

Yogyakarta in Decentralized Indonesia: Integrating Traditional Institutions into a Democratic Republic¹

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Introduction

For the first time in Indonesia's history, in October 2008, the President of Indonesia, Susilo Bambang Yudhoyono (SBY), issued a presidential decree to extend the tenure of the Governor of the Special Region of Yogyakarta (*Daerah Istimewa* Yogyakarta (DIY); Yogyakarta). Just 18 months earlier, Yogyakarta's Governor, Sri Sultan Hamengkubuwono X (Sultan HB X) had declared that he would discontinue his governorship. These two important events marked the peak of inharmonic relations between Jakarta and Yogyakarta and an expression of the 'king's frustration regarding the status of Yogyakarta in post-Soeharto, decentralized Indonesia.

Unlike two other provinces with special status during the Soeharto regime, Jakarta³ and Aceh,⁴ Yogyakarta was the only province that did not attract Jakarta's attention after the decentralization policy had taken its effective form in 2001. Jakarta received its special status as a result of its political position as the capital city of Indonesia. The special province of Aceh, after a long and exhaustive peace process between GAM and the Government of Indonesia, received its special status arrangement in 2001. Instead of issuing a new special autonomy law for Yogyakarta which received its special status in 1950 (Law 3/1950), Jakarta has since been focusing on Papua. Having been neglected by Jakarta, HB X is now putting the pressure on Jakarta regarding not only the status of Yogyakarta but more importantly his own position as a governor. Without a new regulation, he cannot become governor again because he has already held the position for two terms.

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The existence of special regions is not new in Indonesia's history and is a part of the Dutch colonial legacy. During the sultanate of Mataram, the king gave special status to both *daerah perdikan* (special land) and *mancanegara* (outside land). *Daerah perdikan* was a tax free area, commonly as a result of the loyalty of the people to the king, while in *mancanegara*, the leader of the area was chosen from the Kraton's nobility and had to come to the Kraton to pay tax three times each year at the *Grebeg* Festivals (Suwarno 1989: 26).

During this period, the Dutch applied two models for local communities. The first was an ordinary region, directly under the Dutch administration which was regulated under *Korte Verklaring* which was subordinate to the Dutch and native states in treaty with the Dutch (Cribb 2000, p.124). The Dutch made political and economic contracts with each *Kerajaan* each time a new king was crowned.

Special arrangements for territories have been consistently stated in the Indonesian constitutions and regulations since the independence although the structures and the systems of the state have changed dramatically. There have been three constitutions in Indonesia's history. The 1945 constitution structured Indonesia into a presidential system, a unitary state and two bodies of parliament. The 1949 constitution structured Indonesia into a semi presidential system, federal state and two bodies of parliament without a position for vice president. The 1950 constitution structured Indonesia into a parliamentary, unitary state and a single parliamentary body (Pringgodigdo 1966: 11). The Constitution of 1945 applied between August 18, 1945 to December 27, 1949 and July 5, 1959 until today clearly states the status of *Daerah Istimewa* (special regions) in Art 18. Articles 64 and 65 of the Constitution of the Federal Republic of Indonesia (UUD RIS) which was in force from December 27, 1949 to August 17, 1950, stated that none of those special regions (*Daerah Istimewa/Swapraja*) which were already in place could be changed or reduced. Moreover, in the 1950 constitution (*UUDS 1950*), which was in force from August 17, 1950 to July 5, 1959, the status of *Swapraja* was acknowledged in Art 131-133 (Pringgodigdo 1966: 50). This constitutional arrangement for special regions was and still is complimented by a complex legislative framework.

In post-Soeharto Indonesia, the demand for special region status has grown stronger and is often used as a political bargaining tool against Jakarta. The special autonomy for

Papua and Aceh are examples. With this situation as a backdrop, the demand for a more specific regulation on Yogyakarta's status as a special province is taking place.

This paper is an attempt to discuss the controversies of Yogyakarta in decentralized Indonesia. I argue that there are three elements to 'Keistimewaan' Yogyakarta (or Yogyakarta's 'special-ness'): history, leadership and problems with assets. The first is related to the history of Yogyakarta under Sultan Hamengkubuwono IX (Sultan HB IX), the father of Sultan HB X during the period of Indonesia's struggle for independence (1945-1949). The second element primarily concerns whether the Sultan should automatically become a governor or not and the position of Kraton families in Yogyakarta's administration. The third element is related to managing the Kraton's assets. This paper is structured chronologically from the fall of Mataram to contemporary Indonesian politics.

