

Chapter III

Poverty Alleviation Policy and District-Head Election: The Case of Tana Toraja District, South Sulawesi

by

T. R. Andi Lolo

1. INTRODUCTION

1.1. Background

The law concerning local government in Indonesia has been amended several times. The last change was in 2004 when the Law No 32/2004 was issued to replace the Law No. 22/1999. As known, the Law No. 22/1999 was issued to replace the Law No. 5/1974 which was applied for 25 years.

The Law No 32/2004 consists of direct election mechanism of the head of local government (the Governor, the District-Head and the Mayor), popularly abbreviated as *Pilkada* (*Pemilihan Kepala Daerah*: the local-head election), through which people in the region concerned vote directly to the candidate. In the previous laws the election was made by members of local parliament (*Dewan Perwakilan Rakyat Daerah*: *DPRD*).

The Law No. 22/1999 had been implemented in all regions but the last one just in a majority of provinces, municipalities, and districts, including Tana Toraja. The *Pilkada* was held for the first time in Tana Toraja in 2005, one year after the issuing of the Law No. 32/2004. Accordingly, the current development policies to some extent are assumingly different from that derived from the previous law.

It is interesting that the person running for the Bupati (the District-Head) through *Pilkada* system was in the same position but elected by members of *DPRD* five years before. However, it is supposed that his development policies under the different laws should not be similar due to the different source of development policy. In his previous term the policy was derived from Vision and Mission decided upon by local

government (officially called *Visi Pemerintah Daerah*: Local Government Vision), while under Pilkada system the source is the Vision and Mission set up by the District-Head himself (officially called *Visi Kepemimpinan*: Leadership Vision) that he socialized during the campaign period before the election. It is possible that the two versions of Vision and Mission have similarity in some respects but it is reliable to assume that they have significant differences to each other due to the different umbrellas and rapid change in the society.

1.2. Why This Study Is Necessary?

The necessity of the study is laid in the following reasons. First, under the Law No. 5/1974 the authority of the local government in formulating development policy was limited and tightly controlled by the central government. All initiatives to develop the region must be compatible with the policy of higher authority (province and central government). Such a situation was accompanied by the tight financial policy in which the local government depended on the central authority. On the contrary, under the Law No. 22/1999 and the Law No. 32/2004 the formulation of development policy has been authorized to the local government, the district and municipality regions in particular. Apart from that, such an authority is accompanied by fiscal decentralization which takes form in the Block Grant (*Dana Alokasi Umum*: DAU) and the Special Grant (*Dana Alokasi Khusus*: DAK) resulting in the local government has greater authority and opportunity in developing its region.

Second, the spirit of regional autonomy and decentralization is to empower each region in the development process. It means, autonomy is not designed for already developed but “to develop” a region. Accordingly, the message of the spirit of the autonomy is ultimately empowering the people living in the region.

1.3. The Scope of the Study

The objective of the study is to know the extent to which the development policy of Tana Toraja District Government is poverty alleviation oriented. Such a study focus is necessary and compatible with the philosophy of regional autonomy that is to empower the people by releasing them from poverty situation.

In this study, the poverty alleviation policy will be examined through three sectors related to basic human needs, namely economy (in this sense income generation), education, and health services.

1.4. Basic Assumption

Some basic assumptions are as follows. First, the ideas in the Vision and Mission either

Local Government Vision (LGV) or Leadership Vision (LV) are consistently implemented in the strategic plan, policy direction, development program, and the annual budget as the “end” or operational indicator of all abovementioned ideas.

Second, both Law No. 22/1999 and Law No. 32/2004 actually provide wider opportunity and authority to the local government to empower and enable its region as an autonomous region. For this reason, the empowerment of people becomes important, even as a prime requirement for autonomy because people are the main property in the government affairs.

Third, in order to empower the people the development policy should be primarily directed to poverty alleviation especially in providing basic human needs mentioned earlier. It means, the implementation of development policy in the frame of regional autonomy should not be burdening but to release the people from poverty chain.

Forth, the empowerment of people will be effective if decentralization of authority does not end at district or municipality bureaucracy elites but should be implemented at all government units even down to the lowest level. It is reasonable to assume that if decentralization practice is only by the bureaucracy elites of the district and municipality leadership a new centralization model in the local government exists.

