

CHAPTER V  
THE IMPLEMENTATION OF SPECIAL AUTONOMY FOR PAPUA  
PROVINCE WITHIN THE CONTEXT OF INDONESIA  
DECENTRALIZATION POLICY

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**INTRODUCTION**

The wave of democratization in Indonesia started with the Reformasi Move, which pressured President Soeharto to step down in May 1998. The *reformasi* (lit. reform movement) which led to the demise of the New Order regime, have introduced important changes within Indonesian politics permitting significant reforms in local politics. The new democratic system in Indonesia is characterized by the more powerful legislative body, the introduction of multiparty competitive elections, checks and balances between the executive, and a free press and guarantees of civil liberties.

Together with the strong call for democratization and decentralization in almost all regions in the country, Perkasa (2008) recorded that decentralization appears to be a strategic policy. Indonesia has been implementing decentralization policy for more than a decade since 1999 (Mutiarin, 2006). Decentralization in Indonesia took a big step with the enactment of Law No. 22 of 1999 on Regional Administration and Law No. 25 of 1999 on Fiscal Balance Between The Central Government And The Regional Governments. Significant changes were introduced with these two laws. The enactment of Law No. 22 of 1999 and Law No 25 of 1999 had been revised by Law No 32 of 2004 on Regional Administration and Law No 33

of 2004 on Fiscal Balance Between The Central Government And The Regional Governments, opened a more democratic system of government (Kumoro, 2008).

Papua Province is one of Indonesia area that has given a special autonomy within the context of decentralization policy in Indonesia. The political decision taken by the Indonesian government which involved the enactment of Act No 21/2001 on special autonomy for Papua opened a new chapter in the region's political life which is underpinned by the goal of enhancing the welfare of the society.

The Special Autonomy for Papua Province attempts to overcome (1) human rights violation, including economic, social and cultural rights of native Papua society; (2) disparity in development between Papua and other regions; and (3) abject and widespread poverty, especially among Papua native population. However, it is now nine years since the implementation of the special regional autonomy Act, there is very limited of breakthroughs in development policies and governance for the benefit of the population. The special autonomy has not also brought any substantial improvements in eradication of poverty, public service delivery, government performance, and combating corruption.

The new administrative units that have been set up during the implementation of special autonomy policy also create more problems such as budget inefficiency, public service ineffectiveness, and created opportunities for bureaucratic elites to misappropriate special regional autonomy funds for their own ends. The empirical implementation of decentralization in the form of Special Autonomy in Papua found that more facts exposed issues of growing corruption and collusion, more widespread multidimensional conflicts, and ethnic and regional identity revival. The

case of Putra Daerah (son of the region), has become the embryo for the rise of primordialism which to some degree has led to conflicts.

There have been many studies on decentralization in Indonesia. Some examine the political aspects of decentralization and how the relationships between the elements of decentralization are working. This papers will raise the Special autonomy for Papua Province during this 9 years implemented, still this policy could not tackle the issues of inequalities, corruption, lack of transparency , accountability and participation, poverty, and poor public services in Papua.

This paper will provide an analysis of decentralization in Indonesia particularly Special autonomy in Papua . It describes how the government of Papua proceed with the decentralization strategy it given from the Central Government.

### **CONCEPT OF DECENTRALIZATION**

According to Rondinelli decentralization deals with the transfer of authority and responsibility from the central government to subordinate or local government. In this concept, decentralization has three dimensions there are administrative decentralization, political decentralization, or fiscal decentralization. The most popular concept is administrative decentralization which take three major forms : deconcentration, delegation, and devolution (Rondinelli, 1989, 1999, Litvack&Seddon,1999, World Bank, 2004, Zajda , 2006). First, deconcentration is the transfer of specified decision making, financing, and management functions to local line agencies, which depend directly on central government ministries such for example, the transfer of some administrative responsibility or authority to lower levels within central government ministries or agencies. Second, delegation is defined as the transfer of decision making authority to semi-autonomous

organizations, which they are not completely controlled by the central government, but it must be accountable to it. The examples of the delegation such as public enterprises, housing and transport, environment, and health authorities. Third, devolution is the transfer modality that is nearest to the general understanding of decentralization. It includes the transfer of authority and decision making power to legally and politically autonomous sub-national governments. The example of the devolution such as public finance and fiscal management (Rondinelli, 1989, 1999, Litvack&Seddon,1999, World Bank, 2004, Zajda, 2006).

