development of border region.

In order to create inclusiveness among actors in regional development, the emergence of institutional capacity is needed. Anyway, the relevance of the concept of institutional capacity to the case of a specific area like a border region should be investigated. Therefore, this research is aimed to answer a main question, “Is it relevant to apply the concept of institutional capacity in the planning process of development of trans-national border region in Indonesia, particularly in West Kalimantan Province?”

The main research question is hoped to be answered after examining several sub-questions:

- a. Has institutional capacity, in the context of changing paradigm of governance, been a consideration and applied in development planning process for border regional development?

By this question, the appearance of institutional capacity in existing state of border regional development is discussed. It is about the how the policy makers interpret the institutional aspect in the planning process, especially for specific regions like trans-national border region in West Kalimantan.

- b. Is the condition in border region appropriate for applying the concept of institutional approach in the process of development planning?

In discussing this case, the existing condition of research field is brought into consideration. It also includes laws and regulation related to border development planning in order to seek legal framework for applying the concept of institutional approach. It is also important to investigate the characteristic of trans-national border area in order to find the differences in treatment compared to other areas/regions.

- c. What are supporting and impeding factors in the implementation of the new concept of governance and the development of institutional capacity in the border region development planning process?

The answer of this question is still related to the existing condition of border region and also related to the existing planning system for regional development. Both supporting and impeding factors might come from the planning system itself as internal factors or from the environment beyond the system of planning and governance.

- d. Who are the actors in the planning process of West Kalimantan border region development and what interests do they bring?

Actors who might have interests and/or affected by the development process of West Kalimantan border area are investigated. In the existing planning process for border development it seems to be only formal institutions of government involved in such process. Related to Stoker's prepositions (1998), the new concept of governance should involve actors from beyond government, it is important to investigate such actors, their interests and how they can sound out their interests in the arena of the planning process.

- e. What are problems and dilemmas of involving a wider range of stakeholders in the planning process?

After identifying the actors who might be involved in West Kalimantan border regional planning process, the relation among actors and their problems in taking part in the planning process should be identified as well. As we know, such process is an arena for them to share their interests, knowledge even resources in order to find the best way of improving the condition of the place, in this case, border area.

3.2 Literature review and theoretical framework

In order to find the relevance between theories of institutional capacity in the planning process and the development of border as a specific region, this research is started by gaining understanding from several books and articles from academic journals to build a theoretical framework of institutional capacity in the border development planning process.

The theoretical framework is begun by a literature review about the changing paradigm of governance. Then, the relation between the concept of governance and regional planning is derived from the concept of such changing paradigm. Afterwards, the discussion is continued to the emergence of institutional capacity in a regional planning process.

3.3 Data Collection

Most data used in this research are secondary data. They are obtained from many sources such as books, journals/articles, internet sites, official document, etc. There are also efforts to gain information about planning process from officials of the National Planning Agency of Indonesia (Bappenas) particularly from the Directorate of Regional Affairs which subordinates the Sub-directorate of Under-developed and Border Region. At the regional level, relevant information is derived from officials in regional/provincial level in West Kalimantan Province, Indonesia.

3.4 Research Analysis

This research tries to analyse the emergence of institutional approach in the planning process for a specific region, in this case trans-national border region in West Kalimantan Province Indonesia. The analysis work consists of 2 parts:

3.4.1 Investigating the System of Planning for Border Region in Indonesia

This part discusses policies and concept of border region development in Indonesia both in national and regional level. By using descriptive analysis, this part will firstly started by providing existing condition of West Kalimantan border area including physical and geographic condition, natural resources, economic, population, legal and security aspects, and infrastructure condition.

Afterwards, the systems used and the existing system of border regional development in Indonesia is discussed. This includes principles of border development in Indonesia, models of border development as considerations in existing policy of border development and forms of border development institutions ever exist in Indonesia. Some cases of border regional development in other countries also contribute to enrichment of the understanding of the relation between institutional approach in planning process and the development of border region.

3.4.2 Assessing the Criteria of Institutional Capacity in the Process of Plan Making for the Development of West Kalimantan – Malaysia Border Region

In this part, the criteria of the appearance of institutional capacity in the locus of the research are investigated based on theoretical framework. Basically, this step tries to answer the sub-questions of the research, including:

1. Exploring the availability of factors of institutional capacity for the planning process of border regional development.

2. Analysing both supporting and impeding factors of the application of the new concept of governance and the development of institutional capacity in the border development planning process.
3. Exploring the actors and their interests, problems and dilemmas in the planning process of West Kalimantan border region development.

3.4.3 Identifying Stakeholders and the Stakes They Bring in the Planning Process

Due to the limitation of gaining data and the limitation of time in performing the research, stakeholder identification in this research is done in a simple way in order to gain a general picture about the emergence of actors (especially those who come from beyond the government). For that reason, the method used in this case is the Grid of Stakeholder proposed by Freeman and Reed (1983).

Meanwhile, to recognise the issues, concerns and interests (the stakes) brought by such stakeholders, this research uses an example from the work of Nancy C. Roberts and Paula J. King (1989).

3.5 Constraints and Limitations of the Study

This research only provides a general picture of stakeholders involved in the border regional development planning process. Due to time limitation and the distance from the locus of the research, the detailed identification of stakeholders cannot be done. However, in chapter 2 there are several techniques for identifying stakeholders from several experts, from the simplest one (Freeman and Reed, 1983) to more advanced ones (Roberts and King, 1989., Bryson and Crosby, 1992). The general picture of stakeholders is developed by using the Stakeholder Grid of Freeman and Reed. It may needs an advanced research to identify the stakeholders in details to gain a more complete information about their stakes in the border development planning process.

3.6 Conclusion

After doing analysis, the conclusion is made as a result to state whether the criteria of institutional approach are found in this research and whether they are applicable in the context of border development planning.

Chapter 4 THE CONCEPT OF BORDER REGION AND BORDER REGIONAL DEVELOPMENT IN INDONESIA (THE CASE OF WEST KALIMANTAN – MALAYSIA BOUNDARY)

This chapter discusses the concept of border region, its importance and what makes it different from other region so that it needs a “special” treatment especially in development planning process. An overview about the condition of research location and the development of West Kalimantan-Malaysia border region (in historical view and about its institutional development) are also provided in this part.

4.1 What Is Border Region?

In some cases, border-regions are only referred to as forbidden zones and strategically play an important role in political competition and/or military confrontation between the antagonistic regimes. While in many other cases, border regions also refer to all and different landscapes: a border town or village under the jurisdiction of two or more authorities, a street dividing two districts, a zone between urban and rural areas, or even a province or autonomous region bordering on a foreign country. Due to the border regions’ complexities and political heterogeneities, a precise definition and classification of some concepts related to the topic should be given to the framework of the research.

Rongxing Guo (1996:12-13) quotes that the English word, ‘border’ (or ‘boundary’), which refers to a definition that delimits a political territory and life space, has wider meanings in political and economic geography than ‘frontier’, while the latter usually refers to a special case of border when it is used to divide the sovereign limits of adjacent independent states. The border manifests itself in three functions: a) legal function, where the border line exactly delimits the territories subject to juridical standards and country’s law; b) a control function, where every crossing of the border line is submitted to a state control; c) a fiscal control, where the control function is accompanied by a perception of custom right assuring the adaptation of the fiscal rights in force in the country. The manifestation into the three functions is related to the characteristic of the border region as both the starting point and

the end of national sovereignty. The border line cuts off two systems of political authorities. This region is where the exercise of sovereignty and judicature has its limit. Then, the government of each political region/country may manage the flow of goods using tariff and non tariff instruments and issue visa or emigration permits for people crossing the border (Guo, 1996)

As mentioned in the background, there are several problems which occur in Indonesian inland-border region, especially with Malaysia which develops their border region better than Indonesia. The condition of lag in border development has brought detriments for Indonesia.

To anticipate worse things and to maintain national integrity, the government should change the treatment and pay more attention toward the development of the border region. Here comes the time for improving economically competitive power of Indonesian border areas. For such purpose, Indonesian government should at least pay attention to the three aspects as mentioned by Guo (1996:38-44):

1. To explore the spatial economic distributions in border-regions under the condition that production factors (such as capital, labour force, natural resource, technology, information etc) are heterogeneously distributed and cannot freely flow across borders. This suggests that border regional economics should deal with (1) spatial divisions of production factors in border regions, (2) effectuation of cross border trade and economic cooperation and (3) economic relations between border regions and their respective heartlands.
2. To reconstruct the spatial inter-relationship and regulate the policy instruments for border regions in an attempt to promote the socio-economic development by the appropriate approach of rational condition and management of border region while not necessarily changing the political structures and social composition. This implies the three aspects should be focused: (1) rational allocation of production factors and sustainable

development, (2) possibilities and conditions of maximizing the economic outputs in border regions and (3) forms and reorganization of cross-border co-operation and economic integration.

3. To propose strategies and policies for the border-regional developments from both overall and local perspectives. Without the overall point of view, border-regional economics would not be assigned, but if border-regional economists do not care about the interest of each independent sub-region, this kind of border-regional economics would lose its foundation of existence and become barely a borderless economics. To implement this objective, three aspects should be appropriately co-ordinated between: (1) national preferences and border regional characteristics, (2) border regions and their respective sub-regions, and (3) sub-regions under the administration of their respective political regions.

There are two basic approaches in the development of border region, the core-peripheral approach (CPA) and cross-border approach (CBA) (Guo, 1996, p.116-119). The first approach is used when the development is domestically fuelled by the respective core area. In this case, the core area means the most prosperous, stable and powerful region. From the core area to the peripheral areas, there are many cases of decrease in population density and prosperity. Then, the core area is wealthy enough to contemplate the spread of its prosperity to the peripheral areas. Furthermore, Guo says that the application of CPA may be efficient in two conditions; the core areas are relatively well-developed and economic relationships between core and peripheral areas are efficiently supported by advanced transport and communication networks.

The second approach may be applied to develop the peripheral areas in the case of unavailability of either one or both of the above two conditions. The cross-border approach is considered efficient because border areas are located at the margins of political regions and usually maintain relatively low exchanges and flows of goods, capital and people with their respective cores.

