

การจัดการแบบปฏิสัมพันธ์ระหว่างรัฐ เอกชน
ผู้ประกอบการและภาคประชาสังคมในระบบ
ตลาดค้าปลีกท้องถิ่น: ศึกษากรณี เทศบาลมาลัง
จังหวัดชวาตะวันออก อินโดนีเซีย

An Interactive Governance Among State,
Private Enterprise and Civil Society in The Local
Retail Market System (A Case Study of Malang
Municipality, East Java Province, Indonesia

*Badrudin Kurniawan**

บทคัดย่อ

การจัดการแบบปฏิสัมพันธ์เป็นแนวคิดที่เสนอถึงปฏิสัมพันธ์ท่ามกลาง
ตัวแสดงในสถานการณ์หนึ่งๆ การศึกษาในครั้งนี้ ผู้วิจัยได้ศึกษาถึงปฏิสัมพันธ์
ระหว่างตัวแสดงในกรอบของระบบการแข่งขันของตลาดค้าปลีก ซึ่งเป็นส่วนหนึ่ง
ของแนวคิดเสรีนิยมใหม่ ระบบดังกล่าวนี้ส่งเสริมกลไกตลาดเสรีเพื่อการสร้าง
สวัสดิการสังคม อย่างไรก็ตาม ระบบตลาดได้นำไปสู่การแข่งขันค้าปลีกที่ไม่
เท่าเทียมกัน ในหลายประเทศ ตลาดดั้งเดิมพ่ายแพ้ให้กับการมาของห้างขนาด
ยักษ์ซึ่งมีความได้เปรียบกว่าในหลายด้าน อาทิ การขายปลีกที่ถูกกว่า ความ
หลากหลายของสินค้าและคุณภาพของสินค้าที่สูงกว่า หรือการมีสถานที่อันสะดวก

* A student of Double Degree Master Program in University of Brawijaya, Indonesia
and Burapha University, Thailand

สบายกว่า รวมไปถึงการมีบรรจุภัณฑ์ทางอาหารที่มากกว่า ในกรณีของประเทศ อินโดนีเซีย การศึกษาของเอ.ซี.นีลสัน พบว่า ตลาดยุคใหม่เพิ่มจำนวนขึ้นปี ละ 31.4% ในขณะที่ ตลาดดั้งเดิมมีจำนวนลดลงปีละ 8% อันที่จริงแล้ว ตลาด ค้าปลีกยุคใหม่มีใช้มีเพียงเฉพาะห้างขนาดยักษ์เท่านั้น แต่ยังรวมถึงร้านสะดวกซื้อ ด้วย ในปี ค.ศ. 2006 ร้านสะดวกซื้อมีมากถึง 6,465 สาขา และเพิ่มจำนวนอย่าง รวดเร็วเป็น 16,922 สาขาในปี ค.ศ. 2010 สภาพการณ์เช่นนี้ได้สะท้อนให้เห็นว่า รัฐบาลอินโดนีเซียได้ส่งเสริมการแข่งขันที่ไม่เท่าเทียมกันให้เกิดขึ้น โดยที่บทความ ชี้นำนี้ได้แสดงให้เห็นถึงปฏิสัมพันธ์ระหว่างตัวแสดงต่างๆ ภายใต้เงื่อนไขที่วุ่นวายนี้

บทความชิ้นนี้ให้ความสำคัญกับปฏิสัมพันธ์ระหว่างตัวแสดงที่เกิดขึ้น ในเขตเทศบาลมาลัง อันประกอบไปด้วย รัฐบาลท้องถิ่น นักลงทุนตลาดค้าปลีก และภาคประชาสังคม ในช่วงหลายทศวรรษที่ผ่านมา ตลาดดั้งเดิมในเทศบาล มาลังได้ปิดกิจการเป็นจำนวนมาก สวนทางกับตลาดค้าปลีกที่เพิ่มจำนวนสูงขึ้น อย่างรวดเร็ว เงื่อนไขเช่นนี้ก่อให้เกิดทั้งผลดีและผลเสียในเวลาเดียวกัน ในด้าน ลบ ตลาดค้าปลีกแบบใหม่ได้แย่งส่วนแบ่งทางการตลาดมาจากตลาดดั้งเดิม ซึ่งได้นำไปสู่การต่อต้านจากผู้ค้าในตลาดดั้งเดิมและนักเคลื่อนไหวจำนวนหนึ่ง แต่ทว่าในเชิงโครงสร้าง ปฏิสัมพันธ์ระหว่างตัวแสดงเหล่านี้ยังคงดำเนินไปอย่าง ไม่เท่าเทียมกันในการแข่งขันค้าปลีก ด้วยเหตุนี้ ผู้วิจัยจึงพยายามหาทางออกด้วย การชี้ให้เห็นถึงความจริงที่เกิดขึ้น การสร้างนวัตกรรมในการเคลื่อนไหวทางสังคม การสร้างพื้นที่สาธารณะ และการส่งเสริมระบบการกระจายอำนาจ แก่ชุมชนเหล่านี้มีเป้าหมายเพื่อเสนออุดมการณ์ทางเลือกเพื่ออุดช่องว่างที่เป็นอยู่ในปัจจุบัน