The Dutch: Contracts with Local Rulers

The history of Yogyakarta is rooted in the history of the Mataram kingdom which during the seventeenth century roughly covered the area of what is now Central and East Java. To maintain its economic gain from trade, the *Verenigde Oost Indische Compagnie* (VOC, or Dutch East India Company) made at least 111 trade agreements with Mataram before 1705 (Selosoemardjan 1962: 10). The history of the 'pemekaran'⁵ (or 'division') of Mataram is important to understanding the special status of Yogyakarta and why that status is not granted to other independent states in Surakarta.

Started as an independent and powerful kingdom, Mataram declined due to the presence of the VOC, a Dutch business company that cleverly use military and especially political forces to maintain its monopoly over trade throughout the entire Indonesian archipelago. One of the most important events in its relationship with the VOC was the Chinese rebellion which caused the capital of Mataram to move from Kartasura, which was badly damaged, to Surakarta in 1742. The VOC helped the

⁵ 'Pemekaran' in Indonesia refers to a process whereby one administrative unit is split into a number of smaller administrative units.

Mataram king Susuhunan⁶ to suppress the revolt and were consequently granted a monopoly over trade and transportation in the kingdom (Selosoemardjan 1962).

Dissatisfied with Susuhunan's decision, one of his nobility, Raden Mas Said (RM Said), organized a movement to overthrow the king. Learning from previous experience, Susuhunan publicly promised that anyone who could suppress RM Said would become a ruler of the Sukowati area. After three years of fighting, Prince Mangkubumi, Susuhunan's brother, brought RM Said's movement to a standstill although RM Said remained uncaptured. Despite having effectively suppressed RM Said's revolt, Susuhunan defaulted on his promise to give Sukowati to his brother. As a result, in 1746, Mangkubumi and a group of noblemen secretly left the palace to join RM Said's revolt against Susuhunan. Unable to suppress the revolt, Susuhunan asked the VOC for support for the second time.

During this civil war, in December 1749, Susuhunan became seriously ill. Under pressure from the VOC, he signed a declaration nine days before his death, stating that Susuhunan surrendered Mataram to the VOC with the proviso that only his descendants had the right of succession to the throne (Selosoemardjan 1962).

The VOC signed a peace treaty with Prince Mangkubumi on February 1755 conceding half of Mataram which was then named Kasultanan Ngayogyakarta Hadiningrat (Kasultanan) to Prince Mangkubumi with the royal name of Hamengkubowono. The other half, Surakarta, was then divided between Pakubuwono III (Susuhunan's son who was crowned by the VOC) and Mangkunegaran for RM Said who ended his rebellion in 1757. During Raffles's period in 1813, a small part of Yogyakarta was given to Prince Natakusumo, son of Sultan Hamengkubowono I and the brother of Sultan Hamengkubuwono II. This area, which was given the name Pakualaman, was ruled by Prince Natakusuma under the royal title Pakualam (Ricklef 1974). Those areas are beautifully pictured by Robert Cribb (2000) in his atlas below.

⁶ Also known as Sunan Pakubuwono II

Picture 1. Mataram 1830



Source: Cribb, Historical Atlas of Indonesia

The Dutch maintained their relationship with the kings of the now split-up Mataram by establishing political and economic contracts which were renewed each time a new king would ascend the throne. However, these political contracts significantly reduced the role of rulers both military and economically. The kings could not have their own armed forces or police and authority over mining, finance, postal services, salt and teak forests were controlled by the Dutch. The kings and the Dutch appointed an administrative person, *Patih/Pepatih Dalem*, which gave his service to both masters. Through the presence of *Patih*, the Sultans' authority was limited to the 'inner Kraton business', while *Patih* dealt with administration of the people, the outer layer. During this time the interaction between the Sultan and the public was limited to just three

times a year at the *Gerebeg* /offering festivals. Before the Japanese occupation, there were five territories in Java, *Provincie West Java*, *Provincie Midden Java*, *Gouvernement Jogjakarta*, *Gouvernement Soerakarta* and *Provincie Oost Java* (Cribb 2000, p.126).

Picture 2.

Territories of Java 1931-1942



Source: Cribb, Historical Atlas of Indonesia

The three and a half years of Japanese occupation made significant changes in returning power to the Sultan which would become important in the coming years. After the death of Patih Dhanoeredjo VII on August 1, 1945, instead of appointing a new Patih, Sultan HB IX asked the Japanese Military Governor to be given the Patih's responsibilities himself. The Japanese Governor, who did not understand the role of Patih and believed that this was the Kraton's business, agreed (Anderson 1972).