4.2 Brief Overview of West Kalimantan Border Region

4.2.1 Physical and Geographic Condition

The trans-national border line between Indonesia and Malaysia in West Kalimantan province is located in the northern part of the province's administrative area. The length of trans-national border line in West Kalimantan Province with the Sarawak State (Malaysia) is approximately 870 km (Kurniadi, 2003, p.32). It comprises the administrative areas of 5 regencies (autonomous local government). Generally, border region in West Kalimantan Province is characterized by a relatively hilly topography. The physical condition is relatively the same as the Malaysian side. However, the development along the border line of Malaysia is much more developed than that of West Kalimantan (Indonesia).

4.2.2 Natural Resources

Kalimantan Island is well known for its potency of forest resources. The production of various kinds of timber as well as swallow's nest has been the main sources of government's revenue both at the national and local level. Yet the exploitation of forest resources has become the problem of mass exploitation which threatens the sustainability of environment and the stock of resources. The prominent issue regarding to forest resources is the damage towards conservation forests and illegal logging to be sold to Sarawak and Sabah (Malaysia). Based on the Presidential Decree No. 32/1990, the protection towards conservation areas including forests in the border region is aimed at preventing erosion, flood, sedimentation, and keeping the hydrological function of soil for assuring its fertility, ground water and surface water availability.

Kalimantan (Borneo) island is well known for its tropical forests. Besides, it is famous for its richness of biodiversity, even as the richest area in Indonesia. There are more than 10,000 species of plants, 222 species of mammalians, 420 species of birds, 166 of snakes, 100 of amphibians and so forth, but the biodiversity is decreasing (Bappenas, 2003. p.10).

Along the border line, there are big areas potential for plantation. Most of plantation activities are done by the community. There was a private company operating in such area but it stopped its activity in the seedling stage. There was a plan of opening 1,8 million hectares of forests in the border area along West Kalimantan and East Kalimantan provinces to be converted into palm plantation in 2005. However, it was cancelled due to the statement of Indonesian Minister of Agriculture; there are only 180.000 hectares possible to be converted³. The conversion of large area, based on experience caused damage areas because plantation companies usually leave the areas abandoned after exploiting the forests for logging⁴.

Regarding agricultural activities, people living in the border area still use a traditional method known as “ladang berpindah” (moving farmland) due to the limitation of irrigation infrastructure and people’s skill of using modern methods of farming. Agricultural products in such area are still limited and have not been for commercial purposes, but merely for fulfilling the community’s needs.

The border region in West Kalimantan also deposits many kinds of mineral resources such as petroleum, coal, mercury, gold, gypsum etc., besides, peat soil with a width of 10.082 hectares with various depth and uranium. The potential of mineral resources in such area has not been exploited yet. Activities of the mineral companies are still in their exploration stage.

4.2.3 Economic

The border region of Indonesia-Malaysia has a strategic role as a security belt, gateway and as a reflection of the national image (Bappenas, 2003. p.4), but the role as security belt has brought disadvantages to the development of the area due to the emphasis on security approach used by the national government (Bappenas, 2003. p.6, Kurniadi, 2003. p.2). The military approach used by the Indonesian government caused the restriction towards socio-

³ Deputi hanya izinkan 180.000 hektar di perbatasan. See : <http://www.kompas.com/kompas-cetak/0605/06/ekonomi/2633263.htm>

⁴ Press release from Greenomics Indonesia, see: http://www.greenomics.org/press/Release_20051116.pdf

economic activities so that there were only guarding posts of military personnel in such area. Malaysia, however, has taken a different approach in treating its border region. Malaysia has applied the prosperity belt which put emphasis on socio-economic development.

Economic activities in West Kalimantan border area are still dominated by agricultural sector. It is followed by trade and industry. There is an increasing trend in trade sector, particularly cross-border trading activity. Bappenas (2003, p.14) stated that the rate of economic activity particularly cross-border trade in border region is reflected by the flow of goods which happens recently. In 2000, it was noted that goods flow surplus for Indonesia was about 2.6 billion Rupiahs. Not only commodities from surrounding areas traded in cross-border trading, but also commodities from beyond border areas.

4.2.4 Population and Socio-Economic Condition

Due to statistical data⁵, population of West Kalimantan border area is about 180,000 or 9 persons per km². The number of population growth in this area in 1998-2000 is about 1.91%. From this fact, it is understandable that one of the main problems in such area is regarding the lack of human resources to support the development (Bappenas, 2003. p.16).

Education condition of border community is still relatively poor compared with people in the other regions. Besides limitation of education facilities, the awareness of people towards the importance of education remains low. People prefer working in their farmlands instead of studying in school. Consequently, this condition intensified by the easiness of access to radio and TV broadcast from neighbouring country and also by daily interaction, has caused the orientation of people there more towards Malaysia than Indonesia (Bappenas, 2003. p18).

In health sector, healthy life attitude among community in border region is still low. This may be related to the education level and awareness of the importance of health. The lack of health infrastructure and facility also contributes to this condition. Nevertheless, the recent condition is far better than in 1980s when most people went to Sarawak in order to

⁵ Kalimantan Barat dalam Angka (West Kalimantan in Figures) 1998-2000

get health services. Today, the number of people visiting Sarawak for accessing health services has been decreased since the improvement in health services through the establishment of many community's health centres (Puskesmas) in each Kecamatan (sub-district).

4.2.5 Legal, Security and Defence Aspects

Each cross-border post in West Kalimantan has facilities of CIQS (Customs, Immigration, Quarantine and Security). These facilities are held by national institutions including the General Directorate of Customs (Ministry of Finance), General Directorate of Immigration (Ministry of Justice and Human Rights), Quarantine Board (Ministry of Agriculture) and Police. Based on national provisions, the authorities of those fields are in the jurisdiction of national government, or centralised authorities.

There are several pillars to signify the border demarcation between Indonesia and Malaysia. The border pillars are determined based on tractate between both parties. However, such pillars are in a bad condition and being moved by certain parties. Consequently, Indonesia losses approximately 200 hectares of forest area. This occurs in several places in Bengkayang, Sintang and Kapuas Hulu Regencies. This condition needs a serious attention from related parties.

Other criminal activities which often occur in the border area are illegal logging, smugglings, illegal worker, human trafficking, etc. It is difficult for both Indonesian and Malaysian government to handle and anticipate these problems due to limitations of their capacity to do so in a very large area despite co-operation of apparatus of both countries.

Until now, Indonesian government uses the security approach in the management of border region. This is caused by the recent laws and other legal framework related to trans-national border policy of Indonesia. Unfortunately, the security approach has been inadequately accompanied by prosperity approach, which has been applied in the Malaysian side. That's why many productive activities are much more developed in Malaysian border region.

4.2.6 Infrastructure

Infrastructure provision in border region is very poor. In this case, Indonesia lags very far behind Malaysia. Management which emphasises on security aspect instead of prosperity may be the cause of the lack of infrastructure provision in border region. Whereas, infrastructure provision does not only affect economic growth but also eases the continuity of security activities. Hence, in that region, early warning system will be established there⁶.

The document from the national Planning Agency (BAPPENAS, 2003) only mentions the condition of two kinds of infrastructure in border region, transportation and communication. The document says that most locations in Wet Kalimantan border area can be reached by land transportation. However, roadways provisions are inadequate to do so. Most roadways are in very bad condition. In general, postal and telephone services as well as television and radio broadcast can reach the border region. Yet, in the case of cellular phone mostly still uses the service from Malaysian provider.

4.3 The development of the border region in Indonesia

This part describes briefly the existing efforts of border regional development in Indonesia. Basically, the aim of border regional development is to create and to improve economic and trade activities between both countries which in its turn will positively affect the improvement of the wealth of local citizens and national revenue from export-import activities.

4.3.1 Problems in border regional development in Indonesia

The National Planning Agency of Indonesia (BAPPENAS RI) mentioned several problems related to the development of border region in Indonesia such as:

- a. The blur of trans-national border line as the effect of the damage of border pillars, which may threaten the sovereignty of the country.

⁶ See: <http://kompas.com/kompas-cetak/0503/12/Fokus/1614837.htm> ., "Ketika OKB berulah di Kampung Miskin"

- b. The isolated condition of border region has caused poverty and triggered people to do cross-border illegal activities.
- c. Policies of government institutions towards border region are unsynchronised and it needs an integration and solid co-ordination involving all related agencies or institutions in national and local level of government.
- d. Mass exploitation of natural resources which harms the environmental sustainability and the availability of resources for developing the life of local communities.
- e. The limitation and insufficient transport infrastructure services to and within border region which cause discrepancy between regions.
- f. The limitation of other infrastructure services.
- g. The management of natural resources is not integrated, especially related to conservation area.
- h. There are only two legal cross border posts (out of 16 posts) agreed by both countries. The agreement upon cross-border inspection posts is very important because border area of West Kalimantan-Sarawak is very large and has a strategic position and impacts towards security and defence policies as well as domestic and foreign policies of both countries.
- i. Many events (incidents) related to security, defence and political aspects such as the encroachment of jurisdiction and unwise exploitation of resources which may harm bilateral relationship between Indonesia and Malaysia.

4.3.2 Models of Border Regional Development Used In Indonesia

Based on insights on geographical condition, problems and national policy on border region development, the BAPPENAS (2003) proposes five models of border regional development. They are: centre of growth model; transito model; ecological tourism and research station model; agropolitan area model; and marine border model.

Centre of Growth model

Centres of growth will be developed along the border line and are adjusted to those of neighbouring country. The development will be done in stages, starting from trade and services, warehousing until the stage where a dry port is needed. By the establishment of urban system in border region, it is hoped that it will make the provision of infrastructure services more efficient.

The Transito Model

The transito model means that border region has a function as a transit point for people who cross the border line. The transit area is developed since the interaction between centres of growth in both countries creates trans-national trip activities. The proof of this condition is that many Indonesian who will go for shopping and workers from Java and Sulawesi transit in Entikong/Tebedu before they continue the trip to Malaysia (Kuching). This model does not need the development of dry port because it can be developed in growth centres of each country.

Ecological Tourism and Research Station Model

West Kalimantan border region is well known for the richness of culture and biodiversity. This is supported by the geographic condition with many rivers, lakes, mountains and hills. This is an asset for the development of tourism objects. The combination between environmental tourism and research activities by developing research stations related particularly to biodiversity may attract more tourists and researchers to visit the area.

By developing the environmental tourism, the co-operation with neighbouring country can be built through a network. It can take benefits from the existing infrastructure services in Malaysia. But, Indonesian government should always be aware that developing infrastructure networks in Indonesian border side is also very important.