Abstract

Interactive governance is a concept that argues an interaction among actors happened within a certain system. In this study, researcher examines an interaction among actors in the frame of retail market competition system. This system was inherently neoliberalism. It supports free - market mechanism for achieving society welfare. However, it

precisely creates an imbalance retail market competition. In several countries, traditional market was bankrupt in competition with supermarket. Supermarket has several eminence compared with traditional market. It tends to charge consumers with lower prices, offer more varieties of products and higher quality products than traditional retailers, has more comfortable place for shopping. Besides, it has their own distribution who supply them with a good quality food package. In Indonesian case, a study by A.C. Nielsen reveals that modern markets are growing by 31.4% a year, whereas traditional markets are decreasing by 8% a year. In fact, modern retail markets refers to not only supermarket but minimarket also. In 2006, the number of minimarket was 6,465 outlets then in 2010 the number of minimarket rapidly grow reached 16,922 outlets. Such condition reflects that Indonesian government prefers to support imbalance retail market competition. This paper show how the interaction actors should be established facing such condition.

This paper focuses on the interaction of Malang Municipality actors in the local retail market system. Those actors included local government, modern retail investor and civil society. In the last decades, in Malang Municipality, the establishment of traditional market was stopped, but since last decades the establishment of modern retail (supermarket, minimarket and mall) grow rapidly. The presence of modern retail has gave positive effects, but also negative effects. It has grabbed the market share of traditional traders. Facing the condition, traditional traders and the other activist held the protest against its presence. But the structure, the role of actors and the form of interation still produce systematically an imbalance retail market competition. Thus, researcher tries to create a systemic

solution by proposing several important aspects such as the redefinition of reality, innovation in social movement, public spheres and decentralized systems. Those aspects reinforce each other to produce potentially alternative ideology which protecting the weak.

Keyword: Interactive Governance, Retail Market, Neoliberalism, Civil Society, Alternative Ideology

INTRODUCTION

Globalization is a phenomenon which has been becoming a part of human history. There are several supporting factors which raise and maintain it but the main supporting factor is economic interest. Nowadays, capital inflow is not happened only at national scale but expands toward global scale. United Nations Conference on Trade and Development (UNCTAD) releases the data of Foreign Direct Investment (FDI) Inflows which showed developing countries absorbed more than a half of world FDI inflows in 2010. (World Investment Report: Non-Equity Modes of International Production And Development, 2011, p. 4) It means that the developing countries market has been more competitive. Domestic players have been competing intensely with foreign players.

In retail market case, traditional market in developing countries has been facing the big competitor namely foreign supermarket. The wave of foreign supermarket diffusion has flowed into developing countries since 1990s until now. The presence of foreign supermarket gave bad impact for domestic retail included traditional market. According to Meuthia Rosfadhila, (Meuthia Rosfadhila, 2007, p. 11) the traders who are first to become bankrupt are usually those who sell processed food, followed by shops that sell fresh produce and traditional markets. In order to be

survive, the traders sell specific products and move to areas where they are protected from the presence of supermarkets.

In Indonesia, Daniel Suryadarma et al. (Daniel Suryadarma et al., 2008, p. 1) said that prior to the arrival of foreign supermarket, local supermarket have started to emerge since 1970s. The location of local supermarket concentrated in several big cities. The arrival of foreign supermarket precisely creates the large number of supermarket in Indonesia then market retail competition become more competitive also. Those foreign supermarkets come from several countries such as France (Carrefour), Hongkong (Giant), Belgium (Superindo), United States (Circle K), Japan (7-Eleven), South Korea (Lotte Mart) and British (Matahari). (Dina Karina Septyani, 2011, p. 1)

