

Between Development and Democracy: A Comparative Analysis of Neo-Developmentalism in Indonesia and Singapore

Yusa Djuyandi¹, Luis Fiska Rahayu², Herry Soesanto³

¹Universitas Padjadjaran, West Java, Indonesia, ²Universitas Bina Bangsa, Banten, Indonesia, ³Institut Pemerintahan Dalam Negeri, West Java, Indonesia

Corresponding author e-mail: yusa.djuyandi@unpad.ac.id

Article History: Received on 21 March 2026, Revised on 25 May 2026,
Published on 26 May 2026

Abstract: This article provides a comparative analysis of developmentalism and neo-developmentalism in Indonesia and Singapore, two Southeast Asian states with divergent political systems but shared development aspirations. While Singapore is widely recognized as a model developmental state, Indonesia under President Joko Widodo has been characterized as adopting a neo-developmental approach. This study asks: what are the key preconditions for successful developmentalism, and what are its political implications in these two contexts? Using a qualitative, comparative case study design based on secondary sources, we find that Singapore's success rests on prior, deep bureaucratic reforms including anti-corruption measures and meritocracy that enabled effective state intervention. In contrast, Indonesia's neo-developmentalism prioritizes debureaucratization and deregulation (e.g., the Omnibus Law), reflecting a stronger neoliberal influence. Both countries, however, show a similar consequence: the subordination of civil liberties and democratic rights to developmental goals. The article concludes that pre-conditions matter more than policy slogans, and that the trade-off between development and political freedom remains unresolved in both models.

Keywords: Civil Liberties, Democratic Rights, Indonesia and Singapore, Neo-Developmentalism

A. Introduction

In the journal "Requiem or New Agenda for Third World Studies?", (A. L. Smith, 2000) noted a phenomenon where developing countries place economic development at the center of political institutions as a means of building political legitimacy. East Asian countries are seen as the source of the ideas and concepts of the "developmental" state that emerged in the 1980s (Dent, 2018). Historically, Japan began industrializing in the late 19th century, followed by Asian tiger nations such as Singapore, South Korea, Taiwan, and Hong Kong in the 1960s. These countries became the objects of study of the developmental state model. This sustained economic progress provides strong legitimacy for political figures in developing countries (Dent, 2018).

This development trend has also entered Indonesia, particularly during the era of President Joko Widodo (Warburton, 2016). With the slogan “Work! Work! Work!”, the policies produced during this era seemed to follow the development spirit of the Asian tiger nations. As a fellow Southeast Asian nation, and already experienced as a model for development, Indonesia can learn from Singapore’s development trajectory, particularly regarding the preconditions that supported its success, as well as the consequences of that development.

The dual challenge many contemporary countries face today fast economic growth while adhering to democratic principles, political responsibility and civil liberties. So, as a result, one should look into this further and ask whether development-oriented policies generally serve to promote or contribute to the deeper development of more centralized and technocratic forms of state and political organization. As a result, comparing Indonesia with Singapore is particularly salient because there are different trajectory countries in Southeast Asia in the way that Indonesia and Singapore engage politically. Since the Reformasi era, Indonesia has progressed towards democratization with decentralisation, while Singapore has pursued centralized state development, where little in the way of political competition has led to great economic performance. Based on comparative evidence of these two countries, this research also endeavors to achieve an even more robust understanding of the development of neo-developmental policies throughout different polities and how they relate to governance, state capacities, the well-being and political participation of citizens.

In today’s modern landscape, the term “development” is often viewed as a process of progress. Development itself is seen as a powerful “panacea” to address existing problems, one of which is the prevailing global issue. As an idea, developmentalism is generally rooted in the word “development,” meaning development; therefore, developmentalism can be interpreted as a theory of development. Carol Lancaster defines developmentalism as an effort to achieve social and economic development, particularly in Third World countries, along with economic growth, with the ultimate goal of reducing poverty (Lancaster, 2007). Meanwhile, Tony Smith views developmentalism as a cross-disciplinary field, one that seeks to position existing ideologies and economic systems as a pathway to economic prosperity (T. Smith, 1985). Therefore, developmentalism can be seen as an industrialization project with state planning and support, which then identifies the mainstream of a country’s political economy and thinking. Developmentalists believe that a country’s suboptimal structure can be addressed through development projects coupled with active economic policies.

The discourse on developmentalism itself was quite developed in the 1940s. The emergence of classical developmentalism was seen as a response to the Great Depression that hit the United States economy. Meanwhile, developmentalism gained new momentum in the 2000s, coinciding with the emergence of development economics and macroeconomics, which emphasized exchange rates and Keynesian

economic perspectives (Bresser-Pereira, 2018).

Development originated as a concept in the wake of World War II when the US went on to offer economic assistance for developing countries in the Truman Doctrine. This initiative was developed to promote democracy while stemming the spread of communist and socialist ideologies in the Third World. Economic development was seen as the ultimate solution at that time to eradicating poverty, which was believed to be the root cause of communism's appeal (Sudirman & Kaewsaeng-On, 2019; Watson, 2021). This concept was then considered influenced by the spirit of enlightenment, where development was seen as an effort to accelerate and change the long-awaited fatalist concept. Rationality, prosperity, and freedom were seen as a locomotive capable of guiding an individual toward a better future (Muthmainnah, 2016). Solow argued that industrialization within a developmentalist framework is essential, particularly for development projects. Therefore, countries are then directed toward investments in market-oriented industrial sectors and economic growth, namely Gross Domestic/National Product (GDP/GNP) (Solow, 1956).

The developmentalist perspective in world politics is based on the assumption that development, particularly in third-world countries, can be achieved domestically through strong domestic markets, high import tariffs, and other development mechanisms. Developmentalism views a country's development as an essential variable in economic development. Therefore, developmentalism emphasizes the importance of physical infrastructure development as a key variable in improving a country's quality of life, particularly economically. Developmentalism also requires the role of investors to realize this agenda.

Over time, developmentalism has also received some criticism, particularly regarding development projects. One criticism of developmentalism is its top-down approach to development. Consequently, developmentalism has been criticized for its perceived exclusionary values. Furthermore, in response to this critique of developmentalist practices, modern thinkers and philosophers have sought to critique the developmentalist idea from their own perspectives. The Foucauldian framework of power and knowledge, and Jürgen Habermas's ideas on public sphere deliberation, can be used to critique this exclusive developmentalist paradigm. Another criticism of developmentalism is its perceived neglect of the negative externalities it poses to the environment and the unequal redistribution of natural resources (Ramdani et al., 2018). There are also other criticisms, one of which is feminist criticism of the developmentalist paradigm, which is considered patriarchal and places women as second-class citizens in existing development projects (Muthmainnah, 2016).

