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DEVOLUTION IN TEXT, DECONCENTRATION IN PRACTICE: PSEUDO-DECENTRALIZATION UNDER INDONESIA'S NEW ORDER (1966–1998) AND ITS LEGAL TEXTS AS SOURCES FOR HISTORY LEARNING

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ABSTRACT

Indonesia's New Order wrote regional autonomy into law, yet governed the regions from Jakarta for almost a quarter of a century. This contradiction is usually asserted rather than explained, and it is seldom used as material for teaching how legal promises and political practice diverge. This article examines how the contradiction was built and sustained, and how its documents can serve history learning. Using the historical method (heuristics, source criticism, interpretation, and historiography), it reads four regulations as primary sources: Law No. 5/1974, Law No. 5/1979, Government Regulation No. 45/1992, and Government Regulation No. 8/1995. Each text was examined with three guiding questions, checked against published fiscal data, and interpreted through the political, fiscal, and administrative dimensions of decentralization. The findings show that Law No. 5/1974 placed autonomy on second-level regions while making regional heads central appointees, accountable upward, and "sole rulers" as representatives of the centre. The autonomy clause waited eighteen years for its implementing regulation and was trialled in only 26 districts in 1995; between 1995 and 2000, transfers supplied about 75 percent of regional revenue and about 85 percent of district revenue. The 1979 village law extended the same logic downward. The article concludes that the documents establish an institutional design, devolution in text and deconcentration in practice, best interpreted as serving stability, development, and patronage. It also proposes a primary-source learning sequence that uses these short legal texts to train sourcing, chronological reasoning, and causal explanation in senior high school history.

Keywords: *History learning, Law No. 5/1974, New Order, primary sources, pseudo-decentralization.*

INTRODUCTION

Soon after consolidating its grip on the state, the New Order issued a regional government law that promised "real and responsible autonomy." Law No. 5/1974 replaced Law No. 18/1965 and remained in force for almost twenty-five years, until Law No. 22/1999 took its place (Republik Indonesia, 1974, 1999). The historical puzzle behind it is simple to state but has not been fully answered. Why did a regime known for its centralism bother to write regional autonomy into its laws, and how was that writing kept from actually moving power to the regions?

Scholarship on centre–region relations in Indonesia is long and rich. Legge (1961) mapped the tug-of-war between central authority and regional autonomy in the 1950s, a

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decade in which regional rebellions and federalist debates left a deep mark on the memory of Jakarta's elite. For the New Order, MacAndrews (1986) and Devas (1989) showed that regional development and its financing were steered from the centre, and Smoke and Lewis (1996) described the financing and delivery of local public services in Indonesia as highly centralized. At the village level, Kato (1989) traced the friction between the 1979 Village Law and adat communities, while Antlöv (1995) described how village leadership in Java was drawn into the service of the state.

After 1998 the scholarly spotlight moved to post-reform decentralization, and the New Order usually appears there as a starting point or a backdrop (Aspinall & Fealy, 2003; Hadiz, 2004; Schulte Nordholt & van Klinken, 2007; Talitha et al., 2020). Studies from the last decade on village law have returned to the 1979 statute mainly to explain what the 2014 Village Law was meant to undo (Antlöv et al., 2016; Timotius, 2018; Vel et al., 2017). Constitutional and socio-legal studies read the New Order as one stage in the search for an ideal centre–region relationship (Ridwansyah, 2017; Rosida, 2023), and a recent study calls 1950s decentralization a political illusion (Habibani et al., 2025). These works share one verdict: New Order governance stayed centralized behind a formal frame of decentralization. Yet that verdict is rarely anchored in the wording of specific articles or in the timeline of their implementation, although for a historian the distance between what a legal text promised and what was realized over time is precisely the strongest kind of evidence.

Two habits keep the question open. The first treats New Order centralism as self-evident, so its mechanisms are seldom taken apart. The second is disciplinary separation: lawyers read the statutes, economists study transfers, and anthropologists study villages, but the three rarely meet in one historical frame. A third gap concerns history education. Research on Indonesian history textbooks shows that New Order narratives were shaped by state ideology and that the single national narrative of the period survived into the Reformasi curriculum (Darmawan & Mulyana, 2020; Purwanta, 2018). Regional autonomy is therefore usually taught as an achievement of Reformasi, while the system that preceded it is rarely examined through its own documents. Students therefore struggle to see why decentralization was demanded so urgently after 1998.