Besides, the number of minimarket grows rapidly in Indonesia. According to A.C. Nielsen, the number of minimarket outlet has tendency increasingly every years. In 2006, the number of minimarket was 6,465 outlets then in 2010 the number of minimarket rapidly grow reached 16,922 outlets. He also reveals that modern markets are growing by 31.4% a year, whereas traditional markets are decreasing by 8% a year. ((Taufik Ahmad, 2007, pp. 29-30) Thus, nowadays, traditional market face the big competitor either from foreign players but also from domestic players. Factually, traditional market got less concern from Indonesian government. Indonesian government only take retribution from traditional traders without caring about bad condition of traditional market. The infrastructures of traditional market are poorly maintained. In Malang Municipality, of the total 27 existing traditional markets, approximately 17 traditional markets considered inadequate facilities and infrastructures. (Zar, 2011, p. 1) Ironically, in 2008, the economic growth of Malang Municipality was 6,7%, higher than national and provincial economic growth. Such condition was

recognized by the head of local government, Peni Suparto, caused by the rapid growth of supermarket, mall, and the other investment included minimarket. (Bibin Bintariadi, 2008, p. 1)

There are evidents indicating that the existences of modern retail lead to bad impacts to traditional market. First, in 2006, the presence of Hypermart (foreign supermarket) in Malang Town Square coincided with the lack of visitor and traditional traders in "Comboran" traditional market. (Zar, 2011, p. 1) Although, their location far from each other but they sell similar type of pruducts namely electronic goods, bicycle, household appliances and so on. Second, even in early 2000s, big protest was happened against the presence of minimarket. The large number of minimarket triggered Kemirahan Citizens protests. The protest came from citizens who have shop sell similar products with minimarket. The lastly, the main factor which could trigger the wrath of traditional traders namely the establishment of mall. The location of mall establishment often taken from the current location of traditional market. Using traditional market renovation reason, a mall was easily established and traditional market was renovated by private investor. Whereas, the large capitalist and traditional market traders interests can always be less harmonious. Not only traditional traders who held protests against modern retail. These protests often involved many Non Governmental Organizations (NGOs), academician, student organizations and the other community organizations. The protests are a part of their social movement. By this movement, they want to reach the justice. Even, in the case of Blimbing and Dinoyo market renovation, East Java Governor, Indonesian Ombudsman involved in social movement. Indonesia ombudsmand held a mediation between traditional traders and local government. Although many actors involved in social movement, the number of modern retail has tendency for continuously

increasing. After big protest against minimarket presence, even the number of minimarkets are grow rapidly. Then, after big protest against the involvement of traditional market, the establishment of mall still under process. Then, from considering that, researcher is very interested to do research An Interactive Governance Among State, Private Enterprise and Civil Society in The Local Retail Market System: A Case Study Of Malang Municipality, East Java, Indonesia

RESEARCH METHODOLOGY

This research uses the descriptive analysis method with qualitative approach. Consequently, the data was generated from interview, observation, and documentary analysis. In order to collect data by interviews, researcher determined several key informants. Accordingly, interviews were held in April and September 2012 with some key informants such as The Officer of The Secretariat of the Local Investment, The Officer of The Local Department of Market, The Officer of the Integrated Licensing Service Agency, The Officer of the Local Department of Industry and Trade The Members of Regional People's Representatives Council, Giant supermarket Personnel Manager, The member of Klojen and Dinoyo Traditional Market Association, The Member of Malang Corruption Watch (MCW), The Member of Legal Aid Organization, The Executive Director of the Center for Regional Autonomy. The researcher developed and used an interview guide that contained a list of questions and topics for interviewing. In documentary analysis, the researcher collected materials from various sources, such as book reports, research results, reference books, and other written documents related to the research focus.

INTERACTIVE GOVERNANCE APPROACH AND THE RELATIONSHIP OF CIVIL SOCIETY AND NEOLIBERALISM

Interactive Governance Approach

Interactive governance approach assumes every interaction which is held by actors always be framed in certain system such as interaction among actors in the local retail system. This approach could help the researcher for mapping retail market problems within system perspective. Several problems which found later were problems supporting and maintaining each other. Thus, researcher should find a systemic solution to counter those systemic problems.

According to Jan Kooiman et al (2008, pp. 2-4, 8-9) that interactive governance is the whole of interactions taken to solve societal problems and to create societal opportunities; including the formulation and application of principles guiding those interactions and care for institutions that enable and control them. It could be argued that this definition is categorized as normative definition. He suggested that interaction among actors should solve common problems and create common opportunities although interactions among actors do not always give common benefit.

For using the system concept in interactive governance approach, it is necessary to recognize the term of "governability". Governability is considered to be a quality of societal systems as wholes. In addition, to make the ease of explanation about this, initially we should know three components of governability namely "System to be Governed" (the process and structure of system), "Governing System" (the role and task of actors) and "Governance Interaction" (the form of actors interaction). (Jan Kooiman et al., 2008, pp. 2-4, 8-9) Each component is a subsystem of societal system. So, these subsystems can influence each others and interconnected each others.