1.5. The Study Method

The method applied is a library study by using content analysis on all written documents relevant to the focus of the study and published by the local government of Tana Toraja, either before or after the local-head direct election, accompanied by interview with some executive and legislative personnel involved in the policy formulation.

The documents analyzed are: (1) The District Policy Guidelines (GBHD) of Tana Toraja 2001-2005 which was legalized by Perda No. 1/2001 containing District Vision and Mission, and Development Strategy and Direction; (2) District Development Program (Propeda) of Tana Toraja 2001-2005 which was legalized by Regional Ordinance (Perda) No 24/2001; (3) Vision and Mission of elected District-Head (Bupati) 2005-2010; (4) District-Head Decrees concerning implementation of annual budgets of the three consecutive years of 2004, 2005, and 2006; and (5) Medium-term District Development Plan (RPJMD) of Tana Toraja 2005-2010 which was taken into force by District-Head Decree No. 8/2005.

2. AUTONOMY PRINCIPLES AND DISTRICT DEVELOPMENT POLICY IN LOCAL GOVERNMENT LAWS

2.1. Brief History of Local Government Laws in Indonesia¹

The changes of government laws automatically bring some implications in the implementation of the government and development business depending on the basic principle of the law concerned. Accordingly, the change of law results in change in the strategy, direction, and development policy and program in the region.

Just as a reminder, the brief history of the local government practices in Indonesia under various laws is presented in the following.

2.1.1. List of Local Government Laws in Indonesia since the Independence

Since the independence, Indonesia has experienced nine legal regulations concerning local government (8 Laws and 1 Presidential Decision). All of them are governed by various different constitutions, namely Constitution 1945 (UUD 1945), Republic of United Indonesia Constitution (Konstitusi RIS), and Temporary Constitution of 1950 (UUDS 1950). Among the three constitutions, UUD 1945 applied in six periods: the first is from 1945-1949, the second from the Presidential Decree concerning the reapplication of UUD 1945 in 1959 till the first amendment, the third till the sixth under four amendments of UUD 1945. Konstitusi RIS (1949-1950) and UUDS 1950 (1950-1959) applied in one period only. Legal regulations applied in each of the periodized constitution are as follows.

- (1) During the first period of UUD 1945, Law No. 1/1945 and Law No. 22/1948 were produced;
- (2) Under Konstitusi RIS the Law of Eastern Indonesia State (UU NIT) No. 44/1949 for NIT was produced but simultaneously implemented with Law No. 22/1948 for the rest part of Indonesia (Indonesian Republic Territory);
- (3) Under UUDS 1950, the Law No. 1/1957 was applied but together with the Law No 22/1948;
- (4) During the second period of UUD 1945 three legal regulations were produced namely Penpres No 6/1959, the Law No. 18/1965, and the Law No. 5/1974; and
- (5) Under the third till the sixth period of UUD 1945 (amendment period) the Law No. 22/1999 and the Law No. 32/2004 were produced.

¹ Shortened from the Scientific Manuscript and the Draft of Government Regulation on the Implementation of Autonomy of Emphasized on the Secondary Level (Implementation of Article 11 of Law No 5/1974) as described in the Research Report on The Review of Local Autonomy Model at Secondary Level, a joint research project between Hasanuddin University and the Research and Development Institute of Home Affair Ministry, 1986, where author was a research team member and the presenter at the National Seminar on the report held in Jakarta, March 1987.

Though all laws mentioned above give chance for the establishment of new local government, more local government were established under Law No. 18/1965, Law No. 22/1999, and Law No. 32/2004.

2.1.2. The Autonomy Principle of Some of the Laws.

2.1.2.1. Under the Law No. 1/1957 and the Law No. 18/1965.

Until the end of the Law No. 5/1974 the application of the autonomy principle of each of the law changes from time to time, from “real”, “unlimited”, “concrete”, and “accountable”. The autonomy characteristic of the Law No. 1/1957 is “real”, the Law No. 18/1965 is “concrete and unlimited”, and under the Law No. 5/1974 is “real but accountable”.