Agropolitan Model

Agropolitan is a management system towards an area which is oriented to become a growth centre for agricultural-base economy /agro-business or agro-industry (Bappenas, 2003). The aim of the development of agropolitan model is to take benefit from plantation

activities in the neighbouring country so that the orientation marketing of agricultural products is still to Malaysia. Besides, this model will shift the traditional system of agriculture to a more modern and commercial one so that it will raise the people's earnings and prosperity. In turn, the development of agropolitan model will stimulate the competitive agribusiness from up-stream agribusiness up to off-farm agribusiness (service sector related to agribusiness). This effort depends a lot upon the provision of infrastructure services, such as roadway, irrigation and so forth.

Marine Border Model

Marine border area is formed by clusters of economic activities based on marine and coastal resources. This area is inhabited by people living with aquaculture whose products are sold and processed in other areas. Since the West Kalimantan border region is prominently dominated by inland characteristics, this research will not discuss any further about this model.

4.3.3 Bilateral Co-operation

Bilateral co-operation between Indonesia and Malaysia in recent years is done in a frame of "Sosek Malindo" (Socio-economic co-operation of Malaysia-Indonesia). This is a form of socio-economic co-operation based on political background related to border region of Malaysia and Indonesia. The Sosek Malindo co-operation frame is chaired by General Border Committee (GBC) in each country. In Indonesia, the chairman of GBC is the Commander of Indonesian National Armed Forces (TNI).

Below the GBC, there are several task forces which are formed to:

1. Determine socio-economic development projects for both countries.
2. Formulate other things related to socio-economic development of border region.
3. Conduct information change with regard to socio-economic development.
4. Report the progress of development activities to the chairman of Sosek Malindo.

Furthermore, the organisational structure of Sosek Malindo can be seen on following figure:

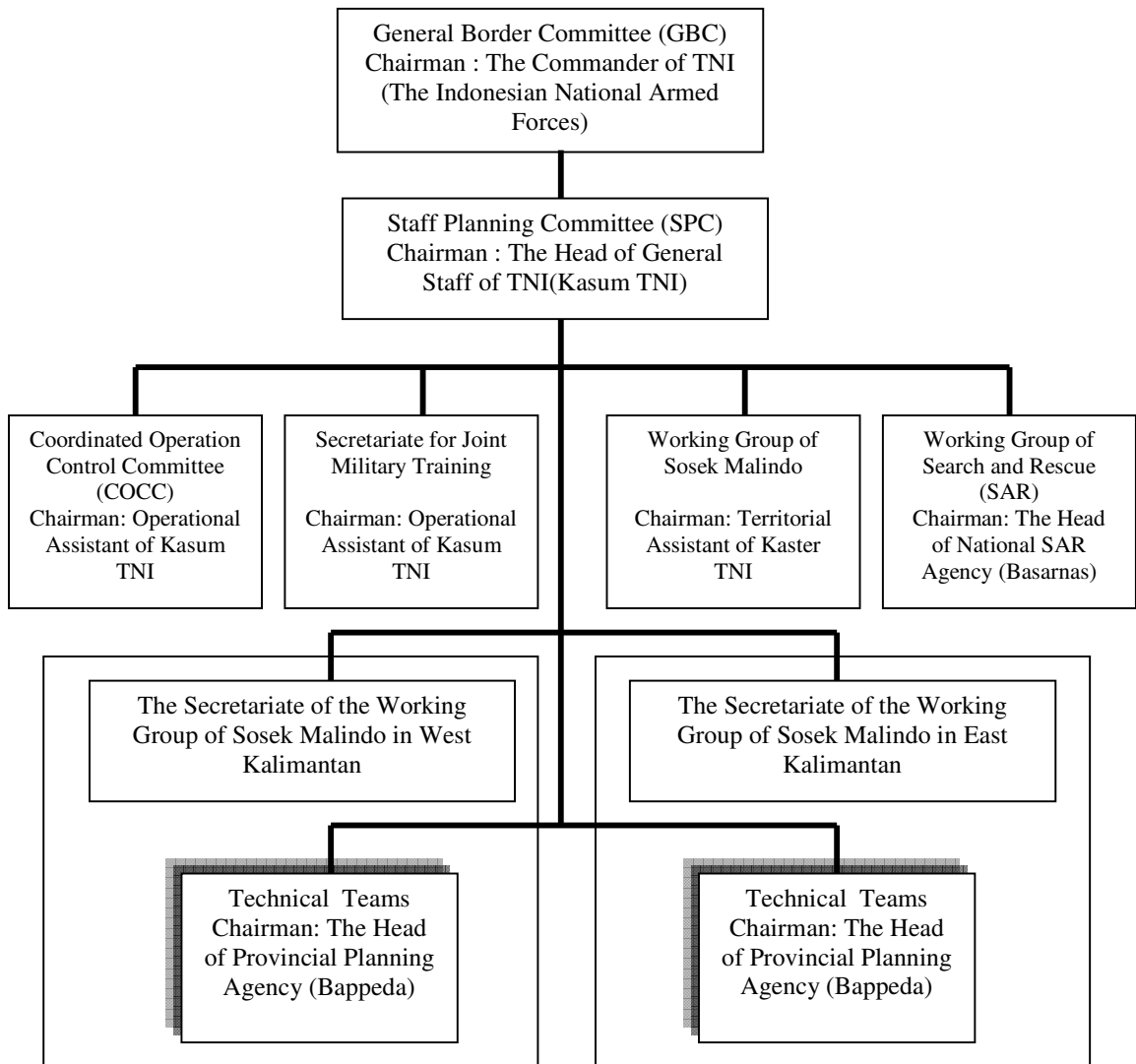


Figure 4.1 The Organisational Structure of Sosek Malindo
Source: Bappenas (2003)

4.4 Institutional Development of Border Region

Information provided in this part mostly is derived from a document from BAPPENAS RI entitled, “Kajian Penyusunan Kelembagaan Pengelolaan Kawasan Perbatasan Antarnegara” (The Study of the Institutional Arrangement of Trans-national Border Regional Development, BAPPENAS, 2004). This document focuses on the discussion of institutional aspect to the formal institution or organisation aimed to manage particular activities, in this case, the ones related to the development of border region. Another document (Bappenas, 2003) also translates the institutional aspect to the establishment of formal organisation consisting internal actors of government both in national, regional and local levels.

4.4.1 Forms of Border Development Institutions in Indonesia

Since 1971, Indonesian government has tried to use a coordinative approach in the management of border region. The evidence is the formation of Pankorwilnas (The Committee for Solving the Problem of National Region and Sea Ground) which was chaired by The Minister of Defence/the Commander of Indonesian national Armed Forces. This Committee was deemed as ineffective in handling problems in the border area so that it was discharged in 1996.

After Pankorwilnas, the next institution was Dewan Kelautan Nasional/National Maritime Council (DKN) which was formed through the Presidential Decree No. 77 Year 1996. The main task of DKN was formulating and decision-making regarding to the management of the problems of Indonesian maritime and area boundaries. This board was chaired by the President of Indonesia assisted by the Coordinating Ministry for Politic and Defence as the vice chairman. The vice chairman of this board played a role as a daily caretaker. Under the coordination of this board, there are several technical sub-committees for various ministries/departments.

After the formation of the Ministry of Marine Exploration and Fishery, in order to adjust with the main task of this new ministry, DKN was then discharged. The new institution called Dewan Maritim Indonesia/Indonesian Maritime Council (DMI) was formed in 1999.

Like DKN, DMI was also chaired by the President of Indonesia. This council more or less had already reflected an institutional approach by the involvement of various actors both from internal and beyond government institution, such as experts of maritime and fishery field, representatives from academic scholars, NGOs, private sector and from fisherman association. However, this council put emphasis more on maritime aspects, not included all aspects of border region comprehensively.

Nowadays, a coordinative approach in the management of the border region, which involves various related institutions (in formal term) is held by several ad hoc committees. Such committees are formed to handle problems in each Indonesian border regions. They are: General Border Committee for Indonesia-Malaysia border region, Joint Border Committee for Indonesia-Papua New Guinea, Joint Border Committee for Indonesia-Timor Leste and Joint Working Group for Indonesia-Philippines.

The General Border Committee for Indonesia-Malaysia border region (GBC Malindo) was a follow-up of the reconciliation between both countries (after a military clash and several rebellions from communist groups along the border line in Kalimantan in 1960s and 1970s). From the experience of military operation (regarding the rebellion of communists), both countries agreed to improve the co-operation to wider aspects, especially to social-economy cooperation. At the moment, Indonesian Government is represented by The Minister of Defence/The Commander of National Armed Forces and Malaysian Government, represented by the Minister of Home Affairs declared a what-so-called "Security Arrangements". That was the genesis of General Border Committee (GBC).

The GBC is an ad hoc forum which does not have authority of implementing programs. Program formulation is done by sub committees within the structure of GBC (as provided on figure.3) while the implementation of programs is done by government institutions in National and local level. From the figure, it is obvious that sub committees under the GBC are dominated by military and central government officials. The relation between this fact and the development of institutional capacity in planning process for border region will be analysed in the next chapter.

4.4.2 Legal Framework for the Management of Border Region

The Fourth Amendment of the 1945 Constitution of Indonesia states, “The Unitary Nation of the Republic of Indonesia is an archipelago with an area whose boundaries and rights are determined by act” (Chapter IX A, Article 25 A). This statement has an implicit definition that the government is obliged to determine its territorial border both land and marine area. To make sure about its jurisdiction, the government has made several agreements with neighbouring countries, except East Timor/Timor Leste regarding inland border and Vietnam, Palau, Philippines and East Timor for continental based boundaries. Yet, there remains a problem regarding the determination of Exclusively Economic Zone around Indonesian Archipelago (BAPPENAS, 2004). That is may be one of causes of border dispute which happened in 2005.

Many cases of illegal or criminal activities occurring in both land and marine border area together with several disputes with the neighbouring countries particularly Malaysia (military clash in 1960s is also taken into account) may be considered as the causes why Indonesian Government has tended to use a security approach in the management of border region. However, the efforts of law enforcement in such region often deal with ambiguity in the implementation that is the fragmentation of authority of law enforcement (see BAPPENAS, 2004). In short, there is no coordination and often no co-operation among government institutions in handling this issue. The weakness in the implementation of law enforcement even leads to the worse condition, the encroachment of national sovereignty indicated by the moving-in of border pillars⁷. Whereas, the management of border region in Indonesia is obviously use the security approach. It is proved by the domination of military officials in many, if not all, institutions related to border regional management.