It made a dramatic change in Yogyakarta's politics. Although Sultan HB IX had to travel to the Patih's office (*Kepatihan*), a kilometer north of his Palace, he could make direct contact with the people of Yogyakarta. His regular visits to Kabupaten (Regencies) in Yogyakarta were highly appreciated by the masses, bolstering people's trust and loyalty to their king.

The Sultan's Survival in the New Republic (1945-1949)

Since the Indonesian proclamation of independence on August 17 1945, the politics of Yogyakarta has dramatically changed. There was the growing confidence of the newly educated political elite who suddenly gained popular support on the one hand, and the politics of survival by traditional elites on the other. Despite his enormous political contribution to the Republic, the political movement by Sultan HB IX should also be viewed as a means of self-preservation and survival.

On August 18 1945, the day after Indonesia's independence was proclaimed by Soekarno-Hatta in Jakarta and the day the 1945 constitution took effect, both kings in Yogyakarta, Sultan HB IX and Pakualam VIII, sent telegrams to Jakarta in support of the proclamation. Jakarta took immediate action by securing four major sources of traditional authority into the Republic of Indonesia. The next day Soekarno passed the '*piagam penetapan*' (establishing charter) which held that Sunanate (*Kraton Solo*), Mangkunegaran, Kasultanan (*Kraton Yogyakarta*) and Pakualaman would devote their service to the new Republic (Anderson 1972: 115).

Responding to this action, on September 1 1945, both rulers in Surakarta (Susuhunan and Mangkunegoro) proclaimed that their respective territories were part of the Republik. Four days later, on September 5, 1945, both kings in Yogyakarta (Sultan and Pakualam) made further proclamations (*maklumat*⁷) which contained three important issues. First, the territory of Kraton Ngajogjakarta Hadiningrat (Yogyakarta) and Pakualaman would be special regions of Indonesia. Second, both of these traditional rulers would retain all power within their respective regions. Third, both traditional rulers would make a special arrangement with the Central Government of Indonesia and would be responsible directly to the President of Indonesia (Sujanto 1988). This declaration was promulgated after the Central Government established eight provinces and appointed eight governors on 2 September 1945, including Yogyakarta as part of the province of Central Java (Suprpto 1985: 19). This declaration clearly showed the steps of Sultan HB IX to maintain his power. It should be noted that, during the short-

⁷ Maklumat is the king's statement of decree.

lived Federal Republic of Indonesia in 1949-1950, the state known as the Republic of Indonesia consisted Yogyakarta as well (JIP UGM 2007).

During this critical period, traditional rulers acknowledged that there was a growing demand for the establishment of democratic principals with elected rulers. The supporters of this demand consisted of leaders of the *Komite Nasional Indonesia* (KNI; Indonesian National Committee) – a local executive branch which later became the legislative assembly – and newly educated Indonesian political elite. The actions taken by the kings were attempts to maintain their power in the new ‘democratic’ political arena. Both kings in Yogyakarta – but particularly Sultan HB IX – were successful in their attempts, especially when compared to their relatives in Surakarta. Proof lies in the fact that, although both Yogyakarta and Surakarta were granted special region status in 1945, only Yogyakarta’s special status endures today. The special status of Surakarta was abolished in 1946 as a result of poor leadership on the part of Susuhunan, demands from *Partai Nasional Indonesia* (PNI; Indonesian Nationalist Party) Surakarta and the enforcement of these demands by PNI’s military wing, *Barisan Banteng*, who surrounded the palace (Kahin 1952: 186).

In late 1945, after the failed attempt by the Dutch to assassinate the Prime Minister, Soetan Sjahrir, Sultan HB IX offered Yogyakarta as the capital of Indonesia. The central government, because of Yogyakarta’s stability and its strategic location in the centre of the island of Java, accepted the invitation. The capital moved to Yogyakarta on January 4 1946 for three years. During this period, Sultan HB IX and the people of Yogyakarta made an enormous contribution to the new republic. The decision of Sultan HB IX to take the Patih’s responsibilities proved to be beneficial for him as he could meet anybody, including ordinary people, without the Kraton’s traditional and cumbersome procedures that place the Sultan in a higher position with higher status than ordinary people. The steps taken by Sultan HB IX were as follows.