The autonomy characteristic of the Law No. 1/1957 and the Law No. 18/1965 is “flexible” because there was opportunity to add or to reduce the authority already awarded to a region. Each region can make additional authority if (a) it is compatible with public interest and higher level of legal regulations; (b) has not been regulated by any higher level of legal regulation; and (c) has not been regulated by lower level of legal regulation.

On the other hand, the awarded authority can be terminated and taken back by the central government if the region concerned is examined unable to implement successfully the authority. Even if the awarding of the authority is beneficial from the point of view of financial and human resource facilities, such a termination can be done if social and political situation in the region is not conducive to execute the government business.

2.1.2.2. Under the Law No. 5/1974

Different from the two previous laws (Law No. 1/1957 and Law No. 18/1965), the principle of the Law No. 5/1974 is “real but accountable”. Such a principle implies matters as follows.

First, the delegation of authority to an autonomous region is based on the ability and the “real” need of the region concerned. Due to the different ability and need of one region to the other there is no uniformity in the delegation of authority. It means one particular government business is authorized only to some relevant regions. For example, marine development only awarded to the government in the coastal, not to the inland area.

Second, the transfer of government roles to the local autonomous region must ensure and maintain the existence of the Unitary State of the Republic of Indonesia (NKRI). Accordingly such a transfer should not be treated as the transfer of power

instead of delegation of authority in order to avoid the misuse of power by local government and political elites to threaten the unity

Third, though the autonomy is emphasized on the district or municipality region (the second level of government hierarchy), the province government still has controlling authority towards the district or municipality government. The province has the government authority to run the “inter region” matters for the benefit of all regions within the province.

2.1.2.3. Under the Law No. 22/1999

The Law No. 22/1999 has a great implication in the system and the execution of government practices in Indonesia (Andi Lolo [2004]). The law has given freedom to the district and municipality authority to produce legal regulations based on its will and the benefit of the region. Accordingly, many Regional Ordinances (Perda) are categorized by the central government as “problematic” because they are contradictory with higher regulations. The Indonesian Chambers of Commerce (KADIN) used to complain many Regional Ordinances as investment barriers in the region. The frequent corruption by executive and legislative elites is even very intense under the Law. In my opinion, such a situation is resulted in by misinterpretation and misunderstanding on the decentralization principles that implemented as *transfer of power*. From the practical implementation of the Law No. 22/1999 we are impressed that the law provided “freedom” for local government elites without any obligation to the higher authority.

According to the law, the Local Parliament (DPRD) is more powerful than the District-Head because the former has greater authority in the function of legislating, budgeting, and controlling. Apart from that the DPRD has the power to step down the District-Head from office.

The implementation of the autonomy principles under the law is vary from one region to the other as indicated by development policy decided upon by legislative and executive authority of the region concerned. Each region formulated its Vision and Mission as such to meet its own need and to be the source of development policy. One of the policies which were oriented primarily to the interest of the region is the issuing of many Regional Ordinances concerning local tax and retribution.

2.1.2.4. Under the Law No. 32/2004

The Law No. 32/2004 is not a “successor” but is likely a “revision” of the Law No. 22/1999 since some regulations in the previous law still exist in the new one. One of the significant differences of the two laws is laid in the relation between the executive and the legislative body in which both have equal position. Even, to some extent the authority of the DPRD is reduced.

The other difference is the source of development strategy and policy. According to the current law, the source is the LV of the elected District-Head or Mayor, whereas in the previous law the source is the LGV.

The new law also re-empowers the provincial level as an autonomous region by giving her more authority particularly in controlling, monitoring, and coordinating mechanism.

The principle of regional autonomy in the Law No. 32/2004 is described as “unlimited” but accountable autonomy. Such a concept of autonomy was also found in the Law No. 1/1957 (real), Law No. 18/1965 (unlimited), and Law No. 5/1974 (concrete and accountable). The principle of autonomy contained in the Law No. 32/2004 provides more opportunity and authority to the local government to formulate policies oriented to the improvement of people welfare as long as it does not against central government authority.

Though local government has been awarded “unlimited” authority it does not mean, however, the region has absolute freedom in running the government because the authority is bounded by an obligation to implement it concretely and accountably. The implementation of the autonomy should be based on the real ability and objective needs of the region and remain in the framework of the national development aims to bring welfare for the people and to guard the existence of NKRI.