In regard to the legal provision for the development of border area, firstly we can refer to the Spatial Planning Act No. 24 Year 1992, the border region is one of regions whose spatial plan is prioritised (Article 1). The rationalization for prioritising this area is based on the strategic values of this area, considering political, economic, social, culture, living

⁷ See i.e., <http://www.liputan6.com/view/0,97685,1,0,1153789905.html>., “**Patok Perbatasan di Kalbar Bergeser 600 Meter**”

environment, security and defence, and the priority of regional development in national scale (Bappenas, 2004).

Another provision related to the development of border region is the Presidential Regulation No. 7 Year 2005. The development of border region is specifically and explicitly mentioned as directed to:

Develop border regions and change the policy direction of the development from inward-looking orientation into outward-looking orientation, so that such areas can give benefit as gates of economic and trade activities with neighbouring countries. Besides using the security approach, the development of border region also need the means of prosperity approach (The National Medium Term Development Plan 2004-2009, Part IV Article 26).

Those are examples of how the legal provisions in Indonesia from the highest level have mandated the government to pay attention to the management of border regions. The constitution implicitly obliges the government to maintain the sovereignty of the nation in its boundaries. This is the task of the national government to secure the national boundary and guarantee the maintenance of law and order in border areas. Furthermore, the lower level of legal provisions such as the National Spatial Planning Act of 1992 and other regulations provided directions related to the management and development of that area. The close relationship between border region and national sovereignty as implied in the 1945 Constitution is among the considerations that make this area considered as a special region to be prioritised in the making of its spatial plan. Moreover, the Presidential Regulation of the National Medium Term of Development Plan 2004-2009 has confirmed that the approach used in the management of border region should be a synchronisation between the security approach and the prosperity approach.

This chapter has already provided an overview of the recent condition of the trans-national border region in West Kalimantan Province. Many events occurred in this region justify the focus of measures on the maintenance of national sovereignty as well as the maintenance of law and order in border region. However, the concern about the socio-economic

development for this area should not be neglected. The management of border region should also be viewed as the effort of improving the quality of the place. Underpinned by the concept of new paradigm of governance and institutional capacity in regional planning process, the next chapter will analyse the possibility of joining the theory with the recent condition of border region and its development in West Kalimantan as provided in this chapter.

Chapter 5 INSTITUTIONAL CAPACITY AND PLANNING PROCESS OF BORDER REGIONAL DEVELOPMENT

Various problems related to the development and management of trans-national border region between West-Kalimantan (Indonesia) and Sarawak (Malaysia) are discussed briefly in the introduction part (Chapter 1). Then, I decide to discuss the issue from the perspective of planning process, particularly in the aspect of institutional approach. Several experts and practitioners in Indonesia (most of them are the official of planning agency both in national and regional level of government) assume that one of the cores of the problems is the centralistic and militaristic approach used in the management and development of this region. Thus, this research is aimed to seek the possibility of underpin theories related to the new paradigm of governance, building up institutional capacity in local governance and the involvement of wider range of stakeholder, especially those who come from beyond the government.

Furthermore, the main question for this research is formulated, followed by some sub-questions. In order to answer these questions, the theories provided in chapter 2 are confronted with data/information about the condition of the location and the recent state of border regional development in Indonesia, especially in the border area of West Kalimantan-Sarawak. In this chapter, several aspects related to institutional capacity are analysed. The analysis basically is done for three main aspects, the availability of criteria for institutional capacity in border development planning process, the identification of stakeholders in such process and factors both supporting and obstructing the development of institutional capacity in this context.

5.1 Stakeholder analysis for the case border region of West Kalimantan – Malaysia

The basic consideration for the application of the new paradigm of governance (Stoker, 1998) is the wider involvement of actors, particularly those coming from beyond the government. It will make the process of planning and its result more legitimate and more accepted because many parties feel that their interests are taken into account in the

discussion. The governance also may take benefit from day-to-day experience and local knowledge of actors about the issue (Healey, 1997 and 1998). The involvement of wider range of actors in the very early stage of policy (planning) process will make the manager (the public leader will be discussed in the next part) of the governance recognise the stakes of each actor. Besides, the major actor of the governance can anticipate the undesired consequence with regard to the differences of interest which often lead to conflicts.

The main question for this part is who are the actors meant in this case and how to identify them? I found several techniques for identifying the actors who have stakes in the governance of border regional development. Among others, Stakeholder Grid of Freeman and Reed (1983), Stakeholder Audit of Roberts and King (1989) and Stakeholder mapping of Bryson and Crosby (1992). Due to the limitation of data and time, the remoteness from the location and other complexities to make a detailed identification of stakeholders in the border development, in this research the stakeholder identification will be done in general.

5.1.1 Range of Actors (Who Are Important Actors in the Border Regional Development)

Departing from the reason above; stakeholder identification in this research is done in a simple way. I just want to give a general picture about parties which possibly have stakes in the development of border region. The boundary for identifying such actors is those who can affect and be affected by the actions, decisions, policies, practices or goals of the organisation (Buchholz and Rosenthal, 2004. p. 144). Therefore, this research uses the grid of stakeholder (Freeman and Reed, 1983). A brief explanation about the Grid of Stakeholder is already provided in Chapter 2.

The following grid shows the range of stakeholders in the governance of border regional development in West Kalimantan.

Table 5.1 Mapping Stakeholders in the Planning Process for Border Regional Development

Power Stake	Formal or Voting	Economic	Political
Equity	<ul style="list-style-type: none"> • National Government (including ministries and other national agencies) • Provincial Government and its related agencies • Local/Regency Government and its related agencies • National Parliament • Local House of Representative in Provincial level • Local House of Representative in Local level • The Armed forces • Police • Border Committee (GBC) • The academic groups 		Environmental groups NGO of community empowerment
Economic		<ul style="list-style-type: none"> • Community • Plantation companies • Timber Companies • Housing developers 	<ul style="list-style-type: none"> • Community/community groups • Local governments • Foreign government
Influencers	<ul style="list-style-type: none"> • National Government • National Ministries and Agencies 	<ul style="list-style-type: none"> • Actors of economy in neighbouring country 	<ul style="list-style-type: none"> • Government

Source: Compiled by author based on a model built by Freeman and Reed (1983, p. 94)

From the grid above, at least we can find several parties who may affect and get affected by the policy process regarding to border regional development. Such actors come from formal governmental institutions in national, regional/provincial and local tiers, military, police, political actors, business sectors, organisation of trade and industry, even economic actors from foreign country. Compared to the existing institutional approach (i.e. the General Border Committee), the actors involved in the institution are mainly dominated by formal organisation of government (see the figure of GBC structure in chapter 4).

Although in the legal provisions related to development planning (as discussed in chapter 4) the public participation has awarded attention, but in practice the involvement of a wider range of actors particularly from beyond the government has not emerged yet. Their involvement, if it really exists, merely in the implementation stage of policy, not in the very early stage of planning/policy process. It seems that the formulation of the plan was done by government institution and the other actor started to play their roles after the decision about the policy/plan had already been taken.

Meanwhile, it should be first explored whether there are possibilities for a wider involvement of actors in the planning process for the border regional development. If institutional capital as meant by Healey (1988) is available in the governance of the border region, the wider range of actors may enter the process. The analysis for identifying the dimensions of institutional capacity will be done in the next part of this chapter.

5.1.2 Identifying Actors' Roles and Interests

In the previous part I did a mapping of stakeholders who should involve in the planning process for the development of trans-national border region in West Kalimantan. I realise that a more detailed picture about stakeholders is needed. What I did is mainly providing evidence that the locality of West Kalimantan-Sarawak border region can meet the requirement for applying institutional approach in its development planning process.

Many parties may be deemed as affecting and getting affected by the policy process. Yet, not all of them can enter the planning process. The insight of stakeholder as the one who affect and are affected by a project (or policy) seems very broad and may bring unmanageable consequences because there are many ways in which the policy can impact a very wide range of people (Bourne and Walker, 2005. p. 650). Besides the stakeholder grid of Freeman and Reed which provides a simple way for mapping stakeholders, Nancy J. Roberts and Paula J. King also propose a way for identifying stakeholders called The Stakeholder Audit (Roberts and King, 1989). This method is started from the identification of key stakeholder, determination of their stakes, until reviewing the effectiveness of

stakeholder management strategies. Considering the reason given before, this research does not use the Stakeholder Audit method.

However, the work of Roberts and King is used in this research for providing an example of stakeholder stakes determination. Borrowing the concept of Roberts and King, in this part I provide a simple analysis about stakeholders' stakes in the border development planning process.

Table 5.2 Stakeholders' Stakes in the Development of Border Region

Actors	Stakes
1. The National Government	The main stake of national government in the development of border region is the maintenance of national sovereignty, security and defence, law enforcement and socio-economic and other aspects (including multiplier effects) in a broader context which may influence the condition of socio-economy of the nation, minimisation of the gap between regions, distributing welfare and economic development.
2. Provincial Government	Minimisation of the gap between regions in provincial scale, distributing welfare and economic development. Because the border region covers jurisdiction area of several regencies (local governments), the provincial government plays a role of coordinating the local governments. The provincial government also plays a role as the bridge between the national government and the local government.
3. Local Governments	They have to be responsible for the development of the area of their jurisdiction. Local governance, as well as provincial governance carry out all governmental and developmental tasks except in 5 aspects; monetary, judicial system, defence, religion and foreign relationship. They are the closest to the community so that they have a direct responsibility to the regional development.
4. Parliament in national, regional dan local tiers of government	They are the political actors who determine the direction of the policy. Besides, they play a role as the representative of people or their constituency. Plans/policies need approval from the legislative body to make it legitimate and feasible for necessary funding.
5. Security and Defence Apparatus (TNI and Police)	The existing condition of border region from the view of defense and security demand an active role from security and defence apparatus. Crime, the encroachment of national sovereignty and dispute about the boundary are among critical problems in that area which are demanding attention from the military and police.
6. GBC	As the existing form of institution that coordinates the management of border region, the GBC still have a stake in border development because they have already had a relationship with many parties especially from foreign countries.