First, Sultan HB IX and the people of Yogyakarta facilitated the establishment of the capital of Indonesia. Soon after the capital moved to Yogyakarta, flows of migrants followed to fill positions in the 18 ministries in the new capital. Seloemardjan (1962) describes that there was dramatic social change in Yogyakarta during this period. Sultan HB IX also made a significant contribution by allowing the capital, Kota

Yogyakarta, to be managed directly by the central government. The central government in Yogyakarta then appointed a non Javanese regent for Yogyakarta.

Second, the special region of Yogyakarta was a 'pilot project' of the new republic. There is no doubt that the homogeneity of the people of Yogyakarta (Javanese) with a single loyalty to Sultan HB IX and practicing a single Javanese culture (Hawkin 1996) provided the perfect conditions for a pilot for the government's policies (Kahin 1952: 194). Some examples are the successful establishment of KNIs at the district level (Adikarto (Kota Yogyakarta), Kulonprogo, Bantul, Gunung Kidul. Another was the first local election in Indonesian history in 1951, four years before the national election in 1955 to elect representatives for local legislatures (Suwarno 1994: 287).

Third, Sultan HB IX and the people of Yogyakarta showed an uncompromising position to the Dutch. When the Dutch military forces occupied Yogyakarta, the capital, they offered Sultan HB IX the position of *Wali Negara (literally Custodian of the State)* which gave him an area of control consisting of Central Java, Yogyakarta and East Java. He refused and shut himself in the palace (Kahin 1952: 398). Yogyakarta's civil servants showed an equally uncompromising position by only following Sultan Hb IX's orders.

Fourth, the roles of Sultan HB IX in preparing and managing the *Serangan Oemoem 1 Maret* (general attack of 1 March 1949) in Yogyakarta. For six hours Indonesian armed forces attacked the Dutch military and controlled the capital. This action, which was masterminded by Sultan HB IX, was very important to demonstrate Indonesia's military performance to the international community (Chidmad et al 2001). The preparation of this attack can be traced backed to 26 October 1945 when the Sultan issued *Maklumat No. 5 on the establishment of Lasykar Rakjat* (LR; People's Army). The purpose of this army was specifically 'protecting' Yogyakarta. *Lasykar Rakjat* was organized based on Yogyakarta's bureaucratic structure which came under the direct command of the Sultan and Pakualam (Suwarno 1994). Anderson (1972) argued that LR was tightly link with, and indeed formed a completely loyal appendage of, the administrative apparatus of the Sultanate (Anderson 1972 268). This LR was used to 'protect' Yogyakarta, including its traditional heritage.

Special Arrangement without Special Distinction: 1950 - Today

Yogyakarta was granted special region status by *Law 3 of 1950 on the Establishment of the Special Region of Yogyakarta (Undang-Undang Republik Indonesia Nomor 3 Tahun 1950 Tentang Pembentukan Daerah Istimewa Yogyakarta)*. This law places Yogyakarta at the same level as a province (Art 1). Although this law mentions the term 'special region', there is no difference in terms of power sharing, revenue sharing or resource allocation between Yogyakarta and other provinces in Indonesia.

This trend continues up until today. According to the laws in force before Soeharto came to power (*Law 32 of 1956* and *Law 18 of 1965*), Yogyakarta's position was equal to that of other provinces (Riwukaho 1982: 124). During the Soeharto period, under *Law 5 of 1974*, there was almost no difference between Yogyakarta and other provinces. This was the same as the two other special regions, DKI-Jakarta and *Daerah Istimewa Aceh* (DIA; the Special Region of Aceh).

The only significant difference with Yogyakarta is the position of Governor and Vice Governor, which have always been held by the Sultan and/or the Pakualam (although Sultan HB IX has also held other positions in the central government). Sultan HB IX was the first minister of War and Internal Security (Kershaw 2001: 76) and during the period of the *Syahrir III* cabinet (1946-1947) he held the position of State Minister. Not only was Sultan HB IX appointed as a minister, but he also managed to retain his position as Governor of Yogyakarta (Suprpto 1983). The daily politics of Yogyakarta was handled by Pakualam, the vice Governor – a situation that continued even when Sultan HB IX was appointed as vice president to Soeharto (1973-1978).