This article addresses these gaps by rereading the core regional and village government regulations of the New Order as primary sources within an explicit conceptual frame. Rondinelli and Cheema (1983) distinguish three forms of transferring authority: deconcentration, delegation, and devolution. Deconcentration shifts administrative tasks to central officials working in the regions, and delegation assigns defined tasks to bodies that remain under ultimate central control. Devolution, the strongest form, transfers powers to autonomous local governments that answer to their own citizens. Falleti (2005) separates decentralization into administrative, fiscal, and political dimensions, and Hutchcroft (2001) reminds us that a state can decentralize administration while keeping political power concentrated.

On that basis, pseudo-decentralization is defined here as a condition in which the legal text promises devolution while all three dimensions remain under central control in

practice. The political dimension concerns who selects regional officials and to whom they answer. The fiscal dimension concerns where regional money comes from and who decides how it is spent. The administrative dimension concerns which affairs are actually handed over and who can overturn regional decisions. The label "pseudo" can thus be tested dimension by dimension rather than asserted.

The study also speaks to current curriculum demands. The Kurikulum Merdeka history outcomes for Phase F ask students to analyse and evaluate the New Order and Reformasi governments while practising diachronic, synchronic, and causal thinking and the steps of historical research (Badan Standar, Kurikulum, dan Asesmen Pendidikan [BSKAP], 2024). Research on history learning in Indonesia has linked historical understanding to national insight and critical thinking (Setiawan et al., 2020; Setyowati et al., 2023) and has called for learning that builds historical awareness rather than memorization (Kurniawanti, 2026; Putri et al., 2025). Short legal texts suit this purpose because they are authentic, brief, and open to historians' questions (Reisman, 2012; Wineburg, 1991).

Three questions guide the article: (1) how the legal architecture of regional and village government distributed authority across the political, fiscal, and administrative dimensions; (2) how the textual promise of autonomy was implemented over time; and (3) what this pattern reveals about the regime and how it can be used in history learning. The novelty of the article lies in combining a clause-by-clause and chronological reading of the statutes with fiscal evidence in a single historical frame, and in turning that reading into a learning design for senior high school history.

RESEARCH METHOD

This study is a qualitative historical study that follows the four stages of the historical method: heuristics, source criticism, interpretation, and historiography (Kuntowijoyo, 2013; Sjamsuddin, 2007). The period is bounded by 1966 and 1998. The dates mark the rise of the New Order and the end of Soeharto's presidency; Law No. 22/1999, enacted on 7 May 1999, is used only for comparison (Republik Indonesia, 1999).

Heuristics gathered sources in two layers. The first layer consists of primary legal texts: Law No. 5/1974 on the Principles of Regional Government, Law No. 5/1979 on Village Government, Government Regulation No. 45/1992 on implementing regional autonomy with the emphasis on second-level regions, and Government Regulation No. 8/1995 on transferring part of government affairs to 26 pilot second-level regions (Republik Indonesia, 1974, 1979, 1992, 1995). The texts were obtained from the legal databases of the Audit Board (BPK), the National Law Development Agency (BPHN), and a public legal repository. The second layer consists of monographs and journal articles on regional government, regional finance, and village government under the New Order, including the fiscal series compiled by Lewis (2002).

In the source-criticism stage, external criticism verified each legal text by matching its title, number, and date of enactment across more than one database. Internal criticism compared the wording of each article with secondary accounts of its implementation, so

that legal claims were never taken as descriptions of reality. Every legal text was then read with three guiding questions: Who selects or appoints the regional official? To whom is that official accountable? Who has the power to approve, suspend, or annul regional decisions? Applied identically to every regulation, they made the readings comparable, while enactment dates were recorded to build a chronology of promise and implementation.

In the interpretation stage, every provision and item of evidence was coded into Falleti's (2005) three dimensions and placed on Rondinelli and Cheema's (1983) typology of deconcentration, delegation, and devolution. The coded results were arranged into comparison tables and a timeline, which were then written up as a historical narrative in the historiography stage. The study rests on legal texts and published literature; it did not consult regional archives or interview historical actors, a limitation whose consequences are explained below.

The coding followed explicit decision rules, applied identically to every regulation. For the dimensions, a provision was coded as political when it governed how regional or village officials were selected, to whom they answered, and how far representative bodies could check them; as fiscal when it governed revenue sources, transfers, and authority over spending; and as administrative when it governed which affairs were assigned to a level of government, who carried them out, and who could approve, suspend, or annul regional decisions (Falleti, 2005). A provision touching more than one dimension was coded under the dimension it regulated most directly and noted under the others. For the typology, each provision was tested with two questions: who receives the authority, and to whom the recipient answers (Rondinelli & Cheema, 1983). Authority exercised by central officials, or by regional heads acting as the centre's representatives in the field, was coded as deconcentration. Authority assigned to a regional body for defined tasks while the centre kept final control over appointment, approval, or annulment was coded as delegation; this applied, for example, to assistance tasks and to the listed affairs transferred in 1995 to pilot regions whose heads were still centrally appointed. Authority transferred to an autonomous government whose head was chosen locally and answered to a local representative body was coded as devolution. A provision that announced such a transfer without an operative mechanism, such as Article 11 of Law No. 5/1974, was coded as promised devolution, and its realization was traced through later regulations. Provisions that withdrew or overrode a devolved element, such as central appointment, upward accountability, prior approval, or annulment from above, were coded as central control. Fiscal data were coded by source: own-source revenue was treated as an indicator of fiscal autonomy, and revenue sharing, SDO, and Inpres grants as central transfers. Each coding decision was recorded with its article number so that it can be checked against the text (Tables 2 and 5).

