that Indonesia’s democracy and decentralization are not based on any specific paradigm nor consensus among policy-makers. With its procedural-electoral democracy, Indonesia’s president needs to form a coalition in Parliament for a law to be passed. In the case of weak leadership, where there are dissenting voices from different political parties with varied political interests, democracy is often complicated and may not represent the people’s interests. Hence, the aspiration of achieving democracy under this unstable and fragmented political system needs to be reconsidered. It is interesting that the author believes Indonesia’s democratic consolidation to be promising, despite its present “messy” and “noisy” nature.

In conclusion, the book serves as a useful reference for those who are interested in understanding the extent to which economic policies work in Indonesia. Although there are some mathematical notations and econometrics models that could be too technical for non-economists, the book still provides valuable insights on the nature and dynamics of the macroeconomic policies and its associated challenges in the “new” Indonesia.

SIWAGE DHARMA NEGARA
Institute of Southeast Asian Studies,
30 Heng Mui Keng Terrace, Singapore 119614
email: siwage_dharma_negara@iseas.edu.sg

DOE: 10.1355/ac32-2k


This book is the first in-depth study of toll roads in Indonesia — the most significant sign of infrastructural development. It analyses the political economy of road construction by listing the multitudinous factors and actors involved, as well as the inter-relationships and conflicts between them. It meticulously documents the numerous projects across different time periods and the behaviour of the state in dealing with them. The mismanagement of private sector involvement, the lack of care and legal certainty for land owners, and the rampant corruption and nepotism has meant the indefinite prolonging of these toll road projects — often at the cost of average citizens, whom the projects should actually benefit.

By discussing and chronologically outlining the development plans and execution of the various toll roads in Indonesia, the book provides an analytical explanation of the struggle behind these projects. Scrutinizing New Institutional Economics and choosing political sociology as a framework (as opposed to developmental economics or economic sociology, for instance) also allows the book to efficiently discuss the structural and governmental problems that afflict this sector.

Davidson provides a useful study the history of the state’s choice to focus on toll roads, and how it has developed into such a lucrative yet problem-rigged sector. This book verifies in great detail every project (with specific kilometric measurements), how many concessionaires were involved and the share of the project each of them acquires. In doing so, the book also reveals the connections between the players, tycoons and politicians. Achieving this gives great insights into the business networks of this sector — specifically how interconnected they are, and how deeply-penetrating their influence in Indonesia’s state sectors and politics are.

The role of various administrations, in particular Suharto’s, was absolutely essential in determining how each project developed. In this discussion, the focus on the role and influence of Suharto’s children in the sector — while no secret — is particularly illuminating. Their involvement, under the guise of their businesses, in building toll roads certainly serves as one of the best case studies on the extent of the corruption, collusion, and nepotism in Indonesia under Suharto. Beyond the domination of these palace children, looking into the struggles of the subsequent governments to improve the delivery of the various projects in this sector is equally useful in understanding the state’s capacity (or lack thereof), and the fact that
progress under subsequent administrations has still been slow.

The book also explores the transfer of administrations — and thus of their problems — and their implications on the sector. For instance, under pressure from the International Monetary Fund (IMF) during the post-Suharto era, the government had to shut down various toll road projects in a bid to assure the Fund that the state was controlling financially unsound projects. This has understandably created more problems for the sector. As another example, the various post-1998 administrations had to keep road tariffs low in order to maintain political support from road users. The book details the intricacies of policies such as rate increases and land acquisition, by looking at the politico-economic issues that different governments had to consider. In doing this, the book also reveals the political atmosphere in which they had to manoeuvre. Specifically, the rampant anti-Suharto sentiments and the following political euphoria were instrumental to how post-Suharto presidents behaved and made decisions. Simultaneously, the leaders had to juggle the need to boost infrastructure developments with other reform-oriented policies, while trying to maintain economic stability. All these have meant further delays and uncertainties for the proposed toll road projects.

The book’s exploration of land acquisition issues are also of particular interest. Some illuminating findings include the complexity of fund disbursement for land acquisition, and case studies of the difficulties in acquiring land in Java’s densely populated areas. At certain points, the book even extends its analysis to touch upon the influence of particular parties, and how this has affected the ability of certain presidencies to acquire land. Understandably, some parties, especially Partai Golkar, have a stronger influence on the ground. For example, while ex-President Yudhoyono enjoyed immense popularity, his party (Partai Demokrat) did not carry enough political weight to help him implement land acquisition policies.

If the book has any serious shortcoming, it would be the lack of a comprehensive data table on the various toll road projects — their lengths, concessionaires, and the amount of contract or shares that each of them had throughout the different administrations. Of course, it is not difficult for enthusiasts to do this with the information provided across the various chapters.

Overall, this book has three main achievements. Firstly, its comprehensive analysis brings together historical, sociological and politico-economic approaches to understanding the problems of building toll roads, problems probably faced in a similar way by Indonesia’s other infrastructure projects. Through focusing on a specific sector, this book draws out the complications in governing a complex society like Indonesia. Secondly, it provides great insight into the capacity of the Indonesian state, more accurately the lack thereof, to execute policies. In this, the book details the social, legal and economic challenges to implementing development projects; this is useful for Indonesianists and development enthusiasts. Thirdly, the detailed discussion on key players and their politico-business networks serves as a strong reminder of the fact that contemporary Indonesia is still very much under the grip of the same old actors. This offers an important explanation of how and why Indonesia’s democracy has stalled.

ULLA FIONNA
Institute of Southeast Asian Studies,
30 Heng Mui Keng Terrace, Singapore 119614
email: ufionna@iseas.edu.sg