The dilemma occurred when the Governor of Yogyakarta, Sultan HB IX, died in 1988. Based on *Law 5 of 1974*, the position of governor is to be chosen by the local legislature (DPRD), but that did not occur. The position of Governor of Yogyakarta was filled by Pakualam VIII, the vice Governor, as a temporary governor for ten years until Soeharto departed in 1998. In 1998 and 2003, Sultan HB X, the eldest son of Sultan HB IX, easily won the local legislative election to secure the position of Governor.

The Demand for *Keistimewaan* in Post-Soeharto Indonesia

Similar to other provinces that saw opportunity in the state's weakness following Soeharto's resignation, the demand for *Keistimewaan* in Yogyakarta has grown stronger in the last decade. Yogyakarta's government, the DPRD and especially the Sultan and Pakualam, have demanded a special arrangement for Yogyakarta regarding its status through creating the *Bill on Keistimewaan Yogyakarta*. They started by proposing an alternative draft bill on *Keistimewaan* Yogyakarta to the DPR and the Ministry of Internal Affairs. The first alternative bill finished in 2001 under the auspices of Yogyakarta's government, led by Prof. Afan Gaffar, one of the *Tim Tujuh* members who drafted the decentralization law. This bill did not attract Jakarta's attention. Since then, there have been nine alternative drafts on *Keistimewaan* Yogyakarta. The latest draft, prepared in 2007 by the Department of Government Studies Gadjah Mada University (JIP-UGM) under the auspices of the Partnership for Governance Reform Indonesia (PGRI) and the ministry of Internal Affairs is currently being discussed in the national parliament.

The case of Yogyakarta is quite unique. It is hard to find examples of countries with a traditional monarchy in power at the provincial level and a democratically elected government at the national level that can be used as a comparison for Yogyakarta. Unlike most existing monarchies in South-East Asia, which are embedded at the national level, Indonesia's case is an exception (Kershaw 2001).

The first element to Yogyakarta's exceptional status is the role of Sultan HB IX during the independence revolution discussed above. The supporters of *keistimewaan* Yogyakarta base their argument on the claim that Sultan HB IX and the people of Yogyakarta have sacrificed themselves for Indonesia's independent existence. The central government must value that loyalty to the *Republik* by maintaining Yogyakarta's special region status and regulating it differently to other provinces.

The second element is the controversy created by the position of the Sultan and Pakualam both as traditional leaders of Yogyakarta and as officers in the modern-day administration. Pro-Sultan loyalists argue that the position of Governor and Vice Governor in Yogyakarta has been inherited by the Sultan and Pakualam and their descendants. In contrast, Pro-Democracy activists argue that Yogyakarta should have a

local direct election for Governor and Vice Governor like every other province in Indonesia.

Following the fall of Soeharto, there have been two parliamentary elections for governor in Yogyakarta, namely in 1998 and 2003, which show that Yogyakarta has made the shift from traditional monarchy to democracy. These events are evidence that people of Yogyakarta have changed their mindset regarding the source of power, from the Kraton to the people, from top-down to bottom-up. Dhal's (1956) argues that democracy is concerned with the capacity of individuals to control their leaders. Culturally, the Javanese believe that the Sultan has a monopoly of power. Power is vested in the Sultan which may or may not be transferable to the people. The name of the Sultan, *Hamengkubuwono*, literary means to encircle the universe. Moreover, the full royal title of the Sultan: *Sampeyandalem Ingkang Sinuwun Kandjeng Sultan Hamengkubuwono, Senopati ing Ngalogo, Abdurrahman Sayidin Panoto Gomo, Kalifatullah Ingkang Kaping X*, clearly endows the monarch with absolute political, military and religious authority (Selosoemardjan 1952: 17).

Both Sultan HB IX and Sultan HB X have presented themselves as defenders of democracy. There is no doubt that Sultan HB IX, through his deeds during the revolution, has proven this. Moreover, when Andi Mallarangeng, SBY's spokesperson, said Yogyakarta was moving from an absolute monarchy to a constitutional monarchy, Sultan HB X strongly disagreed and argued that neither absolute monarchy nor constitutional monarchy has ever been practiced in Yogyakarta. Yogyakarta, he said, was practicing democracy with his election as a governor being a democratic one (Mawar, Kompas 2008). This shows how Jakarta has misinterpreted Yogyakarta.