The absence of regional archives and oral testimony limits what the evidence can show. The statutes establish the formal distribution of authority and the dates on which promised powers were, or were not, made operative, and the fiscal series establishes the aggregate dependence of the regions on central transfers. These sources cannot show how

individual governors, regents, and DPRD members used, negotiated, or quietly resisted the rules, how far practice differed from one region to another, or what central officials intended when implementation was delayed. Claims about implementation are therefore confined to the national legal and fiscal pattern, and statements about the regime's motives are presented as interpretations of that pattern, not as documented intentions. Table 1 summarizes the procedure.

Table 1. Research Stages, Data, and Analytical Procedure

Stage	Data and sources	Procedure
Heuristics	Four New Order regulations; Law No. 22/1999 (comparison); monographs, articles, fiscal series	Collecting texts from BPK, BPHN, and a public repository; collecting literature
Source criticism	Titles, numbers, dates, wording	Cross-checking databases; comparing wording with implementation studies
Interpretation	Coded articles and fiscal data	Three guiding questions; coding into three dimensions and the deconcentration–devolution typology using explicit decision rules
Historiography	Comparison tables and timeline	Writing a chronological and analytical narrative; deriving a learning sequence

Source: Authors' research design.

RESULTS AND DISCUSSION

Legal Architecture: Autonomy Framed by the Centre's Representative

Law No. 5/1974 organized regional government on three principles at once: decentralization, deconcentration, and assistance tasks (*tugas pembantuan*). Under the law, the autonomous regions had two tiers, Daerah Tingkat I (provinces) and Daerah Tingkat II (regencies and municipalities), and each tier was at the same time an administrative territory headed by the centre's representative (Republik Indonesia, 1974, Arts. 3, 72, 80). The wording leaned toward autonomy. Article 11(1) declared that the emphasis of regional autonomy "is placed on the second-level region," and Article 13(1) defined regional government as the regional head together with the regional legislature (DPRD) (Republik Indonesia, 1974, Arts. 11, 13). The articles that decided who actually held power, however, pointed elsewhere.

Take the filling of office first. Under Article 15, the provincial DPRD nominated and elected candidates for governor, and the result was sent to the President through the Minister of Home Affairs as "at least two persons," one of whom was to be appointed. Article 16 did the same for regencies and municipalities, with the Minister appointing (Republik Indonesia, 1974, Arts. 15–16). The council produced only a shortlist, and the phrase "at least two persons" mattered. Because the centre need not appoint the top vote-getter, candidates had more reason to court Jakarta than the DPRD; the vote was a filter, not a mandate.

Accountability ran the same way. Article 22(2) stated that the regional head was hierarchically accountable to the President through the Minister of Home Affairs, whereas

Article 22(3) required only that the head give the DPRD an accountability statement at least once a year (Republik Indonesia, 1974, Art. 22). The regional council could hear a report, but it could not hold the head to account.

The regional head was also the head of an administrative territory. Article 80 named this territorial head, as representative of the government, the "sole ruler in the field of government within his territory," charged with leading administration, coordinating development, and fostering community life in all fields (Republik Indonesia, 1974, Art. 80). Because one person held both the autonomous and the deconcentrated office, the boundary between regional and central affairs blurred, and hierarchy tended to win. Finally, Article 68 allowed the government to require that certain regional regulations and decisions take effect only after approval by a higher official, and the following articles gave higher officials, ultimately the Minister of Home Affairs, the power to suspend or annul regional regulations judged contrary to the public interest or to higher legislation (Republik Indonesia, 1974, Arts. 68–70). Table 2 sums up these mechanisms by dimension.

Table 2. Mechanisms of Central Control in Law No. 5/1974

Article	Core provision	Dimension	Character
Art. 11	Autonomy emphasis on Daerah Tingkat II; implementation left to a government regulation	Administrative	Devolution (promised)
Arts. 15–16	DPRD nominates and elects; President/Minister appoints one of at least two candidates	Political	Central control
Art. 22	Head accountable to the President through the Minister; DPRD receives only a statement	Political	Central control
Art. 80	Territorial head as government representative and "sole ruler" in his territory	Administrative	Deconcentration
Arts. 68–70	Some regional rules need approval; regional rules may be suspended or annulled from above	Administrative	Central control

Source: Compiled from Republik Indonesia (1974).