Neoliberalism itself can be seen as an update of classical liberalism. Neoliberalism is a term used to describe the revival of 19th-century ideas related to 20th-century free-market capitalism. Liberalism itself is a broad idea, but in its broadest sense, liberals generally emphasize the importance of individual autonomy in order to ward off

community intervention. Liberalism exists in various sectors, from economics and politics to other sectors. Therefore, liberalism can be seen as a political philosophy, while neoliberalism itself emphasizes economic philosophy. The term neoliberalism itself was relatively unheard of at first, at least until the 1990s. This term was adopted primarily by critics with a perceived free-market orthodoxy, which then spread worldwide under the “Washington Consensus” (Davies, 2014).

Neoliberalism itself arose from the various failures of technocratic and interventionist economic policies in the 1960s, which further gave rise to dissatisfaction and conflicts of interest. The emergence of neoliberalism was triggered by the stagflation crisis in developed countries in the 1970s. Neoliberal policies were later considered successful in reducing inflation and driving economic progress in several countries. The Thatcher and Reagan governments were considered successful in reducing inflation and unemployment by using the same policy formula: privatization, deregulation, and tax and subsidy reductions (Chaniago, 2010).

This research offers novelty through a cross-national comparative analysis that specifically examines the manifestations of “Neo-Developmentalism” in two contrasting political systems: Indonesia’s transitional democracy and Singapore’s pragmatic authoritarianism. This contrasts with previous studies that tended to focus separately on Indonesia’s shift from neoliberalism to state intervention through the expansion of the role of state-owned enterprises (SOEs) in infrastructure development and investment (Anguelov, 2024; Iksan, 2022; Warburton, 2019), or on the resilience of Singapore’s developmental state model, which combines state activism with market openness (Murphy, 2023). kajian ini mendalami bagaimana kedua negara mengelola ketegangan antara aktivisme industri yang dipimpin negara (seperti kebijakan hilirisasi nikel) dan tuntutan partisipasi demokratis serta keadilan sosial.

Neoliberalism

Davies who are conducted a literature review of the idea of neoliberalism, observed that definitions of neoliberalism in the existing literature are diverse (Davies, 2014). However, these definitions share at least four main characteristics: Neoliberalism is generally seen as drawing inspiration from Victorian liberalism. Victoria. However, neoliberalism itself is not based on Victorian liberalism. Neoliberalism is understood as an inventive, constructivist, and modern force, aimed at producing a new socio-political model, not at improving the old. Therefore, neoliberalism is not a conservative or nostalgic project; Neoliberal policies target various institutions and activities outside the market, from universities and educational institutions, to households, to labor unions, and even to trade unions. This is then related to how to incorporate these institutions and activities into the free market landscape, through privatization; To achieve this, the state must be an active force and cannot rely solely on “market forces.” This is what differentiates Victorian liberalism from neoliberalism. The neoliberal state is required to produce and reproduce institutional

rules and individual behavior in accordance with a particular ethical and political vision; This ethical and political vision is dominated by competitive behavior, the idea of creating inequality. Competition and inequality are viewed positively in neoliberalism as non-socialist principles in a society generally best suited to the pursuit of scientific values and knowledge.

Furthermore, neoliberalism itself emphasizes the struggle for *laissez-faire*, a free form of competition that champions property rights and individual freedom. Neoliberals generally strive to minimize state regulation in addressing existing social problems, placing greater trust in market forces (Soesilowati, 2009). Therefore, as previously stated, neoliberalism is a renewal of classical economics, promoting free markets, individual freedom, and minimizing the role of the state, particularly in the economy.

Marxists criticize applied neoliberalism, viewing it as an attempt to restore the rate of profit. To achieve this, neoliberal countries then attempt to address inflation through deflation, monetary policy, and target (or, from a Marxian perspective, repress) the power of labor unions through regulation, the power of the state apparatus, and privatization. This is then seen as having the effect of significantly higher returns to capital for the capitalist class, lower returns for the working class, and increasing inequality, particularly from the 1980s onward (Davies, 2014). There are also criticisms of various ideas within the neoliberal framework, particularly regarding the role of the state in ensuring the welfare of its people. This relates to the idea of neoliberalism, which is seen as replacing “public provision and social citizenship” with “trickle-down economics” and “personal responsibility,” and replacing “welfare and developmental states” with “a lean and meaningful competitive state” (Zambrana, 2013).

Industrial Policy

Traditional economic thinkers view government intervention through public policy as a way to identify social inequalities created by the free market and reduce them. The government is expected to address these market failures through policies that can spark economic transformation. All public policies aimed at directing and controlling structural transformation in a country’s economic processes are referred to as industrial policies (Bianchi & Labory, 2008). The basic assumption behind this series of policies is that industrialization is essential for macroeconomic transformation. Industry has the capacity to Organize production and mobilize assets, and industrial policy can govern this entire process. In this regard, the private sector and government are intertwined: the private sector needs the government to formulate policies related to standards, infrastructure, certification, etc., while the government needs the private sector’s cooperation to obtain relevant information on the constraints they face and to influence them to move in the desired direction (Hausmann et al., 2007). Therefore, the government acts as a guide for industrial transformation.

Orthodoxally, the government's direction can be seen through a series of instruments such as tariff protection, tax breaks, targeted credit, etc. However, Hausmann et al. observe that there are several shifts in focus that the government should consider. Instead of asking how much budget should be allocated to promote an industry, or what types of subsidies and taxes to use, the government should focus on assessing its capacity to identify and manage existing economic opportunities (Hausmann et al., 2007). Therefore, Hausmann argues that industrial policy is essentially a tool to stimulate activity related to a country's economic opportunities. Like Hausmann, thinkers contributing to the study of industrial policy have differing views on the true object of study. Chang (2020) views industrial policy as existing to encourage the development of the manufacturing sector. However, others argue that industrial policy can target industries outside of manufacturing, such as agriculture, and so on.