Actors	Stakes
7. The Academic groups	They are undoubtedly the main sources of intellectual capital. They bring theories about many aspects related to regional development. Experts/scholars from the universities or other high education institutions provide knowledge resources for the efforts of place making.
8. Community	Basically people in the locality is the main objective in the governance of border region. The development activities in the border region should involve them because they are the people who feel the effect of the policy. They know the locality from their day-to-day experience/local knowledge. Their custom make them closely tied to their place.
9. Plantation Companies	They have abundant of financial capital. They can open many job opportunities especially for local people. Their investment also stimulates economic activities in an area, providing infrastructure which also can be used for local people.
10. Timber companies	From the concession they get from the government, they may contribute a great amount of money for government (in national, regional and local tiers). Related to the issue of sustainability, they may convert the tropical forests into productive forests.
11. Housing developers	They are closely related to the provision of infrastructure for urban areas along the border line, especially for the cities which play a role as the growth centres.
12. Environmental groups	They have a high concern related to the sustainability of environment. They usually oppose the project which may harm the condition of environment. They also have enough power for blocking or making a certain project failed.
13. NGOs in community empowerment	Their activities are related to the education for people and the empowerment of the community. They are the bridge of the gap of knowledge between community and other parties. They have a responsibility of translating the language of policies into community's social words or vice versa.
14. Actors of economy from foreign country	Economic actors from a foreign country (mainly neighbouring country) usually play a role as buyer of agriculture, fishery, plantation and timber products, etc. They also cooperate with domestic private sectors in certain businesses.
15. Foreign government	The government of neighbouring country plays a role as the partner for Indonesian government in dealing with various problems in border region, especially related to the topics of national sovereignty, defence and security. Their policy in border region also may affect the condition of border area in Indonesian side.

Source: Compiled by Author based on the Stakeholder Audit of Roberts and King (1989)

The table above provides a brief explanation about the concerns, interests and potential of identified stakeholders from the grid. The stakes provided on the table may need a further research for identifying the complete description about them. After having the picture of involved actors and their stakes, it needs to identify who is the key stakeholders or the major actor in the governance of border regional development. It is important because the key stakeholder is the one who invites other actors to sit together in the discussion about the quality of the place. The following part will discuss about the determination of major stakeholder.

5.1.3 Major Actor Who Manages the Governance of Border Region

The role of major stakeholder starts from the very early stage of the planning process and ends at the very last stage. Simply, it can be said that the major stakeholder is the one who has the largest stakes out of all stakeholders. In the policy process, the key stakeholder plays a role as the public leader who conducts the assessment of stakeholders (Bryson and Crosby, 1992). Then the emerging question is who amongst the actors is the major/key stakeholder.

The determination of the key players or the major actors in the policy process cannot be separated from the recognition of those who have the capacity for managing social capital in the locality. Although Robert Putnam is often criticised as ignoring the role of the government (see: Lowndes and Wilson, 2001, Buchholz and Rosenthal, 2004, and Breukers and Wolsink, 2003), in his recent work he advocates a positive role of the government in promoting social capital (Lowndes and Wilson, 2001). There are several reasons that support the government as the major stakeholder in the policy process. They are the size and the spread of the government, the role of the political strategy and the performance of the government (see more explanation in the next part of this chapter, Capital Mobilisation).

According to Nan Lin (1999), there are two focuses of approach to identify the key for social capital, firstly, the closeness to the embedded resources and secondly, the degree of interests toward social capital. Applying this concept to the determination of key player, we

should recognise which actor is the closest to the locality and the embedded social capital. Besides, the actor should have enough power and authority to make it legitimate in managing other stakeholders.

Therefore, based on the explanation above, the governments at the regional and local levels seem to meet the criteria to be the major actor who manages the policy process for developing the border region. However, there should be an investigation to recognise which is the most suitable for managing the governance of border regional development. From the identification of stakeholders' stake provided in table 3, it was said that the provincial government plays a role as the bridge between the highest and the lowest tiers of the government and also coordinates the local governments in its area. Besides the closeness to the locality, the provincial government also has more access to resources from beyond the region such as intellectual capital from the universities in Java and formal institutions in the national level.

To deal with this critical role, the Government of West Kalimantan Province has formed an umbrella to prepare necessary actions for border regional development. This is a kind of preparation body but has no authority of formulating and executing a policy yet.

5.1.4 Problems and Dilemmas; the Case of Conflicting Interests in the Development of the Border Region

The main problem of involving a wider range of actors in the planning process is the emergence of various interests. Even, it often leads to the conflicting state between interests, especially for the case where there are several actors bringing fixed interests (Healey, 1998). One of the cases often occurs is the conflict between the private sector with the environment groups. The conflicting interests between actors in policy realm then may lead them to hesitation to involve in such process because they will face refusal towards their interests from other parties.

As mentioned in the first chapter, the local government has found difficulties to deal with problems in the border region since they do not have enough authority for taking actions. Meanwhile, the attention of the national government towards the region has been poor. The

national government seems to emphasise more on security aspects. They may view the border region as a sensitive area regarding to the national sovereignty and defence. It is understandable since there are many cases of illegal activities and the encroachment of national sovereignty happen there. However, many parties argue that the focus which is more directed to security and defence aspects is one of the causes of the ignorance to the socio-economic development and the undeveloped condition of this region.

The involvement of actors from business sector is hoped to support the growth of an area, including the border region. Yet, their operation often invites conflicts mainly with community groups and environmentalist groups. For example, the ambition to convert 1.8 million hectares of tropical forest along the border line into palm plantation is refused by the environmentalist parties such as WALHI and Greenomics Indonesia⁸. Even, the governmental actor (the Minister of Agriculture) has stated that there are only 180,000 hectares possible to be converted for an economic reason⁹.

Besides, the collusion between business sectors and the armed forces is recorded as leading to the marginalisation of local community. Several cases such as land robbery, exploitation of local people and devastation of the environment happen because of the coalition between the two powerful parties. As evidence, an environmental NGO (WALHI) has released a report about this case¹⁰. This condition has reflected the condition of desperate community before the power of the capital and military.

That condition may lead the community to feel unconfident to sit together with other actors who have fixed interests and power. For years they have been harassed by military and capitalist power (and the government as well) so that they will face a big problem to sound out their aspiration/interests. Hence, the role of community agents is needed to empower the local people and build up their confidence in order to become involved in the planning

⁸ Greenomics Indonesia has issued a press release related to this case. Please visit: http://www.greenomics.org/press/Release_20051116.pdf

⁹ See: Deptan hanya izinkan 180.000 hektar di Perbatasan, <http://www.kompas.com/kompas-cetak/0605/06/ekonomi/2633263.htm>

¹⁰ See: Derita tak berujung Dayak Bungau at http://www.walhi.or.id/kampanye/hutan/shk/050828_dykbugau_cu/

process. The community groups and NGOs can play a role as advocate for the local community to raise them from the status of object to becoming the actor of development.

5.2 Availability of Criteria for Institutional Approach in the Border Development Planning Process

The main objective of applying the concept of institutional capacity in the planning process for the development of border region is to improve the power of local governance in making a difference to the quality of the place in a non-combative way (see Healey, 1998). The formulation of criteria for building up the institutional capacity is derived from Healey (1997 and 1998) and Albrechts (1999). Then, in this chapter the discussion about institutional capacity criteria is divided into intellectual capital, social capital (including political capital) and capacity for mobilising institutional capital.

5.2.1 Intellectual Capital

The backbone of the intellectual capital is the experts whether those who work for planning agency both in national and regional/local tiers, other ministries and agencies, and scholars including those who come from beyond West Kalimantan. Within this insight, the intellectual capital refers to technical and academic resources. In the case of the development of West Kalimantan border region, there are adequate resources for intellectual capital/knowledge resources.

Many experts from many government institutions in national level such as from Ministry of Home Affairs, Ministry of Forestry, Ministry of Housing and Regional Infrastructure, National planning Agency, even from Indonesian National Army are taking part in this issue. Not only do formal government institutions provide knowledge resources for the efforts of place making of border region, high education institutions also contribute for this activity. For example, the co-operation between ITB (Institute of Technology Bandung) with several institutions of national government ¹¹, in the efforts of developing such region both in security and defence, and socio-economic aspects.

¹¹ See: www.IA-ITB.com

At the local level, there are several universities in West Kalimantan such as Tanjungpura University (a state university in Pontianak, the capital of West Kalimantan Province), Muhammadiyah University, Kapuas University etc. Of course, they can provide knowledge resources for the development of border region. Compared to other institutions (or universities) from beyond West Kalimantan, they have an advantage due to the closeness to the border area.

Yet, we cannot ignore the role of actors beyond scholars, professionals and public officials. They may know many theories about regional development but they are also often lack of sufficient knowledge about locality. In this case, the role of people living in the border area is very important in contributing their day-to-day experience of the place, which shapes their local knowledge (Healey, 1998). The local knowledge is formed as “a mixture of knowledge built up through practical experience and the frame of reference people use to filter and give meaning to that experience”(Geertz, 1983).

Besides local community, several actors such as NGOs in community development and the ones of environment issues are also considered as having a different form of local knowledge. Actors from business sector may also have their own frame of knowledge regarding to the locality.

Based on the Indonesian Peacebuilding Directory (PBDI), there are 46 civic organisations which operate in West Kalimantan¹². They are working in various fields ranging from community empowerment, environment, women movement, religion, agriculture and so forth. From them, the local governance may get inputs for the formulation and the implementation of development programme in border region. Although it is not included in the list of PBDI, an NGO called “the Telapak Indonesia” (www.telapak.org) has made a report about illegal logging activities in West Kalimantan and also Papua. This proves that environmental groups may contribute their view especially for the aspect of sustainability of resources and environmental conservation. Additionally, their investigation is also worthy for the effort of law enforcement especially regarding to illegal logging.

¹² see: http://www.direktori-perdamaian.org/english/wilayah_detail.

That is an example of how actors from beyond public officials and professional play a role as the source of knowledge for a place making effort in the border region. On the other hand, they also help to realise the transparency and accountability of development process because they serve the community access to information. In brief, we can say that knowledge resources or institutional capitals are available for building institutional capacity in border regional development.