2.1.3. Sources of Regional Development Policy

The source of regional government and development policies is changeable depending on the existing local government law in the period. For practical need, the source of the policy is limited to three laws namely Law No 5/1974, Law No. 22/1999, and the Law No. 32/2004.

2.1.3.1. Policy Resource under the Law No. 5/1974

Structurally, the source of regional development policy under the Law No 5/1974 was the State Policy Guidelines (*Garis-Garis Besar Haluan Negara: GBHN*) and the People Assembly Decree which then concretized in the Regional Long-term Development Basic Principle (*Pola Dasar Pembangunan Jangka Panjang Daerah: PDPJPD*) for 25 years. Every five years the PDPJPD was actualized into Five Years Regional Development Basic Scheme from which Five-Year Regional Development Plan (*Rencana Pembangunan Lima Tahun Daerah: Repelitada*) was formulated. The Repelitada was used as the main reference of regional development policies as manifested in the annual budget (*Anggaran Pendapatan dan Belanja Daerah: APBD*).

Considering the above-mentioned mechanism of the development policy formulation, one can say that the regional development policy was part of the national

development, which was decided centrally. This means centralization in the development policy hampered the idea of decentralization in the Law No. 5/1974 because local government did not have opportunity to develop its region resulted in by the limited authority as an autonomous region.

2.1.3.2. Source of Policy under the Law No. 22/1999

The source of development policy under this law was different from that under the Law No. 5/1974. According to the Law No. 22/1999 the source of policy was the National Development Program (*Program Pembangunan Nasional: Proopenas*) 2001-2005 and the GBHD 2000-2004. The two sources were combined in the so-called Regional Development Program (*Program Pembangunan Daerah: Propeda*) 2001-2005 of which Strategic Plan (*Renstra*), Yearly Regional Development Plan (*Rencana Pembangunan Tahunan Daerah: Repetada*), and APBD were respectively formulated. In South Sulawesi province, for example, the *Propeda 2001-2005* was legalized through Perda No. 7/2000 that became the main reference for lower level of government (District and Municipality) in formulating the *Renstra*, *Repetada*, and the APBD for each region concerned.

The interesting point in formulating the regional development policy is the involvement of vision, mission, and the *Renstra* of the region concerned which indicates the direction of the development for one particular period. For example, the vision of South Sulawesi Province till 2020 is: “Realizing South Sulawesi as a leading region in Indonesia through local knowledge but religiosity”²

2.1.3.3. Source of Policy under the Law No. 32/2004

The source of development policy under this law is the District-Head Regulation concerning Mid-term Development Plan (*Rencana Pembangunan Jangka Menengah Daerah: RPJMD*) as the implementation of the Law No. 25/2004 concerning National Development Plan System (*Sistem Perencanaan Pembangunan Nasional: SPPN*). According to the Article No. 4 of the law, the RPJMD is the actualization of the Leadership Vision of the elected District-Head under the Law No. 32/2004.

The actualization of the vision and the mission is a main strategy in formulating development agendas that consists of Main Targets, Direction, and Development Programs.

² See the attachment of Perda No. 7/2000 concerning *Propeda*

2.2. Some References

2.2.1. The Article of Mubyarto

Mubyarto [2002] explains several understanding or definition of poverty such as the BKKBN version and the World Bank version as well as the criteria of the poverty in regional autonomy era. Mubyarto explains that until he wrote his article there was no concrete policy and program of local government either at provincial or district level to combat the poverty. Accordingly, it is difficult to measure the performance of the local government in overcoming the poverty situation.

According to him, such a situation is resulted in by several reasons. First, the policy makers in various units in the local government have different perception on the poverty as well as the concept to overcome it. Second, the involvement of central government is still dominant. Third, the definition of poverty formulated by many agents can not be implemented uniformly in all the regions due to the influence of local cultures.

2.2.2. World Bank Recommendation

The World Bank [2006] has submitted an implementing agenda consisting of poverty eradication priority in Indonesia. Though the agenda consisting of sixteen recommendations was directed to the central government, twelve recommendations are applicable in the region because the local government has authority to do so. The other four points of the recommendation that still in the authority of the central government are the termination of rice import ban, the more flexible manpower regulation, the opening of facilities for poor people to get financial aids and the increasing of access small and micro business to get commercial loan, and more attention towards poverty and unemployment services in the national plan.