The main important point of interactive governance approach is the nature of actors. Actors's behaviour do not always be framed by structures. Structures refers to culture, law, agreements, material and technical possibilities. Actors could changes also these structures. (Jan Kooiman et al., 2008, pp. 2-4, 8-9) For solving local retail market problems, researcher focus on the nature of civil society and their potentially role as transformation agent.

The Relationship of Civil Society and Neoliberalism

Anders Hanberger (2001, pp. 211-228) categorized civil society became four models. First. Libertarian model assumes civil society similar to private market sector. Their relation based on voluntary and they are assumed as "economic animals" who maximizing their own interest. Second communitarian model, civil society are community. Their relation was given, such as relation based on ethnic or heredity. They has tendency to protect their identities from the influence of modernization. Third, mediating model defined civil society almost similar with private market sector but they are an antidote of commercial selfishness because they want to achieve the common good. Their relation based on voluntary and egalitarian. The last, feminist model assume civil society is as political dan non private domain. Actually, this model support woman can participate in political or economic sphere.

Related with neoliberalism hegemony, each of civil society model will give different responses face it. Libertarian model will support neoliberalism because they are "economic animals". They want to maximize their profit or accumulate a great capital through market mechanism. Then, communitarian model will refuse neoliberalism. But they will not associate with the neoliberalism victim because their relation or

association are separated by ethnic or heredity. On the contrary, mediating model will try to understand neoliberalism characteristic. They will find neoliberalism bad impact and they will work together with the neoliberalism victim to solve the problem. They did not care about the differences of ethnic or heredity. The last, feminist model will accept neoliberalism when women can participate in the economic or political sphere.

Especially for the mediating civil society model, civil society should have the consciousness or awareness if they act as an antidote of commercial selfishness. For Gramsci, consciousness generated by organic intellectual. Organic intellectual is everyone or the group of people who have a unique worldview. They could be from teacher, parent, scholar, traditional traders, government official, actress, athlete, etc. Actually their solidarity based on social oriented and not for profit oriented. They do social movement. They want to "move" from unfairness structure to the fairness structure. "Move" could be mean as "change". They clarify the political thinking of social groups, leading these group to understand existing condition and how they can struggle toward a higher form of society. (Robert W Cox, 1999, p. 38)

The term "organic" refers to dynamic thinking and action. For making dynamic thinking and action, organic intellectual need public sphere. Public sphere can be interpreted as a sphere where an access of information and opinion provided for the element of society. (Jurgen Habermas et al., 1974, pp. 49-55) Everyone can share information and held a discussion at there. They enrich their information for themselves and they can increase their critical thinking. Public sphere can help them to make stronger action. They can make new strategy of social movement and a bigger network through public sphere.

THE EFFECTIVENESS OF MALANG MUNICIPALITY ACTORS FOR GOVERNING LOCAL RETAIL MARKET SYSTEM

This part would show the effectiveness of Malang Municipality actors for governing local retail market system. The effectiveness refers to whether the interaction among actors could solve market failure or imbalance retail market competition. This explanation could be reached by using interactive governance approach. Accordingly, the explanation would focus on three sub-systems of local retail system such as the process and structure of local retail system, the role of actor for governing local retail system and the form of actors interaction within local retail market system. The relationship of each sub-system would portray the effectiveness of Malang Municipality actors for solving imbalance retail market competition.

The Process and Structure of Local Retail Market System

In Indonesia, the presence of modern retail started in 1962. At the time, "Sarinah" was the first modern retail in Indonesia. It was state-owned modern retail. Then, Japan followed to establish SOGO and it was the first foreign modern retail in Indonesia. The rapid growth of modern retail, especially supermarket, started in 1998. International Monetary Fund (IMF) success to instruct President Soeharto for launching a constitution (Presidential Decree Number 99 Year 1998) which opened widely and protect the foreign retail investment. From 1998 to 2003, supermarket grew 27% per year, from 8 to 49 outlets. (Adri Poesoro, 2007, p. 1 and 5)

In 2008, the growth of modern retail precisely brought the economic growth of Malang Municipality was 6,7%, higher than national and provincial economic growth. Such condition was recognized by the head of local government, Peni Suparto, caused by the rapid growth of

supermarket, mall, and the other investment included minimarket. (Bibin Bintariadi, 2008, p. 1) Ironically, since early 2000s, the traditional market growth stopped and traditional market share started to decrease. Besides, in 2007, Center Government has launch The Act No. 25 Year 2007 which inserts the principle of fairness in investment affairs.