5.2.2 Relational Resources

In a collaborative way of planning process, the involving stakeholders build up relational bonds with the others. They come from different fields, bring different (often conflicting) interests and speak different “social words”(Healey, 1997, p. 1541) so that bringing them to have a seat together in the planning process is such a big task. The capacity to carry out this task then determines the degree of institutional capacity in the locality, where the language of the policy can be translated into each “social words” of stakeholders.

The security approach which has been applied in the management of the border region may use a different point of view about the existing condition and the future of the region. The proponents of this approach (say, the National Armed Forces and the Ministry of Defence) may put emphasis on the prevention of criminal activities occurring along the border line such as illegal logging, smuggling, etc. Hence, it is understandable why they deem the security aspects as important and it is their task to guarantee that border region is secured from illegal and criminal activities which may extend to the encroachment of national sovereignty (for example, the movement of bordering pillars into the area of Indonesian sovereignty).

The use of security approach in the case of forest management along the border line can be referred backward to the 1960s when the Ministry of Agriculture handed over the authority of managing the forest to the National Armed Forces (ABRI). The reason behind the transfer of authority was the consideration of defence and security aspect. Yet, for more than 30 years the rainforest in border region has undergone degradation, and the mission of

improving welfare for community has never been reached (Strategic Planning, The Ministry of Forestry¹³).

That is an example of how the actors in the policy process speak in their “language”. Sometimes, the use of a specific language of a particular actor is not appropriate with the interest of other actors. Within the consideration of security and defence, the national government closed the border region from other interests except the security and defence ones. On the other hand, the business sectors have found that the border region is potential for economic activities such as mining, timber and plantation. Beyond those interests, there are many other interests or stakes which may either support or impede each other. The environmentalists may oppose the extension of plantation and timber activities by the reason of environmental sustainability and the protection for local community.

Various interests of various parties will lead the policy process into complexity. The tendency to one particular stake may lead to ignorance to others. Hence, the local governance should be able to keep the balance between interests. It seems impossible to satisfy all involving parties so that trade offs between different interests become possible.

As the definition of institutional capacity by Amin and Thrift (Healey, 1998), the institutional capacity does not only refer to the involvement of a wide range of actors but also to the degree of trust and translatability between the different social words. Assuming that the government is the major actor in the border regional development, the policy language of the government should be understandable by other actors. That is why translatability becomes important.

The ability of understanding the policy language may vary among actors. Actors from political parties, environmentalist, military, bureaucracy and business sector have adequate capacity and knowledge to understand the language of policy. However, this condition may be different for local community due to the lack of education among people in West Kalimantan border region. They will find difficulties to translate or understand the technical language of policy and to sound up their will and interests.

¹³ See: <http://www.dephut.go.id/informasi/intag/renstra-batas/isi-renstra.pdf>

This condition is very closely related to the degree of involvement of community in the planning process. According to Healey (1998), community's involvement is required to rearrange the elite networks into new corporate networks, in order to redistribute the power to act. Furthermore, Healey states that the governance which only engages actors with fixed position, may lead the discussion about the quality of place to adversarial conflict. On the other hand, people who are assumed not knowing what they think about an issue and thinking differently through discussion, may bring the discussion into mutual learning and even consensus building because they position is not fixed yet (Healey, 1998. p. 1538).

Then, the question is how to make them engage in the place making effort and to raise the level of their participation. In this case, people's education is an important predictor of people involvement (Putnam, 2000. p. 186). Educated people are more engaged with the policy process in part because of the skills, resources and inclination that were imparted to that school. Because of that, in the development of border region, the community will not only be the object of the policy (or development) process, but also play an active role in the effort of improving the qualities of their place.

According to Arnstein (1969), if the participation of public only happens because of the treatment of "powerholders", it cannot be categorised as real participation. Instead it is still a form of non-participation. The real participation happens when the community enter a partnership that enables them to negotiate and engage in trade-offs with other actors and when the community have a full managerial power. Community's involvement in the frame of collaborative approach in the development of governance culture will prevent them from forces leading to economic exploitation of people in their places (see: Healey, 1998. p. 1535).

Limitations of facilities of education and access towards information should be given attention from the government and other actors who hold stakes in border development. The shortcomings faced by the government for community empowerment can be solved by for example, the existence of various NGOs (as mentioned earlier, due to PBDI there are 46 civic organisations), who can play roles as social agents. They have been the interpreters between community's aspiration and the interests of those who have more power.

Furthermore, the NGOs have to empower the people to have ability of sounding their voice and open the access for the community towards information.

From legal aspect, the Spatial Planning Act (The Act No. 24 Year 1992) has mandated that the planning process including planning for the border region must involve the participation of various parties. Despite the statement that the spatial planning for border region is the jurisdiction of the national government, it does not necessarily mean that the involvement of other parties becomes prohibited either in the decision making process related to spatial plan or in the wider context of regional development. Consequently, the opportunity which is opened by the legal provision should benefit the attempt of building relational networks among actors.

However, if we examine more deeply what is stated in legal provisions related to the development of border region it seems that the mandate to involve a wider range of actors (public participation) is not so clear to guarantee that the public involvement can be engaged in the very early stage of the planning process.

Most of all, this means that there are opportunities for making a network between stakeholders in the development of border region. The gap of knowledge and translatability between the community members and other stakeholders can be bridged up by the emergence of civic organisation (and NGOs).

5.2.3 Capital Mobilisation

The work of Robert Putnam regarding the building of social capital is challenged by many experts, for example Vivien Lowndes and David Wilson (2001) who said that Putnam's analysis about social capital is too society centred and undervaluing state agency. In a particular case like the development of West Kalimantan as a border region, within the consideration of undeveloped condition (mainly the lack of power owned by the community), the local governance cannot let the process of institutionalisation automatically run without control from the authority holder. The role of the government (especially at the local level) is needed in order to protect the community from the exploitation from powerful parties.

Lowndes and Wilson (2001) argue that the concept of social capital cannot be separated from the context of two-way relationship between civil society and government. Moreover, they say that it is the local government who shapes the conditions for developing the social networks and voluntary associations among actors in the locality. Citing Ken Newton, Lowndes (2004, p. 60) states that the development of social capital should not only be a form of bottom-up process, but also a top-down one by the emergence of the crucial role of the government, especially with regards to its policy and its structure.

The other reasons for justifying the role of government in mobilising social capital are provided by Tarrow (1996, p. 394). She challenges Putnam's concept by providing the case of historical background of political ideology which reflected the domination of state over the community. Brehn and Rahn (1997, p. 1018) view that the government performance may affect the development of social capital. Even, Putnam himself confesses that the social capital is positively correlated with the size and the spread of government (Putnam, 1995, p. 671).

The importance of the role of government in the context of institutional approach is related to its position in a world where there are many actors sharing their power. In this context the leadership which encourages the participation of others must be emphasised due to its capability of inspiring and mobilising the others (Bryson and Crosby, 1992, p. 21). Their opinion basically is applied in the context of a community like in the US, where people have already enjoyed a more developed state so that they argue that the leadership can be passed out and into certain actors due to a particular issue. It is very different with the condition of the locality of the Indonesian border region.

Nevertheless, their concept of the tasks of public leadership seems applicable for determining criteria of the 'mobiliser' of institutional capital in governance. Bryson and Crosby (ibid, p. 33) propose eight tasks or abilities of public leaders for engaging in policy process. These tasks can be a set of criteria for the capacity of public leaders for mobilising other actors and institutional resources embedded in the network. The tasks are:

1. Understanding the social, political and economic "givens"

2. Understanding the people involved, especially oneself
3. Building teams
4. Nurturing effective and humane organisations, inter-organisational networks and communities
5. Creating and communicating meaning
6. Making and implementing legislative, executive and administrative policy decisions
7. Sanctioning conduct that is, enforcing constitutions, laws, and norms, and resolving residual conflicts
8. Putting all together.

(Bryson and Crosby, 1992. p. 33)

With regards to the ownership of resources (mainly human resources or apparatus) and the span or structure of government organisation, the local government seems to be the actor who may meet the criteria those proposed by Bryson and Crosby. Compared with other actors, the local government have closer relationship with the condition of the locality, including the social, political and economic condition. It has day-to-day experience local knowledge about the place (Healey, 1997 and 1998). It also has legal position and legitimacy for nurturing the community, producing and maintaining local laws and regulation. Besides, the local government has the authority and power of policy making, implementation and evaluation.

As the major actor in the governance of border regional development, the local government ideally has the quality for mobilising social capital in the region. Besides mobilising capital embedded in the area, interweaving networks with actors coming from beyond the region can also be done by the local government. It can build a team for formulating the plan and carry out the implementation. Although there is no sufficient information about the relationship among actors in the planning process for border development, the culture of Indonesian governance may support the mobilisation of institutional capital by placing the government institution as the central role of governance.

5.3 Factors Influencing the Application of the New Concept of Governance and Institutional Capacity Development for Border Regional Governance

The effort of building institutional capacity in the planning process for border regional development may gain support from the availability of institutional elements and the involvement of wider range of actors. The provision of laws, regulation and governmental policy may also support this endeavour. Yet, it also has to face constraints and limitations. Even, the constraints are being institutionalised in the policy process in Indonesia and in the daily experience of the local community. For example, the centralised and security approach of policy regarding the management of border region is already institutionalised. This forms a pattern which has been sustained by reproductive procedures and policies (Jepperson in Powell and DiMaggio, 1991) in the border regional management. The evidence for this statement can be checked in chapter 4. In this part, I will discuss factors influencing the development of institutional capacity from the aspects of community involvement, legal framework and formal institutions.

5.3.1 Degree of Community Involvement.

The effort of building up institutional capacity seems to be nothing without the involvement of local the community. The community may not be the most powerful actor in the planning process. But they have important stakes to be brought in the discussion about the quality of place. They know the environment they live in from their daily experience and they have their own “bounded rationality” to deal with their place.

Although the participation of community has been mandated in national acts, presidential decrees, local acts and other legal provisions, it seems that it is only being implemented in the later stage of policy process. From the brief description about the historical overview of institutional aspect in the management of border region (in chapter 4), there’s no evidence that the community (even, together with other actors from beyond the government) is invited at the very early stages of planning process. The view of institutional approach in the existing condition is mainly focused on the formal aspect of institution. That is why actors beyond the government do not appear in the structure of formal organisation

regarding to the management of border region (for example, please check the structure of General Border Committee in chapter 4).