3. EMPIRICAL DATA ON THE DEVELOPMENT POLICY IN TANA TORAJA

3.1. Under the Law No. 22/1999

3.1.1. The GBHD 2001-2005

The GBHD 2001-2005 of Tana Toraja was legalized under Perda No. 1/2000. The GBHD was one of the legal products of the Law No. 22/1999 including its implementing regulations followed afterwards. The contents of the GBHD are among

other vision, mission and value, and Strategy and Direction of Policy³.

The vision needs to be described further because it is the main source and reference of development policy in which mission, policy direction, and development plan are formulated.

The vision of Tana Toraja District says: *“Realizing Tana Toraja as the most beautiful dream land and the residence for religiosity, self supporting, creative, dynamics, prosperous people with full of lovely friendship”*⁴. The formulation indicates that the focus of development during this period is the region, not the community. The background of the vision are: (1) The region of Tana Toraja should be developed and maintained as “living” provider for all Torajan wherever they live; (2) As a region, Tana Toraja can not be separated from its environment that has contributed significantly to the spectacular beauty of the area; (3) People who treat Tana Toraja as their living home should be given serious attention because they will look after the area to be beneficial for them. On the other hand, the people should understand that they are part of the area in which they live and get livelihood; (4) Those livings in Tana Toraja should maintain harmonious and friendly relationship with both temporary visitors and those willing to find job in the region, relationship with the environment and the God as the creator⁵.

It seems that the mission of the Tana Toraja Government for 2001-2005 to eradicate the poverty was mostly oriented to economic development than to education and health treatment. Five of six items in the mission concerning poverty eradication were dealing with economic development, one with education and none with health treatment. Surprisingly, however, the policy direction in health development was clearly formulated and followed by Development Program in the sector.

3.1.2. The Propeda 2001-2005

The Perda No. 24/2001 on the Propeda of Tana Toraja for the period of 2001-2005 emphasizes that the Propeda is the final actualization of the Propenas, the Provincial Propeda, and the GBHD of Tana Toraja 2001-2005. The Propeda of Tana Toraja contains among other Policy Direction and Development Program for the period, including the detailed program in the community empowerment sectors (economy, education, and health).

There are two interesting points found in the Mission, Policy Direction, and Development Program contained in the GBHD of Tana Toraja 2001-2005. First, it is hardly to differ the conceptual formulation between the Mission, Policy Direction, and Development Program, even overlapping to each other. It indicates an inconsistency in

³ Vision, Mission and Value contained in one Part (Part III) while Strategy and Direction of Policy described in other Part (Part IV).

⁴ Part III Article 3.1. Perda No. 1/2001

⁵ ibid

understanding the mission, the policy direction, and the development program. Second, the concepts of the Mission, the Policy Direction, and the Development Program are just idealistic because they are not based on real potentials.

3.2. Under the Law No. 32/2004

3.2.1. The RPJMD 2005-2010

The basis for development policy under the Law No. 32/2004 is the Article 19 item (3) of the Law No. 24/2004 concerning the SPPN which is formulated in the region as the RPJMD. The RPJMD of Tana Toraja for the period 2005-2010 is formulated for the period of the elected District-Head at that time. The RPJMD was legalized by District-Head Regulation No. 8/2005 in which the Leadership Vision and the Mission of the elected District-Head described that then became the main reference for Policy Direction and Program, and Development Indicative Actions for the period 2005-2010.

The objective of the RPJMD formulation is: (1) to break down the vision, the mission, and program of the elected District-Head and the elected Vice District-Head for the period 2002-2010; (2) to be the guideline for the District Working Apparatus Unit (*Satuan Kerja Perangkat Daerah: SKPD*) in formulating the SKPD Strategic Plan; (3) to be the guideline for the local government in formulating the Local Government Working Plan (*Rencana Kerja Pemerintah Daerah: RKPD*); (4) to be the reference in evaluating the performance of the District-Head and the Vice District-Head during their term⁶.

3.2.2. Vision and Mission of Development 2005-2010

The development vision for 2005-2010 says: *“The achievement of the ability of Tana Toraja people leading to the prosperous, productive, low minded and democratic society based on the power of unity”*.

