

ABSTRACT

Extractive institutions hinder economic growth and often persist even after democratization, as they continue to benefit the elites (Hadiz, 2010). This study examines the persistence of military institutions, which are closely associated with authoritarian regimes. Specifically, it explores Indonesia's democratic transition and investigates how military influence endures at the local level. Using cross-sectional data at the district level, the empirical results show that districts where the last appointed mayors under the authoritarian regime had a military background are more likely to have mayors with a military background even a decade after democratization.

Keywords: institutional persistence, military, democratic transition, institutional economics, Indonesia.

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