There are several weakness of traditional market compared with modern retail. First, local government is less concerned with a bad condition of traditional market infrastructure. It causes traditional market seems dirty and stinky. Second, although almost all of traditional market have Traditional Traders Association, this association is weak in the aspect of capital and management skill. They difficult to pay the security of traditional market and the members of association can not concern on their role because they are busy in family affairs and trading affairs. Third, several products, especially manufactured products, which provided by traditional market more expensive than modern retail. On the contrary, the license of modern retail investment easily gotten by investor. Besides, the capital and management of modern retail better than traditional market. Modern retail can also provide new products.

The accumulation of traditional market weakness has triggered traditional traders protest. They did not adress their protests toward the presence of foreign supermarket because majority of foreign supermarket locations are far from traditional market and many supermarket's products more expensive than the products provided by traditional market. They address their protests toward the presence of local supermarket and minimarket because both locations are close with traditional market location and several products are cheaper than traditional market's products. A big protest had been happened in early 2000s. The traditional traders of Kemirahan Village protest massively toward the rapid growth

of supermarket. Actually, traditional traders will be furious when local government involving private investor to renovate traditional market because investor and traditional traders interests were less harmonious such as the case of Blimbing and Dinoyo traditional market renovation in the end of 2010. Until now, Blimbing and Dinoyo traditional traders still negotiate with investor.

The Role of Actor for Governing Local Retail System

Both of Kemirahan protest and Blimbing and Dinoyo traditional traders protest did not be acted by only traditional traders. This protests was a part of social movement which held by other society element also such as several NGOs, academician, student's organization and the other community organizations. Especially, NGOs and academician who invited by traditional traders to discuss for reaching better solution. The others were actors who could make stronger the power pressure of social movement.

Social movements which have been done more oriented to mediate between the victim (traditional traders) and local government. Traditional traders want to solve the problem peacefully because they got a psychological trauma when The arson of Besar Market happened around early 2000s. They assumed that if they will do anarchist ways, their traditional market will be arsoned by irresponsible peoples. Thus, the good strategy of social movement should be achieved.

A discussion is important part of social movement. Traditional traders, NGOs and academician share knowledge each other to generate a common understanding about what common real problem and what strategy should be taken to solve the problem. This discussion could raise also a consciousness and a strong commitment to held social movement. A strong commitment is very needed because there are several actors who precisely use the traditional problems to get benefit for themselves.

The problems of traditional traders known by many actors because it has been entered in public sphere. Many mass media announce it. This news did not always generated a sympathy but for several actors, it could become an opportunity to get some benefits. Example, a journalist could hold compromise with investor, so a journalist does not announce traditional traders problems or announce the positive side of investor and local government. Besides, several NGOs also could hold compromise with the political enemy of local government, so they speak loudly about the badness of local government. Then, some society groups could propose a scheme for securing and working together in the establishment of modern retail

The challenge of social movement is more increasing when the executive and the legislative do not accommodate it, even they work together to get great benefits for themselves. Several executive officials violate the procedure to launch a license of investment. They did not ask recommendation first to other local department before make an investment license whereas this procedure was constituted in the Regulation of Mayor Number 28 Year 2009 regarding Trade Business License. Besides, the executive could lobby the legislative to run easily the project of traditional renovation and mall establishment by involving private investor such as in the case of Blimbing and Dinoyo renovation. Whereas before the lobbying, the legislative has already accommodated the aspiration of traditional traders and the legislative promise to support traditional traders. Then, such condition triggered the protests of traditional traders.

The Form of Actors Interaction Within Local Retail Market System

The interaction of actors in the local retail market system has been clearly stipulated in Law No. 32 of 2004 about Local Government. A policy should reflect the aspirations of the people at the local level, it does not precisely

reflect the greed of a person or group of peoples. So in this case it should be understood that the relationship between local government and civil society is equivalent to issuing a policy. The participation of civil society to be actively involved in the policy formulation. Thus, public participation should be very possible to control the growth of modern retail is optimal because it has been guaranteed by the applicable rules.