Another model of decentralization as recorded by Weiler (Weiler in Zajda 2006), is 'redistributive', 'effectiveness' and 'learning cultures' models. The explanation of redistributive model deals with top-down distribution of power, while the effectiveness model focuses on financial aspects and cost effectiveness of decentralisation, and last the learning culture model addresses cultural diversity of local government and central government relationship.

In short, Manor (2003) also records the decentralization refers to the transfer of powers and resources from higher levels in political systems to lower levels. Most analysts concentrate on three types of decentralization, there are administrative decentralization or deconcentration, which it is seen as the transfer of administrative personnel and resources from higher to lower levels. Second, the fiscal decentralization, it is the transfer of financial resources, and authority over their use, from higher to lower levels. And the *political* or democratic decentralization or devolution that is the transfer of powers and resources from higher levels to elected institutions at lower levels (Manor, 2003).

Decentralization require the active role and participation of the government, society and non government organization. The three elements so called the pillars of

good governance is assumed led to a decentralized governance. The argument is quite straightforward that decentralised governance can bringing the government closer to the people, create opportunities for local people and lead to closer contact between government officials, local communities, and community-based organisations (UNDP,2002). Basically, decentralized governance help both government and society to achieve a balance of power and responsibilities between the central and local governments and improving the capacity of local authorities to conduct their responsibilities using participatory mechanisms.

Decentralised governance would likely open opportunities for the local community to strengthen itself. At the same time, an active and well-organised local community will expect local government to deliver and will hold it accountable for its performance, both in its role as the voting constituency and as citizens acting in other situations concerned about their society. Therefore, it is expected that decentralised governance will be more effective as they reflect genuine local needs and priorities.

Decentralisation policy will be successful if regional government apparatus are institutionalised enough for creating democratic governance. In spite of theoretical differences between those following more technocratic or more political approaches to decentralisation, most clearly agree that political factors shape the response to decentralisation. From the perspective and in terms of the goals of those initiating decentralisation, that decentralisation is effective only when it is compatible with the interests of those expected to implement and defend it. This is to emphasize the importance of political variables in the process of implementing decentralisation policies and of ensuring that they will result in positive outcomes to the society.

Heller (2001) states that decentralization is widely thought to improve democratic governance by bringing government closer to the people and thereby increasing state responsiveness and accountability. With authorities, function and resources distributed among the various levels of government, the central government then coordinates and regulates the the activity of various levels. This approach suggests that a strong state and strong civil society can and should be mutually reinforcing, and that decentralization can strengthen the state by making it more responsible and accountable to the citizens. This also suggest that decentralization could play an important role in what Oxhorn in the terms the social construction of citizenship" in new democratic by making the subnational arena a space for vibrant democratic participation.

#### **"SPECIAL AUTONOMY"**

Papua has been experienced many problems for more than 40 years that have ranged from economic disparity, political distortions, social backwardness, and secessionist tendencies, attributable to its vast resource wealth and little recognition accorded to native communities. Various approaches, security and political, have not resulted into sustainable resolution of then problems in Papua. The issue of welfare in Papua have been on the spotlight at both national and international levels.