The commodity boom driven by China has prompted many developing countries in Asia, Africa, and Latin America to rethink their economic policies and use the industrial policy framework as a way to overcome the "middle-income trap" (Noman & Stiglitz, 2015). In the case of Asia, Lall (2006) sees a significant challenge for developing countries in Asia in addressing the development and competitiveness of the industrial economy (Lall, 2006). These pressures are created by inevitable technical change, expanding global production networks, and the shrinking cost of economic "distance" due to transportation and communication efficiencies. The failure of developing countries to respond to these developments has led to weak economic growth. In his study, "Industrial Policy in Developing Countries: What Can We Learn from East Asia," Lall (2006) examined the efforts of several Asian countries, including South Korea, Hong Kong, Taiwan, and Singapore, to rise out of poverty through industrial policy (Lall, 2006). From this research, Lall identified several important factors driving the successful implementation of industrial policies, including, but not limited to: 1) Selectiveness in choosing priority industries; 2) Selecting activities that offer technological benefits; 3) Improving the quality of bureaucracy and government governance; 4) Centralizing decision-making in the hands of competent authorities in their respective fields (technocrats).

Furthermore, Chang, in "Industrial Policy in the 21st Century" (2020), also stated that countries have an interest in addressing major long-term challenges, such as environmental issues. Industrial policy must encourage coordinated investment in energy systems, production practices, and mobility (Chang, 2020). In this way, government intervention can create progress in national production while simultaneously addressing shared challenges at the global level.

Neo-Developmentalism

Neo-developmental ideas are considered distinct and flexible from the mainstream, emphasizing the importance of state intervention alongside selective support for various aspects and strategies of orthodox and liberal economics (Bresser-Pereira,

2009). Therefore, neo-developmentalism emphasizes development projects alongside free market mechanisms. As a political economic concept, neo-developmentalism rejects neoliberalism's reliance on the private sector and the weakness of government power (Khan & Christiansen, 2011). One of the difference between neo-developmentalism and developmentalism lies in their emphasis on neoliberalism. The distinction between developmentalism and neo-developmentalism lies in the differences in neo-developmental values that accommodate neoliberal ideas, such as the importance of private entrepreneurship and the market as an engine of development (Gezmiş, 2018). Bresser-Pereira (2017) argues that developmentalism is considered more compatible with democratic systems than liberal economics (Bresser-Pereira, 2017).

Furthermore, neo-developmentalism emphasizes market freedom in development projects, particularly in third-world countries. Bresser-Pereira, a leading proponent of neo-developmentalism, argues that, in the era of globalization, export-driven growth is the only viable strategy for developing countries, requiring a competitive advantage based on cheap labor (Bresser-Pereira, 2009). Neo-developmental ideas have also received criticism. The implementation of neo-developmentalism, characterized by its "left-wing marketism" in Brazil and Argentina, is considered to perpetuate class exploitation. The circulation of capital in these two countries is considered to provide jobs for the working class in central capitalist countries (Masni Juniaty Sianipar & Jeverson Maya, 2020).

B. Methods

This research used a comparative case study with Indonesia and Singapore as the two primary units of analysis. This approach allows researchers to compare policy patterns, state-market relations and democratic dynamics within the context of Neo-developmentalism. This approach is relevant for explaining similarities and differences in state development orientations, the capacity of political institutions and their consequences for democratic practices in both countries.

This research uses secondary data as primary source. Data were obtained through library research, including academic books, scientific journal articles, international agency reports, government policy documents, official statistical data, and publications from international organizations such as the World Bank, UNDP, and Freedom House. The use of secondary data was chosen because the research centers on conceptual analysis, policy analysis and political-economic dynamics within a neo-developmental framework. The library study allows researchers to methodically explore and synthesize diverse previous research findings.

Data collection was conducted through documentation and literature searches on the themes of state development, democracy and Neo-developmentalism in Southeast Asia. The collected data were analysed using qualitative content analysis and

comparative study. The analysis recognized key themes including the role of the state in development, political stability, civil liberties, bureaucratic capacity, and democratic legitimacy. Next, the researchers compared how the two countries implemented the Neo-developmental model in different political contexts. To ensure the validity of the research, the researchers employed source triangulation, comparing various literature sources and documents to obtain consistent, academically sound data. With this approach, the research is expected to provide a deeper understanding of the relationship between development and democracy in the practice of neo-developmentalism in Indonesia and Singapore.

C. Result and Discussion

Developmentalism in Singapore: From Manufacturing to Social Policy

Before we witnessed the rapid rise of Singapore's manufacturing industry, trade was a key economic driver. Its strategic location and free-port status made the country a popular destination for trade routes and merchants. Consequently, manufacturing was less developed at this time. In the early 1930s, simple manufacturing began to emerge in Singapore. Small-scale production of goods such as shoes, clothing, and small appliances began to flourish. During this period, the international community saw little economic opportunity in Singapore (Rodan, 1989). Following the Great Depression, Governor-General of the Straits Settlements and High Commissioner for the Malay States, Sir Cecil Clementi, dispatched two committees to explore the economic opportunities of establishing a joint customs union in the Straits Settlements (Penang, Malacca, and Singapore) and the Malay States (Selangor, Perak, Negeri Sembilan, and Pahang). However, both committees were skeptical about Singapore due to its relatively high labor costs. Therefore, both committees rejected a customs union due to their doubts about the region's manufacturing prospects.

Even after Singapore achieved independence from British colonial rule and established self-government, the country was still not considered an economic powerhouse. Lee Kuan Yew became the first Prime Minister and brought significant economic progress through his developmentalist policies. One of the initial policies aimed at stimulating economic growth was the merger of Singapore with Malaysia in 1963. This merger was a way for Singapore to tap into the larger Malaysian market and industry at the time, creating more jobs and stimulating economic activity. Furthermore, the merger served as a way for the People's Action Party (PAP) to strengthen its political legitimacy. Furthermore, the merger would minimize political opposition from left-wing communists in Singapore, as Malaysia was led by a right-wing, anti-communist government. However, the merger with Malaysia was met with a series of clashes between the Singaporean government and Malaysian leaders. One disagreement between the two authorities concerned the policy of giving Singapore 39.8 percent of its taxes, even though Singapore's population was only 17 percent of Malaysia's total. Finally, on August 9, 1965, Singapore separated from Malaysia and

became an independent and sovereign nation. Following its separation, the PAP continued to dominate Singaporean politics until the last general election in 2020. The PAP's dominance was accompanied by strong economic intervention by the government.