From the vision formulation one can say that the focus of the development is to empower the people and enable them to play roles in various living sectors. The formulation impresses that people empowerment is a strategic step that need to be considered primarily in further development processes. The other difference from the previous vision is in the current one no explanation concerning the background of the vision.

The ten items in the 2005-2010 mission formulation indicate a shift of orientation compared to the previous one, as indicated by, among others, the explicit development

⁶ Regional Development Planning Board (Bappeda): District-Head Regulation No. 8/2005 concerning the RPJMD of Tana Toraja for the period 2005-2010, 2005, p. 3

mission in health sector. Accordingly, the three related sectors with poverty eradication already accommodated in the 2005-2010 period.

3.3. The Annual Budget

The implementation of all ideas and concept of development can be seen transparently in the Annual Budget (*Anggaran Pendapatan dan Belanja Daerah: APBD*) of the region concerned from year to year. Accordingly, the APBD can be treated as “the end” of all development plan processes. Even, the APBD could be the single indicator in assessing the extent to which the commitments of the local government in the development vision and mission are brought into reality.

To this point, the commitment of the local government to eradicate the poverty or to empower the community can be known from the structure and the allocation of the annual budget. For the shake of this study, the APBD of Tana Toraja that has been taken as the sample are the APBD 2004, 2005, and 2006 to examine the “linkage” between the ideas and the concrete actions of the local government.

The reasons for choosing the three APBDs as sample indicators are as follows.

First, the APBD 2004 and APBD 2005 are the annual budget for the fourth and the fifth formulated and implemented under the Law No. 22/1999 which is compatible with the last period of the District-Head elected by DPRD. It is expected that through the two APBDs the development program oriented to the poverty eradication would have been greatly paid attention since the program had been initiated in the years before. In other words, the fourth and the fifth APBD are expected to show as to whether the program is sustained (sustainable program) or just formulate incidentally (incidental policy). Second, the choosing of APBD 2006, that was the annual budget of the first year of the District-Head elected directly by people, based on the assumption that under the leadership of the same District-Head the uncompleted program in the previous years would be continued in his new term. More particularly, the vision and the mission as the sources of the policy post-Pilkada are the Leadership Vision and the mission of the elected District-Head already formalized and strengthened lawfully in the RPJMD.

3.4. The Implementation of Decentralization at the Lowest Government Units

The implementation of the Law No. 22/1999 in the restructurization of the lowest government unit (Desa) in Tana Toraja is described in the Perda No. 2/2001 concerning *Lembang Government*⁷. The name of “Lembang” is used to replace the term “Desa” that had been used under the Law No. 5/1974. Apart from changing the name of the Desa,

⁷ Legal Section at the Region Secretariat of Tana Toraja: “Lembaran Daerah Kabupaten Tana Toraja Nomor 2 Tahun 2001 Seri D No. 2”, the formal launching of the Perda No. 2/2001 concerning *Lembang*

the name of the lower level of Desa also changed to be “Kampong”.

Irrespective of changing the name the meaning of “Lembang” still accommodate the meaning of “Desa” as described in the Article 1 item (10) Law No. 22/1999 saying: “*a united legal community with authority to govern the interest of the community concerned and recognized by the National Government System and exist under the District region*”⁸.

The Perda concerning the Lembang government has the “spirit” of autonomy. It is reasonable to assume that decentralization principle is also applied in Lembang in the form of delegation of authority from the higher level of government (district level) and of course, accompanied by financial resources (financial decentralization). The “spirit” is manifested in the process of the appointment of the Lembang Head through direct and democratic election by people in the area. Apart from that, the existence of the Lembang Representative Body (*Badan Perwakilan Lembang - BPL*), that can be categorized as the legislative body of the Lembang, the autonomy characteristic of Lembang becomes more clear.

Unfortunately, the Perda only points out the authority of Lembang government as to “assist” the provincial and district governments. The authority of Lembang government is limited to the “traditional” authority derived from the tradition and costumes in the community and others that are not included as the authority of higher level of government⁹.