Table 2 shows two devolutionary elements, the emphasis on second-level regions and the DPRD, ringed by provisions that pulled control back to the centre. The same pattern appeared in the regional party arena that the regime controlled. In Gorontalo, the Indonesian Democratic Party (PDI) never won any of the five New Order general elections and consistently finished behind the government-backed Golkar, despite building a loyal base through direct community work (Mayang Rasti et al., 2024). A DPRD produced by such elections was unlikely to use even its limited role under Articles 15 and 16. The governance of regions and the governance of political competition shared one grammar.

A Deferred Promise: Implementing the Autonomy Clause, 1974–1995

Article 11(2) of Law No. 5/1974 stated that the emphasis on second-level regions would be put into effect by a government regulation. That regulation arrived only on 19 August 1992, as Government Regulation No. 45/1992, eighteen years after the law itself. Its Article 2 said cautiously that most government affairs would be handed to second-level regions "gradually and continuously" (Republik Indonesia, 1992, Art. 2).

The next step came three years later with Government Regulation No. 8/1995. It transferred a listed set of affairs, but only to 26 second-level regions designated as pilots (Republik Indonesia, 1995). Twenty-one years after the promise, implementation was still an experiment in a small corner of the country. Table 3 and Figure 1 lay out this chronology.

Table 3. Chronology of the Promise and Implementation of Autonomy for Daerah Tingkat II

Year	Instrument	Relevant content	Years after 1974
1974	Law No. 5/1974	Autonomy rests on Daerah Tingkat II; implementation awaits a government regulation (Art. 11(2))	0
1979	Law No. 5/1979	Uniform villages; village head accountable to the regent through the camat	5
1992	Gov. Reg. No. 45/1992	Affairs to be handed to Daerah Tingkat II "gradually and continuously"	18
1995	Gov. Reg. No. 8/1995	Part of government affairs transferred to 26 pilot Daerah Tingkat II	21
1999	Law No. 22/1999	Comparison: heads elected by and accountable to the DPRD	25

Source: Compiled from Republik Indonesia (1974, 1979, 1992, 1995, 1999).

The pseudo-character of New Order decentralization thus lay not only in what the articles said but in when they took effect. The centre held the calendar. The promise stayed on the statute book, while its realization was postponed, rationed, and confined to selected regions. The documents establish two facts: the government regulation required by Article 11(2) did not appear for eighteen years, and when it appeared, implementation was gradual and confined to pilot regions. The legal texts themselves do not record why the delay occurred. Read against the centre's full control over issuing implementing regulations, and against the readiness with which the centre enacted the 1979 Village Law, which extended central control to the villages within five years of the 1974 law, the eighteen-year gap is best interpreted as a matter of political choice rather than technical incapacity. This is a historical inference from the documented pattern, not a recorded statement of intent.

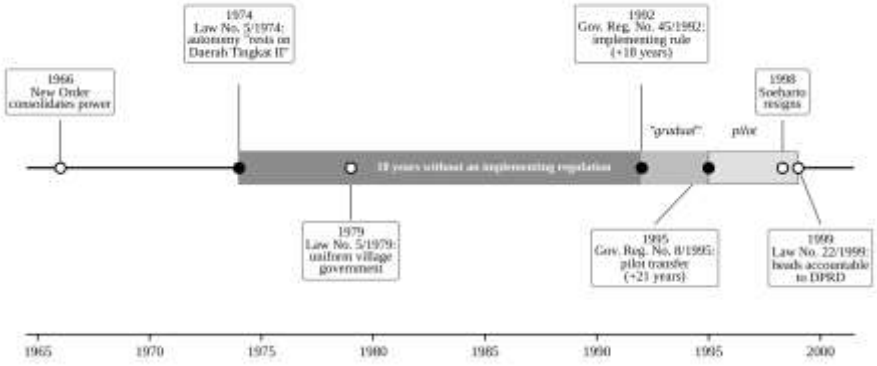


Figure 1. The Gap between the Promise and the Implementation of Regional Autonomy, 1966–1999
Source: Authors' visualization based on Republik Indonesia (1974, 1979, 1992, 1995, 1999).

The Fiscal Dimension: Regions Living on Transfers

Data compiled by Lewis (2002, p. 143) for fiscal years 1995/96 to 1999/2000 show that central transfers formed, on average, about three quarters of total regional government revenue. The share was just under 60 percent for provinces and about 85 percent for regencies and municipalities. Table 4 breaks these averages down by source.