Despite the political instability of the early years of independence, there was steady progress in the manufacturing sector. From 1959 to 1963, gross output (GO) increased from \$389.9 million to \$892.9 million (a 107.8 percent increase), with value-added increasing by \$102.6 million. Job creation through the manufacturing sector also increased from 25,607 to 41,220. The dominant industry during this period was still the low-skilled manufacturing sector, such as food, beverages, printing, and so on. It wasn't until late 1963 that new industry groups emerged: tobacco, wood products, metal products, chemicals, and petroleum products. As a result of the entry of these new groups, the manufacturing sector's GDP rose from 32.4 percent to 42.6 percent.

Subsequently, Singapore's manufacturing sector underwent a transition, from being dominated by low-skilled sectors to higher-skilled sectors, encompassing electronics, chemicals, biomedical sciences, logistics, and transportation engineering. In the second quarter of 2021, the manufacturing sector contributed 17.7 percent to GDP. Over the past four decades, Singapore's economic intervention has been both direct and indirect. Directly through policies such as taxes, and indirectly through public companies, government corporations, and statutory boards. All administrative organizations in Singapore must recognize these three institutions.

Shifting slightly from the manufacturing industry, Singapore's developmentalist policies can also be seen in a series of social policies. Such as public housing policies. This program first began in the 1960s, when the government monopolized the housing system into a closed market fully controlled by the government. This policy was possible because the Singaporean government had previously passed the Land Acquisition Act in 1966, which allowed the Singaporean government to control land throughout the country. The flow of supply and demand for housing in Singapore is controlled by the government.

The government implements this through the Housing and Development Board (HDB). In addition to the Public Housing Policy, Singapore also has a mandatory state-managed social security program. The Central Provident Fund (CPF) is a state fund allocated to citizens to fund their pension, healthcare, and housing needs in Singapore. Through the CPF, the Singaporean government implements a circuit of capital, aimed at stimulating monetary circulation and economic growth.

In general, the developmentalist strategy adopted by the Singaporean government can be seen through: (1) Economic restructuring towards value-added activities, (2) Building capabilities and capacity through sound investment, (3) Countercyclical spending, and (4) Fiscal policies that prioritize education, economic infrastructure,

and defense. The success of the Singaporean government's interventions through these policies comes at a cost. There are political preconditions that the Singaporean government must first prepare, as well as consequences that the country's citizens must face.

Indonesian Developmentalism and Neo-Developmentalism: The Era of President Joko Widodo

The orientation of developmentalism in Indonesia experienced significant development during the New Order regime. Kutut Suwondo as cited by Rohman (2023) argued that the New Order regime employed a hegemonic developmentalist ideology, coupled with material-economic legitimacy and formal-procedural legitimacy (Rohman, 2023). Developmentalist thinkers believe that one of the reasons why third world countries (including Indonesia) remain below the poverty line is due to minimal capital investment.

Just as the developmentalist agenda was initially a response to efforts to prevent the influence of communism, in Indonesia, the New Order's development agenda was also closely linked to efforts to counter communism. In Indonesia, a development curriculum was also used in development projects during the New Order. One manifestation of developmentalism that existed during the New Order regime was the Five-Year Development Plan (Repelita), issued on April 1, 1969, which emphasized foreign capital loans, regulated by the International Governmental Group (IGGI). Furthermore, this developmentalism practice was an effort by the New Order regime to address the inflation rate that had previously occurred during the Old Order.

The peak of developmentalism's success in Indonesia occurred in 1984, when President Soeharto's leadership successfully achieved rice self-sufficiency and subsequently received an award from the Food and Agriculture Organization (FAO). However, this developmentalism project did not run smoothly and drew considerable criticism. New Order developmentalist ideas were also incorporated into the GBHN (State Guidelines), particularly regarding Indonesia's economic preparation for "take-off." Meanwhile, during the Jokowi administration, Warburton (2016) argued that there was a strong echo of developmentalist tendencies that began to develop during Jokowi's administration. This was related to the New Order's internally focused development agendas, its technocratic government, and its conservative and nationalist values that predated President Jokowi's leadership. However, Warburton himself argued that Jokowi's new developmentalist practice was a coherent new economic strategy. He emphasized the prevailing socio-political landscape in Indonesia, which resulted in President Jokowi lacking a strong ideological conviction and a tendency to shift his approach (Warburton, 2016).

In relation to the developmental paradigm that focuses on the economy, Muhtadi then

observed that President Jokowi seems to view the non-economic sector as a secondary sector, or only as a tool to improve the economy and “people’s welfare.” This was then considered to be in contrast to the assumption of progressive politics attached to President Jokowi’s leadership in 2014. In a further view, Jokowi was then seen as implementing democracy in an illiberal manner, along with short-term thinking, and The ad hoc nature of the policymaking process (Power, 2018). There are also views that suggest a shift in Jokowi’s leadership, from his previously maverick (militant) approach to “normalcy.”

Indonesia’s current economic planning is considered to exhibit neo-developmental characteristics. This relates to Jokowi’s vision of inclusive and dynamic economic growth. These efforts are then carried out through efforts to form coalitions, cabinet reshuffles, the formation of inner circles, and the establishment of support mechanisms from individuals rather than parties. This infrastructure project is then seen as a derivative of the neo-developmental agenda.

The new developmentalism pursued by President Jokowi is conservative, accompanied by a reluctance to address sensitive political issues such as legal reform, corruption, and even good governance. These challenges are seen as at odds with his urgent and immediate economic goals. Furthermore, Jokowi appears to believe that pursuing a reformist agenda could jeopardize his hard-won political stability (Warburton, 2016). However, there are also various criticisms of President Jokowi’s development projects. One reason is that development is considered to still use a developmentalist paradigm, which perpetuates exploitative practices of natural resources under the guise of development, rather than the principles of prudence and sustainability (Muthmainnah et al., 2021).

As previously stated, neo-developmentalists emphasize the importance of the government’s role in the existing free market environment. One example of the implementation of the neo-developmental agenda during President Joko Widodo’s second administration was the enactment of the Job Creation Law (Omnibus Law) in 2020. The Job Creation Omnibus Law itself can be seen as an attempt by the government to “intervene” to stimulate economic development and stimulate investment, particularly foreign investment. The drafting of the Omnibus Law can also be seen as an agenda for deregulation, similar to the agendas of neoliberal market economies.