In spite of its goal of creating lasting prosperity, over the nine years which have passed since its implementation, Special Autonomy has made little progress in advancing the livelihoods of the people in the region. Poor implementation of Special Autonomy reflects in the fact that, base on national bureau of statistics data, Papua has the lowest Human Development Index in Indonesia (62,1), even lower than the national Human Development Index (69.6) is eloquent testimony of the

reality that with respect to components of life expectancy rate, literacy rate, and mean Years of Schooling, and Adjusted real per capita expenditure, that the quality of human resources in the region is very low. The Human development index rank is compounded by high poverty incidence, which according to central Bureau of statistics (2002) was 30,90. The latest data on poverty incidence in Papua (2006) which is based on beneficiaries of the direct cash assistance program, shows 47.99 percent of all families in Papua province were still categorized as poor.

Thus, despite some improvement registered by the province with respect to HDI performance over time, in comparison with the national performance on the same indicator, Papua continues to lag behind the national average, pulling the rear in 2005. This demonstrates the reality that little progress, if any has occurred in Papua since the implementation of the special regional autonomy policy in 2001. The low HDI rank registered by the province is indicative of poor quality of human resource development in Papua. If HDI were to serve as a measure of degree to which Indonesia has succeeded in implementing MDGs, Indonesian performance would be very disconcerting. Such findings are corroborated by "*A Future Within Reach*" Report and MDGs report on Asia-Pacific 2006, both of which show that Indonesia along with Bangladesh, Laos, Mongolia, Myanmar, Pakistan, Papua New Guinea and The Philippines fall into the lowest category (Hartingsih, 2007).

The poor performance on HDI cannot be separated from inept and incompetent government bureaucracy, which is the centrepiece of public service delivery. This is because, in addition to being inefficient, public service delivery in Indonesia is also riddled with rampant corruption collusion and nepotism (CCN) which impose heavy costs to users of public services. The low Human Development

Index performance, which is compounded by pervasive poverty provide fertile ground for rampant corruption in Papua.

Findings made by the regional consultative body (DPD) in 2006, showed that four out of eight cases of corruption in the regions, were in Papua, namely in Waropen, and Tolikara districts. According to Governance Assessment Index developed by CPPS-GMU in 2006, also indicates that Papua province performs poorly registering an score of 0,39. The index is also indicative of pervasive corruption in the Papua province. Poor public service delivery , which is in part attributable to rampant corruption, inadequate education Infrastructure to facilitated adequate learning to Papua population has meant that just 40 percent have some educational attainment, insufficient health infrastructure has severely hampered efforts to overcome the high prevalence of HIV-AIDS, malnutrition that hovers about 20 percent in mountainous areas due to high malnutrition and vitamins. More than 50 percent of under five year old children suffer from malnutrition, and infant mortality rate is twice the rate at the national level (Indonesia). Papua province also performs poorly on gender development, registering 54.30 compared with the national average (59.20). Besides, a mere 44 percent of women in Papua province are literate, which is in stark contrast with the national average of 78 percent.

Another Special Autonomy low performance is shown in rural areas. A figure in Jayawijaya District describes how the fragile are the people in Jayawijaya District. Impoverishment among vulnerable groups is seen as a trade mark in Papua, even in the capital of the Province, Jayapura and in the remote isolated town of Wamena, in the district of Jayawijaya. The majority of the Papuans as majority of the population reside in villages and remote areas. They have lower access to basic needs. Indigenous people are normally working in the subsistence sector. The number of



families living below subsistence standards is 271,278 family units or almost half of the total number of 441,987 family units in Papua Province. Statistical data also describe that in March 2006 almost half of the population in Papua province or equivalent to 47,99% of the total population is categorized as poor.

The 2007 government data also shows that there are 2,179 villages in Papua province in which 82.443% are categorised as marginalised in terms of variables for example in main road in the village, the area of work of the majority of the population, educational and health facilities, and the percentage of households using electricity. In the education sector, data shows that 75% of the population do not have access to proper education; 50% have never enrolled in formal education or complemented elementary school. Only 22% complete elementary school, 10% complete from high school and only 10% graduate from high school (Sugandi, 2008).