Table 4. Average Composition of Regional Government Revenue, FY 1995/96–1999/2000 (%)

Revenue source	Provinces	Districts/ municipalities	All regions
Own-source revenue	34.3	11.9	20.8
Revenue sharing	12.1	14.3	13.4
Subsidy for Autonomous Regions (SDO)	30.9	43.1	38.2
Inpres grants	16.5	28.0	23.4
Carried over from prior year	6.2	2.8	4.1
Total central transfers (sharing + SDO + Inpres)	59.5	85.4	75.0

Source: Calculated from Lewis (2002, Table 1, p. 143).

The largest single item was the Subsidy for Autonomous Regions (*Subsidi Daerah Otonom*, SDO), at about 38 percent of all regional revenue. SDO went mainly to pay regional employees, covering almost the entire amount of regional civil servant salaries and allowances, including those of primary school teachers (Lewis, 2002, p. 144). Alongside SDO, the centre channelled Presidential Instruction (Inpres) grants. Introduced in the early 1970s as development assistance to provinces, districts, and villages, these grants had grown by the late 1990s into at least fifteen specific-purpose transfers for primary schools, primary health care, roads, and other infrastructure, whose use was fixed from above (Devas, 1989; Lewis, 2002, p. 145; MacAndrews, 1986).

The second-level region, where the law placed the weight of autonomy, was the most fiscally dependent tier. It drew roughly 85 percent of its revenue from transfers and under 12 percent from its own sources, so autonomy in practice meant running programmes financed and defined by the centre. Pepinsky and Wihardja (2011) note that this heavy dependence on the centre was the baseline from which post-1999 fiscal decentralization began. Fiscal centralization acted as an additional lock on powers that had formally been handed over.

The Village: Uniformity and Upward Accountability

Law No. 5/1979 on Village Government carried the same logic down to the lowest tier. Villagers elected their head directly (Art. 5), but the head was appointed by the regent or mayor on behalf of the governor (Art. 6) and served an eight-year term (Art. 7). Article 10(2) made the village head accountable to the appointing official through the sub-district head (*camat*), while the Village Consultative Council (*Lembaga Musyawarah Desa*, LMD) received only an accountability statement. The LMD itself was chaired ex officio by the village head (Art. 17(2)), so the body meant to host community deliberation was led by the very official it was supposed to watch (Republik Indonesia, 1979, Arts. 5–7, 10, 17).

By imposing a single village model on the whole country, Law No. 5/1979 hit hardest where indigenous institutions survived, displacing units such as the *nagari* of Minangkabau. Kato (1989) captured the result with the image of "different fields, similar locusts." Legal scholars likewise read the 1979 law as a Java-based uniform model that weakened customary law communities outside Java (Timotius, 2018), and Vel et al. (2017) show that it defined the village as an administrative unit under the *camat*, built institutions under firm village-head control, and further weakened customary land claims. In Java, Antlöv (1995) showed that New Order village heads functioned as extensions of the state apparatus, brokers who carried development programmes and political loyalty from the centre to the periphery.

The village was thus a miniature of the region, except that the village head even presided over the body that received his report. Antlöv (2003) observes that the post-1999 framework, with its elected village representative councils, was designed to break this pattern, which indirectly confirms what had been missing before: a village body able to supervise its own head. Antlöv et al. (2016) add that this pattern of control began to be dismantled in earnest only with the 2014 Village Law. Local histories of the reform era agree. The creation of Hutakalo Village in North Gorontalo through a 2010 regional regulation, followed by measurable growth in education, population, and small enterprises, was possible only within a legal order that had abandoned the uniform village of 1979 (Pitoi et al., 2025).

Devolution in Text, Deconcentration in Practice

Read through Rondinelli and Cheema's (1983) typology, New Order regional government was drafted in the language of devolution but run on the logic of

deconcentration. The defining traits of devolution, autonomous, elected, and locally accountable governments, were cut off at three points: heads appointed by the centre (Arts. 15–16), accountability flowing upward (Art. 22), and the fusion of the autonomous office with the post of central representative (Art. 80). Table 5 sets out this reading across Falleti's (2005) three dimensions.

Table 5. Reading New Order Regional Government through Three Dimensions of Decentralization

Dimension	Promise in the text	Practice and mechanism	Verdict
Political	DPRD as part of regional government (Art. 13)	Head appointed by the centre (Arts. 15–16); accountable upward (Art. 22)	Centralized
Fiscal	Regions manage their own household affairs	±75% of revenue from transfers; ±85% for districts; SDO pays salaries	Centralized
Administrative	Emphasis on Daerah Tingkat II (Art. 11)	Implementing rule delayed to 1992; pilot in 26 districts only (1995); annulment from above (Arts. 68–70)	Deconcentrated

Source: Authors' analysis based on Republik Indonesia (1974), Falleti (2005), Rondinelli and Cheema (1983), and Lewis (2002).