Indonesian Industrial Policy

As a paradigm that emphasizes the importance of the state’s role in development efforts to stimulate economic growth, the neo-developmental paradigm emphasizes efforts to increase industrialization and ensure certainty in redistributing income. These principles are then embodied in various state policies for development projects. Citing Chang (2020), the state also has an interest in addressing major long-term

challenges, such as environmental issues. Industrial policy should encourage coordinated investment in energy systems, production practices, and mobility (Chang, 2020). In this way, government intervention can create progress in national production while addressing shared challenges at the global level.

The state has a duty to address underdevelopment within the neo-developmental paradigm. Regarding existing industrial policy, Jokowi's approach to corruption generally aligns with the conservative positions of many within the Indonesian political system. He advocates a preventative approach rather than a punitive one, and the government promotes prevention programs that emphasize positive bureaucratic thinking, honesty, and humility as tools to eradicate corruption (Warburton, 2016). During his first term, President Jokowi issued Economic Policy Packages I-XVI, which ran until August 2017. These Economic Policy Packages aimed to open the floodgates for FDI to Indonesia by reducing or eliminating investment barriers.

Agung Wibowo (2017) further stated that these Economic Policy Packages included at least three steps: (1) Efforts to increase the competitiveness of national industry. This was manifested through deregulation, debureaucratization, and law enforcement efforts to ensure business certainty; (2) Efforts to accelerate strategic national projects by minimizing obstacles and impediments to the implementation and completion of strategic national projects; and (3) Increased investment in the real estate sector. From the perspective of capital market investors, these events were seen as having a positive impact on the Indonesian economy and increased share prices on the Indonesia Stock Exchange (IDX) (Wibowo, 2017). Meanwhile, during his second term, President Joko Widodo's administration issued regulations aimed at minimizing regulations deemed inefficient. Foreign investment regulations Unclear regulations create overlapping regulations between the central and regional governments, complicating bureaucratic approvals a common problem when investing in Indonesia. In response, the government plans to create comprehensive legislation to address the issue of legal certainty in the investment sector, which was then implemented through the enactment of the Omnibus Law.

The neo-developmental paradigm seeks to find a balance between two macroeconomic balances to promote private and public investment (Bresser Pereira, 2020). This aligns with the view of the second-term Joko Widodo administration, which believes that excessive regulations will complicate and hinder the economy and investment, while also embracing a free market landscape. These obligations include the Environmental Impact Analysis (Amdal), Building Construction Permits (IMB), and environmental permits, which complicate and hinder investment. The implementation of the Omnibus Law in Indonesia is seen as an effort to reduce regulations that complicate investment in Indonesia.

Preconditions: Bureaucratic Reform in Singapore

Haque (2004) stated that Singapore's bureaucracy is undergoing what is known as a "business-oriented transformation." In other words, the bureaucratic reforms implemented in Singapore are primarily motivated by accommodating strong economic growth (Haque, 2004). The model of bureaucratic reform in Singapore can be seen through:

Transitional State Formation

In 1959, the PAP established a "developmental state" program, which generally emphasized national economic growth through state ownership and control (Haque, 2004). The state and bureaucracy became the primary actors in increasing economic growth, creating jobs, encouraging industrialization, infrastructure development, and so on. The government established new institutions and business entities related to development, which were owned, managed, and supervised by the state. Some of these include the Housing and Development Board (HDB), the Economic Development Board (EDB), the Public Utilities Board (PUB), and so on.

Transforming the Role of the Public Sector

As previously mentioned, the Singaporean government has implemented a series of changes to the state's structure, including the addition of state-owned enterprises (SOEs) related to housing, electricity, water, ports, airlines, banking, manufacturing, media, transportation, and other sectors. This expands the public sector's role in these areas.

Anti-Corruption Policy

To accommodate the growing economy, the Singaporean government also implements an anti-corruption policy. This policy serves a strategic purpose for national development, as it attracts investors through an efficient, clean, and transparent business environment free from bribery (Ali, 2000). Corruption was widespread in Singapore during the colonial period. Therefore, in 1960, the PAP leadership pushed for an anti-corruption strategy by enacting the Prevention of Corruption Act (POCA) and the Corrupt Practices Investigation Bureau (CPIB). Through POCA, the Singaporean government seriously defined various forms of gratification as corruption and increased penalties for corruption suspects (Quah, 2001). Both factors reduced opportunities for corruption. In addition, to minimize incentives for corruption, the Singapore government also increased salaries and improved the quality of work within the Singapore Civil Service (Quah, 2001).

Meritocracy-Based Bureaucracy

Regarding the bureaucratic model, the Singapore government adopted key components of the new approach to public sector management, or New Public Management (NPM). In general, the two main components of this business-oriented public management can be seen in: (1) the separation of various ministries, departments, and agencies into autonomous executive bodies with greater autonomy, and (2) the granting of financial and managerial authority to these autonomous bodies to formulate and implement outcome-oriented programs (Haque, 2004). In Singapore, the government transformed various departments and statutory bodies into autonomous bodies with a certain degree of operational flexibility. Furthermore, within these autonomous bodies, top executives were granted considerable autonomy in financial, personnel, and other managerial matters. Furthermore, the Singapore government also decentralized the personnel system, into newly created personnel boards within ministries. This personnel council can recruit lower- and mid-level employees and internalize new opportunities for the business sector into public services.

Preconditions: Bureaucratic Reform in Indonesia

Warburton (2016) argues that President Jokowi's development model and the National Development Model during Suharto's New Order leadership had several similarities, one of which was achieving political stability, which he later argued was in line with neo-developmental frameworks. President Suharto, with his nationalist-militaristic approach, employed an authoritarian military approach, while President Jokowi, under the framework of reform and democracy, employed patronage and political lobbying as an effort to achieve stability (Warburton, 2016). This reform agenda itself was considered capable of endangering previously achieved political stability. As previously stated, the neo-developmental paradigm emphasizes the importance of an efficient bureaucracy to realize development agendas.

In Indonesia, the term bureaucratic reform is a term that is quite widely used, especially in post-reform societies. In their publication, Turner et al, divided the periods of bureaucratic reform in Indonesia into three periods: (1) the initial period after the collapse of the New Order regime, 1998-2003, which was considered sporadic change without a strategic design or long-term plan to reform the Indonesian bureaucratic reform system; (2) the targeted reform period, in which the government responded to targeted public service reforms, along with assistance from the IFI and various bilateral aid agencies lining up to provide funding and technical assistance; and (3) the bureaucratic reform period (2010-present) which began under the leadership of President Susilo Bambang Yudhoyono (SBY), who envisioned realizing a world-class bureaucracy by 2025 (Turner et al., 2022).