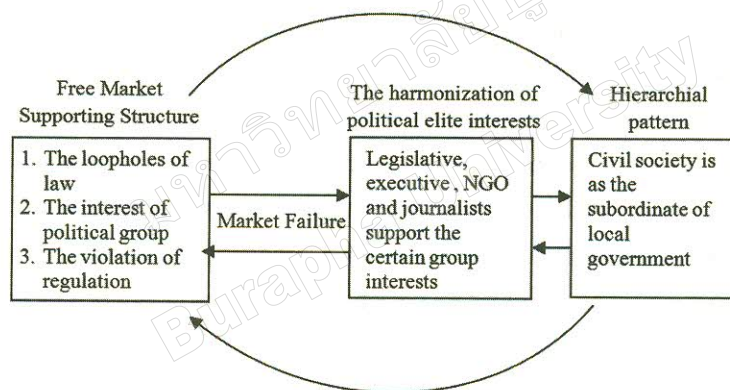
Malang Municipality society is not the group of stupid peoples to be gotten rid of in the policy formulation. They have been able to know the pros and cons of modern retail presence. They hold a social movement involving many society elements to reject the rapid growth of minimarket. They refused renovation or relocation that actually give a negative impact to them. Until then they join forces and do a massive demonstration. They want their rights, they want to occupy a more equal partner with the government and led to a policy of complying with existing regulations.

Ironically, it is common secret that the existence of local government in the whole of Indonesia area have a tendency to violate the rule of decentralization system. Civil society tend to be the object of a policy, rather than as a subject of the policy itself. They are like no more than a subordinate of a boss at a company called "Autonomous Regions". There are several evidences that local governments has tendency to force their policy such as executive officials violate the procedure to launch a lisenche of investmet, the executive could lobby the legislative to run easily the project of traditional renovation and mall establishment by involving private investor or even the arson of traditional market for making traditional traders affraid resist upon local government policy. So that form of interaction that they intertwine is a hierarchical form, civil society at the lowest level and the local government at the top level.

The hierarchial form of the relationship between local government and civil society is prone to re-create an unfairness structure of local retail

market system. Civil society could be forced to accept what local government intention by violating regulation, using the loopholes of law or even a violence. Finally, a local government policy always serves the political elite interests. Several NGOs, journalist or other community organization who do not care about the justice, they prefer to support political elite interest for getting benefit. Such condition as a system which precisely make and maintain market failure or imbalance retail market competition. Below the illustration of the system of market failure maker

Picture 1. The System of Market Failure Maker¹



BUILDING ALTERNATIVE IDEOLOGY FOR LEADING LOCAL RETAIL MARKET SYSTEM

Nowadays, the local retail market system at Malang Municipality is inherently with neoliberalism. It support systematically free market mechanism. A free market mechanism has tendency to always create

¹ reconceptualized by author, 2013 from Stephen P Osborne. 2010. *The New Public Governance? Emerging Perspective on The Theory and Practice of Public Governance*. USA and Canada : Routledge 2010, p. 76 about The Three Components of Governability

imbalance retail market competition. The weak which became the loser in neoliberalism perspective was not the problem needed to be solved. It is a consequence for getting the most efficient mechanism which serves the society. Thus, this perspective should be changed by a systemic solution.

A systemic solution could be gotten while there is perspective which see the weak must be protected. The ideal world would be achieved when people's welfare did not cause the decline of other people. This means that economic growth in the region should not exacerbate the lameness of the rich and the poor. Such principle should be a foundation to build systemic solution. Thus, why it is needed to build alternative ideology for solving a market failure problems. According to Fadillah Putra, (2009, p. 32) the ideology itself is an idea that cohesive and comprehensive (systematic) of the ideal social world that be aspired.

This part does not intend to offer an alternative ideology scheme. But researcher wanted to propose several aspects in guarding the birth of ideology. Several aspects included the redefinition of reality, public spheres, innovation in social movement and decentralized systems. These aspects led to the alternative ideology which is still wide open space for people to discuss. The ideology will not eliminate the critical power of society and it will not be used to perpetuate a particular regime. Hope for the future the ideology can become systematic solution to the problem faced by the traditional market and other traditional traders.

The Redefinition of Reality

A definition of reality was very depended on how the most of society see something or a phenomenon. The rapid growth of modern retail was seen by the head of Malang Municipality government as an instrument for increasing the economic growth of Malang Municipality. An high economic growth is a proud of achievement. Besides, majority

of society see modern retail growth as a condition in which they could shop easily and comfortably and they did not spent much money. Thus, it is seen as a good news for many peoples.

A good news was not always “a good thing”. The rapid growth of modern retail is a bad news for traditional traders. Their market share grabbed by the modern retail. Local government less concern with the bad condition of infrastructure. A mall establishment involving private investor precisely made a conflict between local government and traditional traders because their interests was less harmonious. Such conditions is unfairness because only few peoples who get benefit. Besides, the large number of modern retail outlets gave great benefits for only the elite of industry owner. The staff salary was not increased in line with increased sales transactions. Thus, the meaning of fairness is a people’s welfare do not cause the decline of other people.