CSIS' researches such as conflict prevention and resolution in Wamena (sponsored by the European Commission in 2004); identifying the root causes of weak governance in Wamena (sponsored by AIGRP in 2007), and capacity building to empower Civil Society Organization (CSO) to promote Participatory Governance in Wamena (sponsored by The United Nations Democracy Fund/UNDEF in 2007-2008), found that there was inadequate formal education and professional experience and training among government officials and political representatives, especially in policy making and program implementation. Bureaucratic and political processes did not support the selection and deployment of the most qualified people to senior positions. Appointments were often made for reasons of political, ethnic or religious affiliation rather than on merit, resulting in a lack of leadership skills in local government.

The similar research conducted by LIPI in their research of Papua Roadmap in 2008 also found that local populations lack full awareness of the provisions of Special Autonomy, and emphasis a new paradigm to implement special autonomy in Papua Province. CSIS found that most citizens expressed dissatisfaction with the programme's implementation.

#### **PROBLEMS IN IMPLEMENTATION**

The mismanagement of Papua for decades has caused misery, especially to the indigenous people; and has created diverse problems such as human rights violation, disrespect for the human dignity of the Papuans, uncontrolled migration which caused economic disparity between the migrant and indigenous people, exploitation of natural resources, rampant corruption, lack of law enforcement, marginalization of indigenous Papuans, spread of HIV/AIDS, and the neglect of basic social services (e.g., education, health). It is ironic that even though the Island is rich in natural resources but the region is amongst the poorest in Indonesia.

In that backdrop, it is apparent that it is very hard for Papua to get out of the clutches of the vicious cycle of poverty and rampant corruption. It is not an overstatement, borrowing governor Barnabas Suebu expression, to describe the situation Papua faces as a Paradox. This is the case because Papua, which from the political vantage point, special regional autonomy, immense natural resources, scarce population density, but most of its population still live under conditions of political and internecine conflicts, and economic retardation. The situation in Papua is indeed a very complex problem, which can hardly be resolved by resorting to the use of sheer security and political solutions.

The situation in Papua is in part due to weak governance in the province. The implementation of the special regional autonomy policy in 2001 which was hailed as an opportunity to provide better welfare to Papua population, has so far failed to bear fruition. The special regional autonomy policy which is implemented by regional government plagued by deficient and weak capacity to deliver, has provided immense opportunities to bureaucratic elites to abuse power and authority by indulging in corruption, thereby hampering any development efforts to occur in the province. Low government capacity also impacts on its performance in promoting development and providing services to the society. Consequently, the delivery of public services and resources in a transparent and accountable manner has become difficult (McGibbon, 2006).

The policy of creating new administrative units based on the Government Regulation No. 129, 2000 which has been changed by Government Regulation No 78, 2007. This regulation basically aimed to reach the regional and local people wealth by shortened the government tier span of control and also to increase the public service to the local people. The Stock Taking Study by Democratic Reform Support Program in 2009 states the rapid new region creation at district/city level has also been problematic in Papua, giving rise to some of the smallest districts in Indonesia, by population (e.g., Supiori's 11,000). The creation of new administrative units by direct lobbying of DPR and DPD by local elites, further weakening the position of the provincial government (STS DRSP, Ausaid, 2009).

The Stock Taking Study by Democratic Reform Support Program in 2009 states from the implementation of Special Autonomy for Papua Provinces, it could be seen that the policy was developed in recognition of the special circumstances that Papuans must face. The Papuans were brought into the central government decision,

must face the low capacity of local government, the low political and legislative institutions, and the massive creation of new districts/cities or special zones that have been developed. The law has some shortcoming, and is a rather watered down version of what had been implemented .

The Stock Taking Study by Democratic Reform Support Program in 2009 also records the combination of factors favours a review of the implementation of Law 21/2001. Some provisions in the special autonomy law have yet to be realized and only limited beneficiary to the Papuan people. Even though there were big amount of fund has been flown to the Papua Province but the acceleration that have been done by the central government do not come to grips with the political and social-cultural roots of the weak implementation and the weak capacity of all governance pillars to support the present development status and political dynamics (DRSP, Ausaid, 2009).