President Jokowi also evaluated his predecessor's efforts to reform the bureaucracy. President Jokowi's first step was to create a performance management framework to build a skills-based bureaucracy and a performance system. Furthermore, President Jokowi has initiated various bureaucratic reform efforts, including the establishment of integrity zones and bureaucratic digitization. Citing a report from Kompas.com, President Jokowi stated that the Indonesian government currently faces a significant task: transforming the bureaucratic service model, which he believes is trapped in procedural and administrative matters. Bureaucratic reform itself in Indonesia cannot be separated from the demands for reform of the bureaucratic system after the collapse of the New Order regime, which is also characterized by bureaucratic decay. To realize an effective bureaucracy, the government must play an essential role, based on the principles of good governance and democratic efforts to realize a robust public service model. Furthermore, in relation to neo-developmental agendas, a streamlined bureaucracy is seen as crucial for establishing a stable government framework and streamlining development processes.

President Jokowi's second term also saw several policies issued to reform (read: trim) the existing bureaucracy. The implementation of the Job Creation Law is seen as an effort to achieve this streamlined bureaucracy, as stated by the Minister of Home Affairs in a 2020 statement on the Media Indonesia news website, stating that "the omnibus law bill will reduce regulatory overlap" and is one of the agenda items for bureaucratic reform in Indonesia. This aligns with the neo-developmental paradigm, which emphasizes the importance of political stability and bureaucratic efficiency, along with the state's responsibility to address underdevelopment. However, Bowornwathana and Wescott as cited by Rahmatunnisa (2010) argue that bureaucratic implementation in developing countries tends to be challenging and requires structural changes. Although various efforts to reform the Indonesian bureaucracy have been made on paper, we cannot deny that these efforts also face various obstacles.

According to the UN's e-Government Survey, Indonesia currently ranks 88th out of 153 countries in terms of efforts to implement digital governance and bureaucratic reform. Within Southeast Asia, Indonesia lags far behind its neighbors, Singapore (11th), Malaysia (47th), Thailand (57th), Brunei (60th), and Vietnam (86th). One of the obstacles to bureaucratic reform in Indonesia is the inherent culture of corruption that exists within the Indonesian government. Ironically, political parties themselves are facing various problems that are currently eroding their internal affairs as the engine of democracy itself, from the characterization of figures to the cadre development process, various problems persist.

The assumption of a trickle-down economy, as proposed by neoliberals, is in fact hampered by these practices. Economic growth ceases to trickle down, but is instead blocked by inefficient bureaucratic practices that are still ravaged by corruption. Bureaucracy is seen as a breeding ground for corruption. Philp as cited by Fatkhuri

(2017), argued that corruption within a bureaucratic institution occurs when bureaucrats gain advantages/benefits through political processes acquired through their positions as public officials within the bureaucratic framework (Fatkhuri, 2017). Regarding corruption in Indonesia, data released by the Central Statistics Agency (BPS) also noted an increase in Indonesia's Anti-Corruption Behavior Index in 2021, reaching 3.88/5. The closer the index value is to 5, the more anti-corruption society behaves. Conversely, an index value closer to 0 indicates a society's increasingly permissive behavior toward corruption. Despite this improvement, it remains far from the IPAK target of 4.0. Indonesia also faces other issues, one of which is an oligarchy reorganizing itself through democratic means (Hadiz and Robinson, 2014). This has resulted in weak formal political control and a critical mass.

Civil Liberties in Singapore

Despite its economic prosperity, Singapore has a number of human rights issues on its record. According to Asia Watch, there is a long list of alleged human rights violations by its repressive government, including preventive detention; imprisonment without trial; restrictions on freedom of association and speech; physical and psychological abuse of detainees; coercion and re-arrest of those who complain about abuse; obstacles to judicial review; intimidation and harassment of the opposition or potential opposition politicians; restrictions or bans on media, student, labor, and professional organizations; restrictions on parliamentary debate; and interference in the judiciary. Furthermore, Singapore also has the Internal Security Act (ISA), which aims to prevent anti-government narratives, racial or class discrimination, organized violence, and other actions deemed to disrupt Singapore's security order (Chew, 1994). This law empowers the country's leaders to exploit civil liberties. This is partly due to Article 8 of this law, which allows the president to name as suspects anyone who "endangers the security and continuity of public services in Singapore." Furthermore, the ISA also authorizes the police to arrest anyone without warning if they are suspected of endangering Singapore's security (Chew, 1994).

The Singaporean government has also enacted the Protection from Online Falsehoods and Manipulation Act (POFMA), which allows the government to "correct" or remove online content deemed contrary to government interests. Furthermore, the rights of LGBT individuals are severely restricted, and non-heterosexual sexual relations are considered a criminal offense, and there is no legal protection against discrimination based on sexual orientation or gender identity. The poor quality of civil rights and democratic freedoms in Singapore is a result of a government that is too preoccupied with development policies (Haque, 2004).

Civil Liberties in Indonesia

When it comes to President Jokowi, Jokowi himself is often viewed as an "alternative" to Indonesian democracy. This is because President Jokowi, elected in 2014 and re-

elected in 2019, does not come from a background in Indonesia's "traditional political power network" consisting of political, military, and bureaucratic families. Therefore, President Jokowi's election is often seen as a "stepping stone" for the development of democracy in Indonesia (Mietzner, 2015). However, according to Freedom House's 2021 democracy index, Indonesia can be considered a "partly free" democracy, with a score of 51 out of 100. This is seen as a result of the various challenges Indonesia faces, including corruption, discrimination and violence against minority groups, separatist tensions in Papua, and the politicized use of defamation and blasphemy laws.