New definition of fairness could be a new direction for the local retail market system in Malang Municipality. Redefining the reality including the role of organic intellectual. Organic intellectual is everyone or the group of people who have a unique worldview. A worldview was unique because it is different from the majority. In this study, traditional traders and the others society organization categorized by organic intellectual. New definition has actually been adopted by them in performing a social movement against the proliferation of modern retail which gives negative impact for traditional traders. The social movement could create a fairness structure. The following question is what it takes to create a powerful social movement

Public Sphere

Public sphere can be interpreted as a sphere where access to information and opinion provided for all elements of society. (Jurgen

Habermas et al., 1974, pp. 49-55) When the problems of traditional traders appears in mass media, so the problems have entered a public sphere because many peoples can access the information and reveal voluntarily opinion. But mass media was not a synonym of public sphere. There are two principles which should be held by actors in using public sphere such as no domination and reveal critical and rational argument. The new definition of fairness could trigger a critical consciousness of other peoples and invite their symphaty. It could have bigger influence when it has entered into mass media. The fairness of retail market competition must be promoted by mass media so many actors will have intention to held communication with traditional traders. The communication must be held by paying attention on public sphere principles such a communications between Dinoyo traditional traders with NGOs and other community organizations. NGOs, other community and traditional traders sharpen critical thinking each other through the discussion. Thus, no domination within the disscussion

No domination within the disscussion could make a strong commitment of social movement. The discussion will be able to produce a shared understanding about the problems. Besides, they could also reach the agreement of principles, code of conduct and strategies in doing social movement to overcome the problems. The ageement could make a powerful social movement because all members trust each other. They are hard to be broken apart

The Innovation of Social Movement

All this time, the social movement prefers to held a mediation between traditional traders and local government. Factually, traditional traders have psychological trauma about the arson of traditional so they can not voice their truly intention. Besides, after the big protests of Kemirahan traditional traders, minimarket still grow rapidly in different

area. Accordingly, it is needed the an innovation to make stronger social movement.

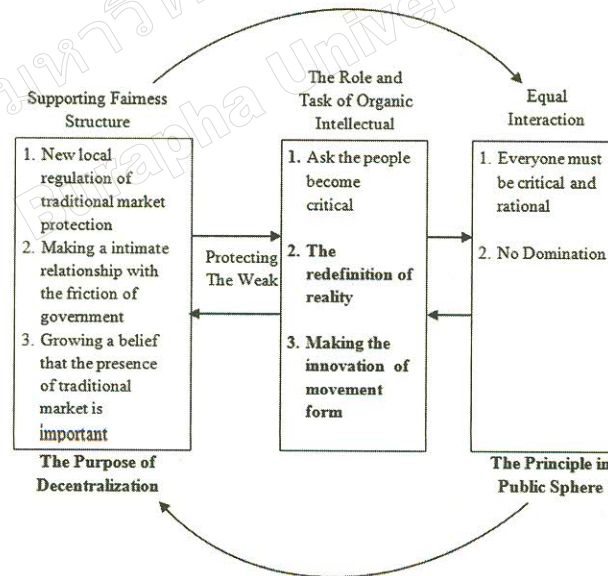
An innovation could enrich the form of social movement. An organic intellectual should struggle through many aspect, such as law, economy and education aspect. In the law aspect, they need to propose the New Draft of Malang Regional Regulation about The Protection of Traditional Market and The Others Traditional Trader. The draft is proposed to local parliamentary. They can persuade some friction in parliamentary those who support the existence of traditional traders. In the economic aspects, they must be able to empower the market traders in the organization and economic aspect. The capability of traditional market management and capital supplement became important for market traders. So it is necessary involving competent intellectuals to meet these needs. Then in the education aspects, they need to be educating people of the importance of traditional markets. This education should be creative, expansive and repetitive. So, many peoples believe that the existence of traditional market is very important.

Decentralized system

Decentralized system of Indonesian government has two effects, negative and positive. According to M.R. Khairul Muluk, (pp. 9-10) it could raise the local capitalists. In the end, the local capitalists will dominate local government agencies. But, it also support the development of civil society (in the form of associations or community associations). The nature of decentralized system is balancing the actors power. The balance of power refers to there are no actors dominated by other actors. The actors, either local government, modern retail investor or civil society, have an equal position in policy making. It's aim is creating a fairness among actors. Thus, the existence of social movement is legally guaranteed and has important role supporting the fairness structure.