However, the Yogyakarta public are still hoping that the Sultan will automatically become the governor and the Pakualam will become the deputy governor. Telephone surveys done by Kompas Research Team (Kompas 30-5-2009) from December 2007 to October 2008 have consistently shown that the majority (60.7% to 80.7%) of respondents want the Sultan to automatically become the governor of Yogyakarta. Interestingly, these surveys only used middle-high income earning households with a fixed line telephone as respondents, which only make up around 10% of Yogyakarta's households, when in fact it is generally held that most of the Sultan's loyalists come

from low to middle income earning households. One may therefore draw the inference that all classes of society support the Sultan as Governor.

Table 1.
Leadership Preferences in Yogyakarta⁸

| No | Date of Survey | Respondents (N) /Sampling error | Sultan Automatically A Governor | Governor is elected | Do not know |
|----|---------------------|------------------------------------|---------------------------------------|------------------------|-------------|
| 1 | 6-7 December 2007 | 285/4.99% | 62.1% | 36.1% | 1.8% |
| 2 | 31 January 2008 | 369/5.10% | 64.2% | 31.4% | 4.4% |
| 3 | 27-28 February 2008 | 399/4.91% | 60.7% | 34.6% | 4.7% |
| 4 | 13-14 March 2008 | 351/5.23% | 76.1% | 20.8% | 3.1% |
| 5 | 27-28 March 2008 | 348/20.8% | 80.7% | 16.1% | 3.2% |
| 6 | 12 September 2008 | 324/5.44% | 79.9% | 16.0% | 4.1% |
| 7 | 25 September 2008 | 329/5.40% | 72.3% | 25.8% | 1.9% |
| 8 | 24 October 2008 | 412/4.82 | 76.5% | 20.6% | 2.9% |

Source: Kompas May 30, 2009

The third element of Yogyakarta's special status is related to the Kraton's assets. Since the integration of the Kraton into Indonesia, the legal status of the Kraton's assets has not been clear. Sultan HB X inherited from his father a vast area of land in Yogyakarta and other areas in Central Java called *Sultanaat Grond* (SG). The land own by Pakualam is called *Pakualamanaat Grond* (PG). It is estimated that Sultan HB X owns more than 3,600 hectares of land out of a total 3 185.80 square km in Yogyakarta (Kompas September 10, 2008). Sultan HB X and his Kraton manage the land which is mostly located in the strategic areas of Yogyakarta. The Kraton issues licenses known as '*kekancingan*' which can be held by individuals or corporations to use the Kraton's land for a certain period of time. Sultan HB X has also given away thousands of hectares of his land following Yogyakarta's integration with Indonesia. The areas of Gadjah Mada University (UGM), Yogyakarta State University (UNY), *Malioboro* street and the

⁸ Surveys were done by Kompas Research Team using telephone interviews from December 2007 until October 2008. Respondents were 17 years old or above and were living in Yogyakarta and its surroundings. Proportional and random sampling methods were used picked from the newest telephone's book. The results are not representing views of the population.

Kotagede area are just some examples. However, national law does not recognize *kekancingan* as valid certificates for ownership of land. As a result, although the Sultan and Pakualam claim this land as their inheritance, they do not legally own the land as they do not have valid land certificates.

Special regulations regarding the Kraton's assets does not necessarily need to be included in the law on *Keistimewaan* if the central government seriously integrates this kind of customary land ownership into national law. By integrating SG and PG, traditional institutions can better manage their assets. There is no rational explanation for why the Kraton's assets have been excluded from the implementation of national land law for 49 years. The possible answer is that all Indonesian presidents have chosen to 'play safe' by not interfering with the Kraton's internal affairs, including its assets. The Kraton's assets have been managed by the Kraton administration. However, due to poor administration on behalf of the Kraton and Pakualam, the land and assets have dramatically reduced. It is common practice that the children of those who have received *Kekancingan* register the land with the National Land Agency (*Badan Pertanahan Nasional (BPN)*) under their own name. Many of the people also have used SG and PG for their own benefits for many years. Since 2002, re-administering of SG and PG by BPN has taken place to integrate it into the national land administration system so that certificates of ownership can be issued for the land for both the rulers (Sultan HB X and Pakualam IX) and their institutions (Kraton and Pakualam).

Conclusion

Post-Soeharto Indonesia has been characterized by increasing demands on the central government from local governments and communities. Yogyakarta, as a special region for more than fifty years, demands a better and more comprehensive regulation on the meaning of their 'keistimewaan' or 'special-ness'. The argument behind this demand is built around three reasons, the history of Yogyakarta during the Indonesian revolution, the position of the Sultan and Pakualam in provincial government and complexities in the regulation of the Kraton's assets.

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