In terms of civil liberties, Indonesia also ranked 29/60 in 2021. One interesting point to highlight in the 2021 democracy index measurement is the decline in civil liberties in Indonesia, which decreased by one point compared to previous years. Referring to the democracy index released by Freedom House, one of the areas that experienced a significant decline was freedom of expression and freedom of belief. Although peaceful protests can be observed, it is undeniable that the government and authorities remain quite repressive in responding to topics considered "taboo" and sensitive in Indonesian society, such as the 1965-66 massacres or regional separatism. The decline in Indonesia's democratic process, which was initially considered progress, primarily as a result of the fall of President Suharto in 1998, was driven by practices that minimized democratic participation, which were then considered to deconsolidate the democratic process, while simultaneously successfully maintaining its democratic status (Mietzner, 2020). This decline in civil liberties is seen as a result of the weakening of various aspects of democratic life, ranging from military involvement in several aspects of civil life, restrictions on freedom of expression, and repression against groups opposing the government. Coupled with the current pandemic, it seems likely that Indonesia's democratic journey will remain stagnant without significant political breakthroughs. Therefore, in the context of safeguarding democracy, the role of civil society is crucial in strengthening the democratization process in Indonesia.

D. Conclusion

Before implementing developmentalism policies, the Singaporean government had already improved the quality of the country's bureaucracy. This included bureaucratic reforms focused on the transition of state formation, the transformation of the role of the public sector, anti-corruption policies, and a meritocratic bureaucracy. These bureaucratic reforms are also one of the reasons for the success of development through government intervention. Indonesia, under the Jokowi administration, has implemented a similar reform model to Singapore's, such as the development of a skills-based bureaucracy and a performance system. However, the Indonesian government has focused more on debureaucratization (such as through the Job Creation Law) rather than first improving the quality of the bureaucracy. Indonesia has a notorious history of corruption, hampering bureaucratic reform. This rampant corruption is a barrier not only to investment inflows but also to the trickle-down

economic assumptions put forward by neoliberal thinkers. The debureaucratization and deregulation approaches also differentiate developmentalism in Indonesia from Singapore. Singapore relies more heavily on government intervention in national economic growth through industrial-oriented policies, while Indonesia operates in the spirit of neoliberalism, which encourages minimal state intervention (such as debureaucratization and deregulation) and believes in the trickle-down effect. However, the consequences of developmentalism in Indonesia and Singapore are similar: there are indications of subordination to democracy and civil rights. Singapore, with its authoritarian nature, has a long track record of failing to address democracy and civil rights, which is argued to be a consequence of its consistently prioritizing development agenda. In Indonesia's case, President Joko Widodo has not employed a clearly authoritarian strategy, but many thinkers have argued that the decline in civil liberties within Indonesia's democratic climate is a consequence of the prioritization of development.

E. Acknowledgement

We express our thanks to friends and editorial team of Journal of Social Work and Science Education who helped us in this paper.

References

- Ali, M. (2000). Eradicating Corruption-The Singapore Experience The Seminar on International Experiences on Good Governance and Fighting Corruption Pimarnmek Room, 3 rd Floor, The Grand Hotel Bangkok. In *The Seminar on International Experiences on Good Governance and Fighting Corruption*.
- Anguelov, D. (2024). State-owned Enterprises and the Politics of Financializing Infrastructure Development in Indonesia: De-risking at the Limit? *Development and Change*, 55(3), 493–529. <https://doi.org/10.1111/DECH.12828>
- Bianchi, Patrizio., & Labory, Sandrine. (2008). *International handbook on industrial policy*. Edward Elgar. <https://www.e-elgar.com/shop/gbp/international-handbook-on-industrial-policy-9781843768364.html>
- Bresser-Pereira, L. C. (2009). From old to new developmentalism in Latin America. *Textos Para Discussão*, 193. <https://ideas.repec.org/p/fgv/eesptd/193.html>
- Bresser-Pereira, L. C. (2017). The two forms of capitalism: developmentalism and economic liberalism. *Brazilian Journal of Political Economy*, 37(4), 680–703. <https://doi.org/10.1590/0101-31572017V37N04A02>
- Bresser-Pereira, L. C. (2018). Economic Nationalism and Developmentalism. *Fiscoeconomia*, 2018(2). <https://ideas.repec.org/a/fis/journal/180201.html>
- Chang, F. K. (2020). *A Faint Breeze of Change: Malaysia's Relation with China*. Foreign Policy Research Institute.
- Chaniago, S. A. (2010). The Emergence of Neoliberalism as a New Form of Liberalism. *Jurnal Hukum Islam IAIN Pekalongan*, 14(2), 1–8. <https://www.neliti.com/publications/37038/>

- Chew, M. (1994). Human Rights in Singapore: Perceptions and Problems. *Asian Survey*, 34(11), 933–948. <https://doi.org/10.2307/2645345>
- Davies, W. (2014). Neoliberalism: A Bibliographic Review. *Theory, Culture & Society*, 31(8), 309–317. <https://doi.org/10.1177/0263276414546383>
- Dent, C. M. (2018). East Asia's new developmentalism: state capacity, climate change and low-carbon development. *Third World Quarterly*, 39(6), 1191–1210. <https://doi.org/10.1080/01436597.2017.1388740>
- Fatkhuri. (2017). Corruption in the Bureaucracy and Its Prevention Strategies. *Jurnal Ilmiah Manajemen Publik Dan Kebijakan Sosial*, 1(2), 65–76. <https://ejournal.unitomo.ac.id/index.php/negara/article/view/784/434>
- Gezmiş, H. (2018). From Neoliberalism to Neo-developmentalism? The Political Economy of Post-crisis Argentina (2002–2015). *New Political Economy*, 23(1), 66–87. <https://doi.org/10.1080/13563467.2017.1330877>
- Haque, M. S. (2004). Governance and Bureaucracy in Singapore: Contemporary Reforms and Implications. *International Political Science Review*, 25(2), 227–240. <https://doi.org/10.1177/0192512104042314>
- Hausmann, R., Rodrik, D., & Sabel, C. F. (2007). Reconfiguring Industrial Policy: A Framework with an Application to South Africa. In *Harvard University Center for International Development Working Paper No. 168; Harvard Kennedy School Faculty Research Working Paper No. RWP08-031* (168). https://scholarship.law.columbia.edu/faculty_scholarship/1542
- Iksan, M. (2022). View of From Neoliberalism to Neodevelopmentalism: Indonesian's Investment Policy on the Foreign Capital Post-new Order. *Journal of Advance in Social Sciences and Policy*, 2(1), 45–56. <https://jassp.lppm.unila.ac.id/index.php/jassp/article/view/35/44>
- Khan, S. R., & Christiansen, J. (2011). *Towards New Developmentalism: Market as Means rather than Master - 1st*. Routledge. <https://www.routledge.com/Towards-New-Developmentalism-Market-as-Means-rather-than-Master/Khan-Christiansen/p/book/9780415746779>
- Lall, S. (2006). Industrial policy in developing countries: What can we learn from east asia? In *International Handbook on Industrial Policy* (pp. 79–97). Edward Elgar Publishing Ltd. <https://doi.org/10.4337/9781847201546.00011>
- Lancaster, C. (2007). *Foreign Aid: Diplomacy, Development, Domestic Politics*. the university of chicago press.
- Masni Juniaty Sianipar, I., & Jeverson Maya, A. (2020). Pink Tide: Neo-developmentalism in Brazil and Argentina. *Proceedings of the 3rd International Conference on Social and Political Development (ICOSOP 3 2019) - Social Engineering Governance for the People, Technology and Infrastructure in Revolution Industry 4.0*, 23–32. <https://doi.org/10.5220/0010001900230032>
- Mietzner, M. (2015). *Reinventing Asian Populism Jokowi's Rise, Democracy, and Political Contestation in Indonesia*. East-West Center.
- Mietzner, M. (2020). Authoritarian innovations in Indonesia: electoral narrowing, identity politics and executive illiberalism. *Democratization*, 27(6), 1021–1036. <https://doi.org/10.1080/13510347.2019.1704266>