The relationship of four aspects is reinforced each other. The redefinition reality could start the birth of social movement. Public sphere could make strong commitment and raise an innovation in social movement. Social movement could keep the principles in public sphere. Then, the existence of social movement and public sphere support the goal of decentralized system namely a fairness structure. A fairness structure could guarantee legally the presence of social movement and public sphere. This relationship is similar certain system. This system has a possibility to shape alternative ideology which protects the weak in local retail market system. Below the illustration of System of Alternative Ideology Production

Picture 2. The System of Alternative Ideology Production



CONCLUDING REMARK

The interaction of Malang Municipality actors for governing local retail market system still produce imbalance market competition. Traditional traders become the loser in the system. They get bad impact from the rapid growth of modern retail. The hierarchial form of the relationship between local government and traditional traders is prone to re-create an unfairness structure. Traditional traders could be forced to accept what local government intention by violating regulation, using the loopholes of law or even a violence. Accordingly, a local government policy has tendency to support the rapid growth of modern retail. Several NGOs, journalist or other community organization who do not care about the fairness in retail market competition, they prefer to support political elite interest for getting benefit. Such condition as a system which precisely make and maintain market failure or imbalance retail market competition.

Imbalance market competition is the result of certain system. This system is inherently with neoliberalism. Thus, it is needed to build alternative ideology protecting the weak. Researcher proposes four aspects which have potentially trigger the birth of alternative ideology. Several aspects included the redefinition of reality, public spheres, innovation in social movement and decentralized systems. These aspects led to the alternative ideology which is still wide open space for people to discuss. The redefinition reality could start the birth of social movement. Public sphere could make strong commitment and raise an innovation in social movement. Social movement could keep the principles in public sphere. Then, the existence of social movement and public sphere support the goal of decentralized system namely a fairness structure. A fairness structure could guarantee legally the presence of social movement and

public sphere. This relationship is similar certain system. This system has a possibility to shape alternative ideology which protects the weak in local retail market system.

มหาวิทยาลัยบูรพา
Burapha University

Referenecs

- Ahmad, T. (2007). Business Competition Regulation in the Retail. *The SMERU Research Institute Newsletter*, 22(April-June), 29-30.
- Bintariadi, B. (2008). *Pertumbuhan Ekonomi Kota Malang Capai 6,5 Persen*. Retrived March 10, 2013, from www.tempo.co
- Cox, R. W. (1999). Civil Society at the Turn of the Millenium: Prospects for an Alternative World Order. *Review of International Studies*, 25(1), 38.
- Habermas, J et al. (1974). The Public Sphere: An Encyclopedia Article (1964). *New German Critique*, 3(Autumn), 49-55.
- Hanberger, A. (2011). Policy and Program Evaluation, Civil Society, and Democracy. *American Journal of Evaluation*, 22(2), 211-228.
- Irawan, A. (2011). *Digemari Masyarakat, Pertumbuhan Minimarket Meroket*. Retrived March 10, 2013, from www.finance.detik.com
- Kooiman, J. (2008). Interactive Governance and Governability: An Introduction. *The Journal of Transdisciplinary Environmental Studies*, 7(1), 2-4.
- Muluk, K. (2009). *Peta Konsep Desentralisasi dan Pemerintahan Daerah*. Surabaya: ITS Press.
- Osborne, S. P. (2010). *The New Public Governance? Emerging Perspective on The Theory and Practice of Public Governance*. Saulteaux Crescent: Routledge.
- Poesoro, A. (2007). Traditional Markets in the Era of Global Competition. *The SMERU Research Institute Newsletter*, 22(April-June), 1-5.
- Putra, F. (2009). *Senjakala Good Governance*. Malang: Averroes Press.
- Rosfadhila, M. (2007). Measuring the Impact of Supermarkets on Traditional Markets. *The SMERU Research Institute Newsletter*, 22(April-June), 11.

- Rubiyantoro, Y. (2011). *Nielsen: Jumlah Minimarket Tumbuh 42% Pada 2010*. Retrived March 10, 2013, from www.indonesianfinancetoday.com
- Septyani, D. K. (2011). *Foreigner in The Land Retail of Indonesia*. Retrived January 4, 2012, from www.wartaekonomi.co.id
- Suryadarma, D. et al. (2007). *Impact of Supermarkets on Traditional Markets and Retailers in Indonesia's Urban Centers*. The SMERU Research Institute Report. p. 3.
- _____. (2008). *Impact of Supermarkets on Traditional Markets and Retailers in Indonesia's Urban Centers*. The SMERU Research Institute Report. p. 1.
- World Investment Report: Non-Equity Modes of International Production And Development. (2011). *United Nations Conference on Trade and Development (UNCTAD)*. New York: United Nations Publication. p. 4.
- Zar. (2011). *Governor Responds the Site Plan Revision Proposal of Dinoyo Market*. Retrived January 4, 2012. from www.surabayapost.co.id

← Emergency



มหาวิทยาลัยบูรพา
Burapha University