The poor socio-economic condition of people living in border region also contributes to the lack of community involvement in the governance process. As argued by Robert Putnam (2000. p. 186) the important predictor for civic participation is the level of education. People with higher level of education may understand the policy issues easier than the less educated ones.

5.3.2 Legal Framework

Basically, the legal provisions regarding to development planning have mandated the stimulation of public involvement in development process. The National Planning System Act No. 25 Year 2004 states,

The aims of the National Development Planning System are:

- a. Supporting the coordination between development actors
- b. Guaranteeing the integration, synchronisation and synergy both between regions, spatial aspects, time, and governmental function and between the central and local government.
- c. Guaranteeing the relationship and consistency between planning, budgeting, actuating and controlling.
- d. Optimising public participation; and
- e. Guaranteeing the use of resources in efficient, effective, fair and sustainable manner.

(The National Planning System Act No. 25 Year 2004 Article 2, section (4))

Besides, the Spatial Planning Act No. 24 Year 1992 also order the participation of community in the Article 12 which states that the spatial planning is done by the government accompanied by public participation. Furthermore, in the draft of Presidential Decree about the Spatial Planning for Border Region, there is a clause which mandates considerations of community's interests and local wisdoms, and the participation from community and business sectors. The draft of Presidential Regulation about the

establishment of Trans-National Border Board also includes the consultation with community, civic organisations and international institutions as the task of the border board.

From the brief overview of legal provisions related to the planning process for border regional development, it is seen that in legal framework there is an opportunity for applying the new paradigm of governance and building the institutional capacity. Yet, as already mentioned in the previous part, the problem is in the implementation of such legal provisions. Wider involvement of actors from beyond the government only does not occur in the very early stage of the development program or in the formulation stage of the policy.

5.3.3 Conclusion

The centralistic and militaristic approach in the management of trans-national border region is often deemed as the cause of the undeveloped state of the Indonesian border region. Based mainly on the concept of building institutional capacity, this chapter discussed the possibility of applying this concept for the development of trans-national border region which has a strategic position in politic, socio-economic and security and defence aspects. The analysis also uses the concept of the new paradigm of governance which emphasises on the wider involvement of actors, especially those who come from beyond the government.

The first part of this chapter discusses the topic of involving a wide range of actors in policy/planning process for border regional development. The analysis uses the concept of Stakeholder Grid for mapping the appearance of stakeholders. However, due to the limitation in obtaining data, the detail identification of stakeholder cannot be done. Instead, this merely provides as a general picture about stakeholders by using information obtained from several documents, news and internet.

Then, the concept of Stakeholder Audit is used to recognise the stakes owned by each stakeholder. From this analysis, the general description about the interests and concerns of each stakeholder is explored. The result of this analysis is then used to identify the major

stakeholder who plays a role as the manager of policy process. After comparing the stakes of each stakeholder while considering other aspects such as the closeness to the sources of capital, the size of the stakes and legitimacy, it is recognised that the provincial government may play a role as the manager of the governance process.

The identification of actors is followed by the investigation about the availability of institutional capital. This work is based on Patsy Healey's (1998) concept of the dimensions of institutional capital. From the investigation it is seen that the policy process for border development has enough knowledge resources both in the locality and from beyond the area. The availability of relational resources is investigated mainly by measuring the degree of translatability of policy among stakeholders (especially community). There is no specific method used in this case. It is only an assumption based on the social condition (mainly education), supported by relevant theories. Basically, the relational resources can be mobilised as long as the empowerment efforts for community result a desired outcome which guarantees an active involvement of community in planning process. Then, the discussion about capital mobilisation is directed to find which actor has the capacity for mobilising institutional capital.

Chapter 6 CONCLUSION AND RECOMMENDATION

6.1 Conclusion

The management of international border region in Indonesia is often criticised as too centralised and focused on security approach. Many events which have occurred in such region such as military clash with Malaysia in 1960s and criminal activities justify the use of security approach in its management. This seems to abandon the development of socio-economic condition. Consequently, the border area in Indonesian side remains in poor condition while that of Malaysia enjoys the fruit of development.

The development of border region, thus relates to the efforts of place making. It is about how to deliver welfare (Healey, 1998) especially for people living in that area. Considering the change in many aspects of life, the old-fashioned way of managing border region should adjust with the changes. The increasing concern to environmental qualities and the development of region, for example, demands more opened process of policy making. In relation to the changing paradigm of governance, the policy process for the development of border region should engage a wider range of concerns and interests. It needs the involvement of a wider range of actors, including those who come from beyond the government (Stoker, 1998).

Supported by the concept of collaborative approach in the planning process (Healey, 1997 & 1998), the importance of engaging the role of stakeholders in the planning process becomes obvious. This effort depends on the quality of the local governance in mobilising institutional capital in the locality. The aim is to make the collaborative approach in planning process institutionalised in the governance of border regional development. Before discussing further the institutional capital, the theoretical framework is complemented by the concepts of institution and institutionalisation (mainly by the work of Jepperson, 1991).

The availability of elements of social capital (knowledge resources, relational resources and capacity for mobilisation) is used to investigate the possibility for the governance of border region to apply the concept of institutional capacity building to its policy process. The analysis part of this thesis also discusses the range of actors who may be involved in the planning process of border regional development. By using the “Stakeholder Grid” of Freeman and Reed (1983), the range of actors are identified. Later, the stakes brought by the actors are investigated by using the table of “Stakeholder Audit” of Roberts and King (1989). Although methods used in identifying possible actors and their roles are very simple, they offer a general picture of who might be the stakeholders in the planning process of border regional development.

The small conclusion provided in previous chapter seems to answer the main question of the research about the relevance of applying the concept of institutional capacity in the planning process of development of trans-national border region in Indonesia, particularly in West Kalimantan Province. By using simple methods for identifying the availability of institutional elements, the range of stakeholders, their stakes and influencing factors towards the application of the concept of governance and institutional capacity, a positive relevance seems to appear. Moreover, this chapter discusses sub questions following the main question.

a. The consideration of institutional capacity for border development planning process

The concept of institution was discussed in chapter 2. According to Ronald L. Jepperson, the definition of institution may refer to either the aspect of formal institution (physical aspect) or the ‘non-physical’ aspect in which institution is understood as social patterns that, when socially constructed, have persistence to relatively self –activating social processes. By reviewing several literatures (importantly documents from governmental agencies), the institutional approach meant by existing policies of border development mostly refers to the formal aspect of institution. Besides, the involvement of a wider range of actors seems merely happen in the implementation stage of the programmes or projects, not in the very early stage of policy (the formulation stage).

b. The appropriateness of the condition of border region for the concept of institutional approach

From the investigation of availability of social capital in the locality of border region, it seems possible for implementing the concept of institutional approach in the new paradigm of governance of border regional development. The main problem is related to the political will of governmental actors for opening opportunities for community to enter the policy process. The readiness of the community to do so is also a problem. The latter is closely related to the less educated condition of people living in the border region. Consequently, they face difficulties for translating the policy into their social language. In this case, the role of civic organisations becomes very important for bridging the community and other stakeholders.

c. Factors influencing the implementation of the new concept of governance and institutional capacity building

There are many factors which may influence the implementation of the new concept of governance and institutional capacity. Among others, how deep the old paradigm of governance is institutionalised in the social life (Jepperson in Powell and Dimaggio, 1991). In this research, such factors are examined from the degree of community involvement and the support from legal framework. The former aspect shows that public participation in policy process is still a form of treatment by more powerful actors. Again, the involvement of actors beyond the government only happens after decisions about policies are already taken. Meanwhile, the legal provision starting from the national act to the lower of regulation have mandated the involvement of public in the planning process. Hence, the problem is related not only to the implementation of laws and regulation but also to the insight about the essence of institutional approach.

d. Identification of actors

Despite the simple method of doing stakeholder mapping, this research has identified several actors who may hold stakes in the development of border region. By using the

stakeholder grid of Freeman and Reed (1983), there are several actors can be identified generally. They are: the national government, the provincial government, the local government, hose of representatives (parliaments) in national, regional and local level, the armed forces (TNI), Police, the existing institution of border management (GBC), community, plantation companies, timber companies, developers, community groups, environmentalist groups, foreign government and actors of economy in neighbouring country.

e. Problems and dilemmas in the involvement of wider range of actors

The involvement of a wider range of actors often leads to the conflicting interests among actors. For example, the economic interests often face a conflict with environmental ones. Hence, this condition needs a quality of the manager of the local governance (or the public leader, or the major actor) to reduce the potency of conflict. Healey (1998) implies that the earlier actors sit together discussing the quality of places, the less conflict may emerge.

6.2 Recommendation

Based on the result of analysis in chapter 5 and the conclusion, there are several recommendations to be given. They are:

a. Further research for mapping stakeholder

This research has faced limitations in obtaining data especially from the location of the research. Hence, to analyse the emergence of stakeholder involvement, I use a simple method provided by Freeman and Reed. Consequently, the picture about the stakeholders is very general.

b. Policy research for preparing the appropriate form of border development institution

Considering the unique characteristics of border region (the role as the national gate vs. the undeveloped condition), the high number of criminal activities, the encroachment of

national sovereignty and so on, the management of border region should be given special attention. Yet, this does not mean that the involvement of various actors is restricted. Therefore, it is needed to conduct a policy research to find out the suitable form of governance which guarantees the implementation of institutional capacity while considering the strategic role of the border region.

c. Political will of government to involve a wider range of stakeholders in policy process

This relates to the perception about the concept of governance among policy makers. Although many legal provisions have mandated the involvement of public participation, in practice such involvement is only limited in the implementation stage of programme. The new paradigm of governance and the concept of institutional capacity require the participation of wider range of actors in the very early stage of policy process in order to anticipate the potential conflict in the future.

d. The improvement of the readiness of community to enter the discussion in policy process

One of the aims of institutional approach in planning process is to prevent the community from economic exploitation (Healey, 1998). For this purpose, the community should be given access to sound out their aspiration and interests. Considering the lack of education of people in the border region, there may be a gap between the language of policies and the “social words” of community. Meanwhile, the institutional approach requires the availability of trust and translatability between stakeholders in policy process (Healey, 1988). In this case, Putnam (2000) argues that education is an important predictor of people involvement. Therefore, the improvement of their education will make people confident to enter the discussion of place making. Additionally, the role of civic organisations is also very important to bridge up people’s interests and their daily experience about the locality with the policy and program from governance process.