The matrix fits Hutchcroft's (2001) observation that a state can deconcentrate administration while keeping political power concentrated, and the New Order is a clear case of that combination. The central argument can be stated at two levels of certainty. At the level of documented evidence, the provisions that held autonomy back were not deviations that crept in during practice. Appointment from above, upward accountability, the dual office of the regional head, and annulment from above were written into the same law that promised autonomy, and the issuing of implementing regulations remained entirely in central hands. This institutional centralization can be read directly from the texts and their dates. At the level of interpretation, the consistency of these provisions and the length of the delay make it unlikely that New Order pseudo-decentralization was merely an implementation failure, a well-meant reform stalled by weak regional capacity. The pattern is better explained as a design that served the regime's priorities. Because direct documentary evidence of policy intent, such as cabinet minutes or internal ministry memoranda, was not available to this study, this second claim remains an inference from the institutional record rather than a demonstrated motive.

Placed against earlier and recent scholarship, these findings confirm, differ from, and extend existing accounts. They confirm the long-standing verdict that New Order governance was centralized behind a decentralist frame (Rosida, 2023; Smoke & Lewis, 1996), and they agree with a recent historical reading of Law No. 5/1974 that links its limited autonomy to the regime's priority on political stability and national integration after the regional rebellions (Edward et al., 2024). At the village level, they are consistent with recent legal research showing that the 1979 law removed the original autonomy of villages and treated them as administrative units under the sub-district (April et al., 2023).

The findings differ, however, from accounts that use the New Order mainly as a backdrop to post-1998 reform (Aspinall & Fealy, 2003; Schulte Nordholt & van Klinken, 2007; Talitha et al., 2020), and from readings of the mid-1990s district pilot programme chiefly as the start of a reform agenda (Smoke & Lewis, 1996); the chronology here shows that the same programme also marked how late and how narrowly the 1974 promise was made operative. Finally, the findings extend the argument of Habibani et al. (2025) that decentralization in the parliamentary era was a political illusion, by showing that under the New Order the gap between autonomy in theory and centralized practice was codified, financed, and maintained for a quarter of a century. Recent work on Law No. 1/2022 on central and regional fiscal relations shows that central control over the regions is again being pursued through earmarked transfers, performance incentives, and spending mandates (Lewis, 2023), which suggests that the fiscal instruments described here are not merely a New Order relic but a recurring tool of central steering.

Why a Centralizing Regime Wrote Autonomy into Law

Why would a regime that showed no sign of yielding power write autonomy into its law? The legal texts do not state the regime's reasons, so the explanations offered here are interpretive; three of them work together. The first lies in political memory. The 1950s were marked by centre–region tension that escalated into armed rebellion, and the national elite came to link broad autonomy with the threat of disintegration (Legge, 1961). The word "federalism" itself became taboo in Indonesian political discourse (Ferrazzi, 2000). Autonomy had to exist because Article 18 of the 1945 Constitution required it, but it had to be guarded so that it never became a gateway for regional power. Bertrand (2007) shows that this integrationist reflex stayed strong even when the state later had to offer special accommodation to particular regions.

The second lies in the regime's priorities. The New Order built its legitimacy on stability and development. The regions were sites for carrying out national programmes, not arenas of decision-making. The character of the state as a bureaucratic polity, in which major decisions were made within a narrow circle of bureaucrats and officers, made a hierarchical regional structure a natural extension of the way the regime governed (Emmerson, 1983; Jackson, 1978). The same logic shaped the school curriculum of the period, in which history textbooks carried the government's ideological interests and a single national narrative (Darmawan & Mulyana, 2020; Purwanta, 2018).

The third lies in the way power was shared out. Centrally appointed regional headships were a valuable source of patronage. Placing military officers in civilian posts, regional heads included, belonged to *dwifungsi* and to the regime's patrimonial pattern (Crouch, 1979; Mackie, 2010). Had regional heads been elected by and accountable to the DPRD, the centre would have lost one of its chief instruments for rewarding allies and securing loyalty. On this interpretation, autonomy was written because it lent constitutional legitimacy and a modern face to the system, and it was most plausibly not carried out because doing so would have eroded stability, programme control, and patronage.

Continuities, Reversal, and the Limits of the Argument

The findings belong to a longer arc. Studies of the parliamentary democracy era show that the gap between autonomy in theory and centralized practice was already visible in the 1950s (Habibani et al., 2025; Legge, 1961). The New Order did not invent pseudo-decentralization; what set it apart was the consistency with which it held the regions for twenty-five years through law, money, and personnel.