- Murphy, R. H. (2023). Singapore's Small Development State. *The Independent Review*, 28(3), 441-452.
- Muthmainnah, L. (2016). Feminist Critique of Developmentoriginalism. *Jurnal Filsafat*, 18(3), 315-332. <https://doi.org/10.22146/JF.3530>
- Muthmainnah, L., Mustansyir, R., & Tjahyadi, S. (2021). Intrinsic Problems in the Sustainable Development Agenda: An Analysis of Political Philosophy on Environmental Management in Post-Reform Indonesia. *JWP (Jurnal Wacana Politik)*, 6(1), 62-73. <https://journal.unpad.ac.id/wacanapolitik/vol6/iss1/14>
- Noman, A., & Stiglitz, J. (2015). *Industrial Policy and Economic Transformation in Africa - Initiative for Policy Dialogue*. Columbia University Press. <https://ipdcolumbia.org/publication/industrial-policy-and-economic-transformation-in-africa/>
- Power, T. P. (2018). Jokowi's Authoritarian Turn and Indonesia's Democratic Decline. *Bulletin of Indonesian Economic Studies*, 54(3), 307-338. <https://doi.org/10.1080/00074918.2018.1549918>
- Quah, J. S. T. (2001). Combating corruption in Singapore: What can be learned? *Journal of Contingencies and Crisis Management*, 9(1), 29-35. <https://doi.org/10.1111/1468-5973.00151>
- Rahmatunnisa, M. (2010). Revisiting Bureaucratic Reform in Indonesia. *Governance*, 1(1), 1-12. <https://jurnal.unismabekasi.ac.id/index.php/governance/article/view/701/587>
- Ramdani, R., Purnomo, E. P., & Ahsani, R. D. P. (2018). Natural Rubber as the Basis for Rural Development and Sustainable Improvement of Community Living Standards: A Critique of the Developmentalism Paradigm. *Jurnal Ilmu Pemerintahan Widya Praja*, 44(1), 21-36. <https://doi.org/10.33701/JIPWP.V44I1.236>
- Rodan, G. (1989). The Political Economy of Singapore's Industrialization: National State and International Capital. *The Political Economy of Singapore's Industrialization: National State and International Capital*. <https://doi.org/10.1007/978-1-349-19923-5>
- Rohman, A. (2023). G30S/PKI: Soekarno-Soeharto Berenang di Antara Dua Karang. Visi Literasi Nusantara. <https://anyflip.com/page/aujn/basic>
- Smith, A. L. (2000). *Strategic Centrality: Indonesia's Changing Role in ASEAN*. Regional Strategic and Political Studies Programme, Institute of Southeast Asian Studies.
- Smith, T. (1985). Requiem or New Agenda for Third World Studies? *World Politics*, 37(4), 532-561. <https://doi.org/10.2307/2010343>
- Soesilowati, E. (2009). Neoliberalism: Between Myth and Hope. *JEJAK: Jurnal Ekonomi Dan Kebijakan*, 2(2), 126-134. <https://journal.unnes.ac.id/nju/jejak/article/view/1465>
- Solow, R. M. (1956). A Contribution to the Theory of Economic Growth. *The Quarterly Journal of Economics*, 70(1), 65-94.
- Sudirman, A., & Kaewsaeng-On, R. (2019). U.S. Communism Containment Policy for Indonesia: A Case Study of the 1965-1967 Attempted Coup D'état in Indonesia.

International Journal of Innovation, Creativity and Change. Www.Ijicc.Net, 8(5), 30–46.
www.ijicc.net

- Turner, M., Prasojo, E., & Sumarwono, R. (2022). The challenge of reforming big bureaucracy in Indonesia. *Policy Studies*, 43(2), 333–351.
<https://doi.org/10.1080/01442872.2019.1708301>
- Warburton, E. (2016). Jokowi and the New Developmentalism. *Bulletin of Indonesian Economic Studies*, 52(3), 297–320. <https://doi.org/10.1080/00074918.2016.1249262>
- Warburton, E. (2019). A New Developmentalism in Indonesia? In H. Hill & S. D. Negara (Eds.), *The Indonesian Economy in Transition* (pp. 34–56). ISEAS–Yusof Ishak Institute. <https://www.cambridge.org/core/books/indonesian-economy-in-transition/new-developmentalism-in-indonesia/BE1ACED8AC34EB3B6864AABA0A2885D4>
- Watson, J. K. (2021). *Cold War Reckonings: Authoritarianism and the Genres of Decolonialization*. Fordham University Press.
https://research.library.fordham.edu/cgi/viewcontent.cgi?params=/context/lit/article/1022/&path_info=Watson_print.pdf
- Wibowo, A. (2017). Indonesian Capital Market Investors' Reaction to Jokowi's Phase I Economic Policy Package - JK (Study on LQ 45 Stocks for the Period of August 2015 - February 2016). *Media Ekonomi Dan Manajemen*, 32(1), 58–70.
<https://doi.org/10.24856/MEM.V32I1.452>
- Zambrana, R. (2013). Paradoxes of Neoliberalism and the Tasks of Critical Theory. *Critical Horizons*, 14(1), 93–119.
<https://doi.org/10.1179/15685160X13A.0000000005>