Building institutional capacity in the planning process for special region like border area is not easy work. This needs more assurance from legal provisions and more importantly, the insight and political will related to the concept of governance to ensure the implementation of such legal provisions. There are many things which need to be prepared in order to apply the concept of institutional capacity building in policy process but it is not impossible as long as all parties have the same vision to a better condition of national border region.

REFERENCES

Books

- Alexander, E.R. 1992, *Approaches to Planning*, Gordon and Breach Publishers, Wisconsin
- Campbell, S. and Fainstein, S. (Ed) 1996, *Readings in Planning Theory*, Blackwell Publishers, Oxford
- Healey, M.J. and Ilberry, B.W. 1990, *Location and Change*, Oxford University Press, Oxford
- Healey, P. 1997, *Collaborative Planning: Shaping Places in Fragmented Societies*, MacMillan Press Ltd, London
- Healey, P. et al (Ed) 1995, *Managing Cities: the New Urban Context*, John Wiley and Sons Ltd, New York
- Marshall, T. and Glasson, J. (Ed). 2002, *Contemporary Issues in Regional Planning*, Ashgate Publishing Ltd, Hampshire
- Post, J.E. et al. 2002, *Redefining the Corporation: Stakeholder Management and Organisational Wealth*, Stanford University Press.
- Powell, W.W. and DiMaggio, P.J. 1991, *The New Institutionalism in Organizational Analysis*, The University of Chicago Press, Ltd., London.
- Putnam, R. D. 2000, *Bowling Alone: The Collapse and The Revival of American Community*, Simon & Schuster, New York.
- Rongxing, G. 1996, *Border-Regional Economics*, Physica-Verlag, Heidelberg
- Van Houtum, H.1998, *The Development of Cross-Border Economic Relations*, ThelaThesis Publishers, Tilburg University, Tilburg
- Van Tatenhove, J, Arts, B. And Leror, P. (Eds.) 2000, *Political Modernisation and the Environment: The Renewal of Environmental Policy Arrangements*, Kluwer Academic Publishers, Dordrecht/Boston/London

Articles/Journals

- Albrechts, L. 1999, Planners as Catalysts and Initiators of Change: The new Structure Plan for Flanders, *European Planning Studies*, Volume 7, No. 5, pp. 587-603
- Arnstein, Sherry R. 1969, *A Ladder of Citizen Participation*, JAIP, Volume 35, No. 4, pp. 216-224
- Baker, M. 2002, *Developing Institutional at the Regional Level: The Development of a Coastal Forum in the North West of England*, *Journal of Environmental Planning and Management*, No. 45, issue 5, pp.691-713.
- Bourne, L. and Walker, D.H.T. 2005, *Visualising and Mapping Stakeholder Influence*, *Management Decision*, Volume 43, No. 5 pp. 649-660
- Breukers, S. and Wolsink, M. (2003). Institutional Capacity in Policy Process for Wind Energy in the Netherlands, ECPR Conference Marburg, Section 8 Panel 5.
- Buchholz, R.A. and Rosenthal, S.B. 2004, *Stakeholder Theory and Public Policy: How Governments Matter*, *Journal of Business Ethics*, Volume 51, pp. 143-153
- Davis, L. and North, D. 1970, *Institutional Change and American Economic Growth: A First Step Towards a Theory of Institutional Innovation*, the *Journal of Economic History*, Volume XXX, No. 1, pp. 131-142.
- Freeman, R.E. and Reed. D.L. 1983, *Stockholders and Stakeholders: A New Perspective on Corporate Governance*, *California Management Review*, Vol. XXV No. 3, pp. 88-106
- Gonzalez, S. and Healey, P. 2005, *A Sociological Institutional Approach to the Study of Innovation in Governance Capacity*, *Urban Studies*, Volume 42, No. 11, pp. 2055-2069
- Harrison, J.S. and Freeman, R.E. 1999, *Stakeholders, Social Responsibility, and Performance: Empirical Evidence and Theoretical Perspectives*, *Academy of Management Journal*, Volume 42, No. 5, pp. 479-485

- Healey, P. 1998, *Building Institutional Capacity through Collaborative Approaches to Urban Planning*, Journal of Environment and Planning A, Volume 30, pp. 1531-1546
- Healey, P. 1992, *A Planner's Day: Knowledge and Action in Communicative Practice*, Journal of The American Planning Association, Vol. 58 Issue 1, pp. 9-20
- Van Houtum, H. and Van Naerssen, T. 2002, *Bordering, Ordering and Othering*, Tijdschrift voor Economische en Sociale Geografie, Volume 93, Number 2, pp. 125-136
- Innes, J.E. 1996, *Planning through Consensus Building: A New View of the Comprehensive Planning Ideal*, Journal of The American Planning Association, Vol. 62 Issue 4, p. 460-472
- Lin, N. 1999, *Building a Network Theory of Social Capital*, Connections, Volume 22 Issue 1, pp 28-51
- Lowndes, V. and Wilson, D. 2001, *Social Capital and Local Governance: Exploring the Institutional Design Variable*, Political Studies, Volume 49, pp. 629-647
- Lowndes, V. 2004, *Getting On or Getting By? Women, Social Capital and Political Participation*, British Journal of Politics and International Relations, Volume 6 pp. 45
- Riege, A. and Lindsay, N. 2006, *Knowledge Management in the Public Sector: Stakeholder Partnerships in the Public Policy Development*, Journal of Knowledge Management, Volume 10, No. 3, pp. 24-39
- Roberts, N.C. and King, P.J. 1989, *The Stakeholder Audit Goes Public*, Organizational Dynamics, Volume 17, Issue 3, pp. 63-79
- Roberts, P and Lloyd, G. 1999, *Institutional Aspects of Regional Planning, Management and Development: Models and Lessons from the English Experience*, Journal of Environment and Planning B, Volume 26, pp.517-531.

- Schneider, M. et al. 1997, *Institutional Arrangements and the Creation of Social Capital: The Effects of Public School Choice*, American Political Science Review, Volume 91, No. 1, pp. 82-93
- Stoker, G. (1998) *Governance as Theory: Five Propositions*, International Social Science Journal, Volume 50, Issue 1, pp. 17-28
- Tarrow, S. 1996, *Making Social Science Works Across Space and Time: A Critical Reflection on Robert Putnam's Making Democracy Work*, The American Political Science Review, Volume 90, No. 2, pp 389-347.
- Tirtosudarmo , R. (2002). West Kalimantan as 'Border Area':A Political-Demography Perspective, Antropology Indonesia Special Volume.
- Zhongdong, M. 2002, *Social Capital Mobilization and Income Returns to Entrepreneurship: The Case of Return Migration in Rural China*, Environment and Planning A, Volume 34, pp. 1763-1784

Thesis

- Kurniadi, S.F. 2003, *Penentuan Pusat-pusat Pelayanan untuk Pengembangan Wilayah Perbatasan Kalimantan Barat-Serawak (The determination of services centres for the development of West Kalimantan- Serawak Border Area)*: Bachelor Thesis, Department of Planology, ITB, Bandung

Documents

- BAPPENAS RI (National Planning Agency of Indonesia). 2003, *Study of Strategy and Model of the Development of Kalimantan Border Region*, Jakarta
- BAPPENAS RI (National Planning Agency of Indonesia). 2003, *The Study of the Institutional Arrangement of Trans-national Border Regional Development*, Jakarta
- General Directorate of Spatial Planning Ministry of Housing and Regional Infrastructure 2003, *Spatial Policies and Strategies of the Development of Kalimantan-Serawak-*

Sabah Border Region. Retrieved June, 2006 from
<http://penataanruang.pu.go.id/taru/Makalah/Kasaba-Jakstra.pdf>

Legislations

The Act of The Republic of Indonesia No. 32/2004 concerning Regional/Local Government

The Act of the Republic of Indonesia No. 25/2005 concerning the National Planning System

The Act of the Republic of Indonesia No. 24 year 1992 concerning Spatial Panning

The Draft of Presidential Decree concerning the Spatial Planning for Border Region

The Draft Presidential Regulation concerning the Formation of Trans-National Planning Board.

Other Sources

Deptan Hanya Izinkan 180.000 Hektar di Perbatasan, 2006. Retrieved June 2006 from
<http://www.kompas.com/kompas-cetak/0605/06/ekonomi/2633263.htm>

Forest Watch Indonesia and Global Forest Watch. 2001, *The State of the Forest: Indonesia*. Retrieved July, 2006, from http://www.fwi.or.id/PKHI_BAB_5.pdf

Greenomics Indonesia 2005, *Jika Investasi perkebunan Sawit di Perbatasan Kalimantan melalui Konversi Hutan: Pertumbuhan Ekonomi Kalbar dan Kaltim Merosot Tajam*. Retrieved June 2006 from
http://www.greenomics.org/press/Release_20051116.pdf

Hamid, Rusnawir, 2003, *Carut Marut Pembangunan Kawasan Perbatasan Kalimantan Barat – Sarawak*, Paper, Institut Pertanian Bogor. Retrieved March, 2005, from
http://rudycr.tripod.com/sem2_023/grp_indiv6.htm

Ketika OKB berulah di Kampung Miskin 2005, Retrieved June, 2006 from
<http://kompas.com/kompas-cetak/0503/12/Fokus/1614837.htm>.

- List of Civic Organisations in West Kalimantan* 2006. Retrieved June, 2006 from http://www.direktori-perdamaian.org/english/wilayah_detail.
- Patok Perbatasan di Kalbar Bergeser 600 Meter* 2005. Retrieved June, 2006 from <http://www.liputan6.com/view/0,97685,1,0,1153789905.html>.
- RI Must Make Presence Felt on Islands* 2006. Retrieved march 2006 from <http://www.thejakartapost.com/yesterdaydetail.asp?fileid=20060313.A01>
- Strategic Plan for the Management of Forest Area in Border Region of RI-Malaysia* 2005, Retrieved June, 2006 from <http://www.dephut.go.id/informasi/intag/renstra-batas/isi-renstra.pdf>
- Wewenang Milik Pusat, Masalah Milik Daerah* 2004, Retrieved March 2006 from <http://www.kalbar.go.id/>
- Yohanes RJ 1970, *Derita Tak Berujung Dayak Bungau*. Retrieved June 2006 from http://www.walhi.or.id/kampanye/hutan/shk/050828_dykbugau_cu/