The argument has limits. Government Regulations No. 45/1992 and No. 8/1995 reflect pressure, from technocrats and from policy dialogue with development agencies, to begin shifting affairs to districts and municipalities (Smoke & Lewis, 1996). Regional experiences also varied, which only regional archives and oral history can test. Because this study did not draw on regional archives, it cannot measure how far individual regions bargained with Jakarta, delayed central instructions, or used the room the law left them, nor can it document the intentions of the officials who timed the implementing regulations. The argument about design should therefore be read as an interpretation of the national legal and fiscal record, one that regional archives, local newspapers, and oral history could confirm, qualify, or refute.

After 1998 the reaction to this design came quickly and radically. Law No. 22/1999 made regional heads elected by and accountable to the DPRD, reversing the line of accountability set by Law No. 5/1974. Rochmat (2017) shows that consolidating the post-Soeharto democratic transition, including under President Abdurrahman Wahid, was a contested process in which old institutions did not simply disappear. Table 6 compares the two laws.

Table 6. Law No. 5/1974 and Law No. 22/1999 Compared

Aspect	Law No. 5/1974	Law No. 22/1999
Filling the head's office	Nominated and elected by DPRD; President/Minister appoints one of at least two	Elected by DPRD; result ratified by the President
Line of accountability	Upward, to the President through the Minister; DPRD receives a statement	To the DPRD
Head as central representative	Head is also territorial head, the "sole ruler"	Only the governor represents the centre; districts not subordinate to provinces
Supervision of regional rules	Approval required for some; suspension and annulment from above	Rules reported to the centre; may be annulled if contrary
Village body	LMD chaired by the village head	Village Representative Council elected by villagers

Source: Compiled from Republik Indonesia (1974, 1999) and Antlöv (2003).

Nearly every mechanism of central control in Law No. 5/1974 found its counterweight in the new law. Post-reform research, however, shows that legal change did not automatically erase the old legacy, because elite networks and bureaucratic habits formed under the New Order adapted to the new rules (Hadiz, 2004, 2010; Schulte

Nordholt & van Klinken, 2007; Talitha et al., 2020). Understanding the design of pseudo-decentralization therefore still matters for making sense of decentralization today.

Implications for History Learning: Reading the Statute as Evidence

For history education, these findings open the door to learning from primary sources that are short, authentic, and easy to obtain. Articles 11, 22, and 80 of Law No. 5/1974 and Article 10 of Law No. 5/1979 can each be read in minutes, and their value lies in the gap between them: one article promises, another restricts. Asking students to explain that gap trains the habits that Wineburg (1991) identified in expert historians, namely sourcing a document, reading it in context, and corroborating it with other evidence. Reisman (2012) showed that a document-based curriculum built on such habits improved high school students' historical thinking and reading comprehension, while Seixas (2017) and Seixas and Morton (2013) place evidence, continuity and change, and cause and consequence at the centre of historical thinking.

These aims match the Indonesian curriculum. The Phase F outcomes require students to analyse the New Order and Reformasi governments, to think diachronically, synchronically, and causally, and to practise heuristics, verification, interpretation, and historiography (BSKAP, 2024). The four stages used in this study can be carried into the classroom almost unchanged. Figure 2 sets out a learning sequence of four steps that can be completed in two meetings.

Students first restate what Article 11 promised, then answer this study's three guiding questions for Articles 15, 16, 22, and 80 in a grid similar to Table 2. They next build a timeline like Figure 1 and explain why eighteen years passed before Article 11 was implemented. Finally, they compare their findings with Law No. 22/1999 and Table 4, which shows that power flows through money as well as law, and write a short evidence-based explanation of why decentralization became a central demand of Reformasi.

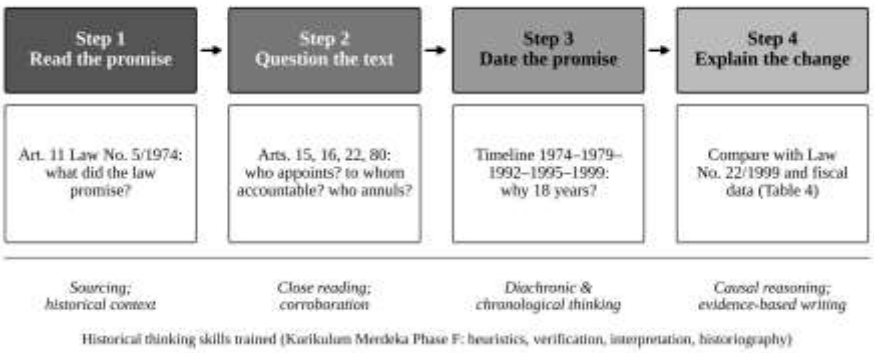


Figure 2. A Primary-Source Learning Sequence on New Order Pseudo-Decentralization
Source: Authors' design based on the findings of this study and BSKAP (2024).