The implementation of Law 21/2001 has not been fulfilled incomplete. The Papuan upper house (MRP), is still very weak in their decision making power and bargaining. The special autonomy has spent a big amount of fund but the pattern of expenditures and accountability remains poor. The Government of Papua Province also facing the weak government capacity that is largely caused by insensitivity to the need to adopt an approach that tackles problems of Papua development. That fact also explain why the Papua Government has low capacity in the implementation of Special Autonomy on their daily bureaucracy life.

Perkasa (2008) states that the special autonomy in Papua has been marked with weak governance. Weak governance is not solely a matter of traditional patterns of behavior in the modern governance system but also results from a lack of human resources. The research found inadequate formal education and professional

experience and training among government official and political representatives, especially in policy making and program implementation. Bureaucratic and political processes do not support the selection and deployment of the most qualified people to senior positions. Appointments are often made for reasons of political, ethnic or religious affiliation rather than on merit, resulting in a lack of leadership skills in local government. In addition, the phenomenon of "the wrong man in the wrong position" or a mismatch of qualifications, experience and position is widespread (Perkasa, 2008).

Beyond this failure to fully socialize the provisions of Special Autonomy, governing institutions have demonstrated a chronic lack of capacity to take charge of their newly acquired responsibilities. Stakeholder efforts to address these issues have been severely impeded by pervasive corruption and nepotism. Solving the problems in Papua requires more knowledge and skills than conventional peace, conventional aid, and welfare (development) paradigm. Governance in Papua should be form in a better governance that likely open opportunities for the local community to strengthen itself. At the same time, an active and well-organised local community will expect local government to deliver and will hold it accountable for its performance, both in its role as the voting constituency and as citizens acting in other situations concerned about their society. Therefore, it is expected that Papua governance will be more effective if they reflect to the genuine local needs and priorities

## **CONCLUSION**

The implementation of special autonomy in Papua is an asymmetric phenomenon for its Indonesia decentralization policy at large. The special autonomy that has been

designed to enrich and brings prosperity and the wealth of the Papuan people still facing complex problem as its challenges. The Government of Indonesia and Papua Provincial Government as the two main institutional responsible to attain the vision, missions and mandates of special autonomy. This paper proposes the following recommendations:

*First*, the special autonomy/status policy needs to be given more support from Government of Indonesia to combat the chronic poverty, corruption, and social conflicts. The Papua Provincial Government needs a broader interventions in order to enhance the need to improve governance quality towards enhancing special autonomy in Papua. They need to be more transparent and accountable in carry out the special autonomy tasks.

*Secondly*, the decentralized governance could be in line with particular policies of local governance such as empowering indigenous Papuan people, empowering local bureaucrats in making good policy and programs, and active engagement with civil society. All those interventions should be formulated such a process to influence the implementation of decentralization policy in Papua.

*Thirdly*, the Government of Indonesia and the pillars of good governance in Papua should emphasize local governance capacity, local governance performance, providing strategy to improve local governance's quality in implementing special autonomy. The capacity building for bureaucrats should consist of the capacity to formulate policies, regional development planning, implementing strategies, and evaluating development programs and policy.

*Fourthly*, the Papua Provincial Government needs to handle the Papua complex problems by providing new knowledge, new skills with the 'new paradigm'

of 'better governance, and mainstreaming the quality of governance on special autonomy policy ensuring changes to favor good governance.

*Fifthly*, the Papua Provincial Government needs to enhancing cooperation among regional government. This relationship with other regional government will give more insight towards entrepreneur bureaucracy perspective.

*Sixthly*, the Papua Provincial Government should improve the professionalism among others to perform a responsible government. The professionalism could take form of enhancing the capacity of human resources, using information technologies, building local capacities, improving competency, knowledge and skill among public servant staffs , building civil servant ethic culture and improving public services at large.

*Finally*, both Government of Indonesia and Papua Provincial Government need to enhance the fiscal capacity and investment to accelerate the local economic growth by deregulate the important regulations to support local economic capacity .