The sequence also supports affective goals. Earlier studies have shown that historical understanding contributes to national insight and nationalism (Setiawan et al., 2020) and that learning designed around sources and inquiry strengthens students' critical

thinking and historical awareness (Putri et al., 2025; Setyowati et al., 2023). Reading laws about one's own region connects national history to local experience, a link that contextual and local-history approaches have found effective (Kurniawanti, 2026). Teachers can pair the statutes with local cases such as the regional party politics described by Mayang Rasti et al. (2024) or the displacement of the *nagari* noted by Kato (1989). Because the texts are online, the sequence also suits digital modules, which support historical thinking skills in secondary schools (Mahyudin & Hermansyah, 2025).

Finally, the sequence helps correct a habit identified in textbook research: when New Order history is told as a single national narrative, students learn what the regime did but rarely how it worked (Darmawan & Mulyana, 2020; Purwanta, 2018). Reading the statute as evidence shifts attention from events to institutions and from memorization to explanation.

The novelty of this study lies less in the verdict of centralization than in how that verdict is established and used. First, it moves the verdict from assertion to demonstration: each limiting provision is identified, dated, and coded, so the label "pseudo" can be tested dimension by dimension rather than accepted. Second, it treats time as a mechanism of control. Recent studies describe what Law No. 5/1974 contained and why the regime favoured central control (Edward et al., 2024; Rosida, 2023), whereas this study shows that the eighteen-year delay of the implementing regulation and the confinement of the first transfer to 26 pilot districts were themselves part of how the system worked. Third, it joins legal, fiscal, and village evidence that are usually studied in separate disciplines, and it turns that combined reading into a classroom sequence, answering recent calls for source-based learning that builds historical awareness rather than memorization (Kurniawanti, 2026; Putri et al., 2025). In this way, the study advances existing scholarship by specifying the mechanisms of New Order centralization and making them teachable.

The approach also has relevance beyond Indonesia. Many authoritarian regimes have governed through constitutions and statutes that promised rights, representation, or autonomy while withholding them in practice, and the gap between legal text and political reality can be used to teach about such regimes elsewhere. A recent systematic review of teaching about dictatorial pasts in Chile, Argentina, Uruguay, and Brazil found that curricula and textbooks often present these periods as settled narratives and called for critical, dialogic approaches that open them to inquiry (Sanhueza Rodríguez et al., 2025). Legal sources offer one way to do so, because they let students examine how authoritarian rule was organized rather than only what it did. Classroom research also shows that teachers use primary sources often but evaluate them less consistently unless source evaluation is built into the task (Soininen, 2022), and that units designed explicitly around historical thinking lead students to report more positive perceptions of their learning (López-García, 2023). Debates over history curricula in democratic Spain show, in addition, that what national history is taught, and how, remains politically contested (Delgado, 2023). Short statutes suit such settings because they are official, datable, and verifiable, so students can reach conclusions from evidence rather than from competing

political narratives. Reading laws on decentralization as evidence therefore offers a transferable model for teaching authoritarianism, centre–region relations, and the critical use of legal sources in history education beyond Indonesia.

CONCLUSION

Decentralization under the New Order was pseudo in a testable sense. Law No. 5/1974 promised autonomy centred on second-level regions, yet the same law made regional heads central appointees, accountable upward, "sole rulers" as representatives of the government, and subject to having their decisions annulled from above. The promise received an implementing regulation only in 1992 and was trialled in just 26 districts in 1995, while between 1995 and 2000 about three quarters of regional revenue, and about 85 percent of district revenue, came from central transfers. The 1979 Village Law reproduced the pattern in the village. The result combined devolution in text with deconcentration in practice. The texts and their dates document this institutional centralization directly. Reading it as a design rooted in the memory of disintegration, the priority on stability and development, and the need for patronage is an interpretation of that record, the most plausible one available but one that regional archives should test further. The gap between a legal promise and its timing is thus itself historical evidence. For history education, these short texts offer an authentic route to the Phase F outcomes: by reading, dating, and comparing them, students practise sourcing, chronological and causal reasoning, and evidence-based explanation. The same approach can inform the teaching of authoritarianism, decentralization, and legal sources in other post-authoritarian contexts. Further research should test this pattern at the regional level through local archives, regional newspapers, and oral history, and should evaluate the proposed learning sequence in classrooms.

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