From the financial perspective, income resources for Lembang government are fairly sufficient. Apart from the Lembang Original Income (*Pendapatan Asli Lembang: PAL*), other incomes come from Lembang revenue, community self-finance and participation, and other legal income, the Lembang government also has the rights on part of local tax and retribution collected by District government in the Lembang concerned. On top of those resources, the Lembang government is also subsidized by the central and provincial government, donation of third party, and Lembang loan.

3.5. Implementation of Decentralization Principle in Managing Regional Original Revenue (PAD)

Since the implementation of the Law No. 22/1999 and the Law No. 32/2004 the government of Tana Toraja has issued 42 Perda concerning local tax and retribution. Thirty nine of the Perda were issued during the period of the Law No. 22/1999, either revised or new Perda. In 2000, 8 Perda were issued, followed by 13 Perda in 2001, 7 Perda in 2002, and 11 Perda in 2003. The rest, the 3 Perda, were issued under the Law

⁸ *ibid*, p.4.

⁹ *ibid*, p.8.

No. 32/2004, all in 2007¹⁰.

It should be noted that all the Perda were initiated by District-Head, none by DPRD, though the latter has the function to do so. Why no Perda concerning local tax and retribution issued in the last year of the Law No. 22/1999 and at the first and the second year of the Law No. 32/2004? From the interview with some ex members of DPRD 1999-2004 and the members of DPRD 2004-2009 the answer on the question is as follows.

First, during the last year of the Law No. 22/1999 both executive and legislative spent more time and attention to the General Elections for legislative members at all levels and for the President and Vice President election in 2004. For local legislative members, attention was given mostly for their personal interest as to whether they were still candidate by their respective parties, or to intensify campaign to get support from the people.

Second, in 2005, the first year of the Law No. 32/2004 the District-Head was involved in the preparation for Pilkada in which he was running for the second term in office. The District-Head and his staff paid most of attention to organize support from the people in order for the District-Head to win the election.

Third, in 2006, the first year of the elected District-Head, the executive and the legislative still involved in overcoming some excess of the local-head election in 2005 (such as financial matters) and to adjust the structural organization of the local government, including the recruitment of structural personnel at all units. Apart from that, the issue of corruption among the executive staff and legislative members followed by the examination of the issues has resulted in stagnant in producing Perda, both revised and new one, on the local tax and retribution.

4. HOW IS THE POLICY DIRECTION TO ALLEVIATE THE POVERTY IN TANA TORAJA?

4.1. The Protocol

The extent to which policy of the local government in eradication the poverty can be traced through interpretation on the relationship between vision as ideal variable till APBD as action variable¹¹. Methodologically, such a protocol can be categorized as a qualitative path analysis in order to know the extent to which relationship or consistency

¹⁰ Quoted from the List of Perda concerning Local Tax and Retribution issued by the Board of Local Finance Management (*Badan Pengelola Keuangan Daerah: BPKD*)

¹¹ Qualitative path analysis is my own technique of analysis that inspired by path analysis usually applied in statistical analysis to find the correlation between variables. The power of the qualitative path analysis is its ability to get comprehensive pictures of the analysed data that sometimes difficult to get in statistical technique.

between those variables. By doing so an answer on whether development policy exists in the frame of a system of planning¹² or not.

Based on the scheme, the study on the development policy which is oriented towards poverty eradication in Tana Toraja cannot be separated from various empirical variables as already mentioned in Part IV above. For practical needs, the following analysis will not be done according to the period of the two laws concerning local government (Law No. 22/1999 and Law No. 32/2004), but simultaneously.

4.2. Analyzing the Variables

4.2.1. Vision

In the history of local government in Indonesia, the need for vision just requested under the Law No. 22/1999 which is well-known as *Local Government Vision*. It is the reason the vision is formalized and legalized in a Perda concerning GBHD. Under the Law No. 32/2004 the vision is changed to be a Leadership Vision of the elected District-Head.

It is not surprising if many local bureaucrats are still difficult to understand what vision is about. Since vision is a requirement to be the source of policy then both Local Government Vision and Leadership Vision are varied between regions. As a result, many vision formulations are difficult to be understood, because generally, the concept of vision is likely an imaginative idea which is difficult to measure and actualize in concrete ways.

Such a difficulty is found in studying both development visions of Tana Toraja. The background of the Local Government Vision of Tana Toraja was inspired by the so-called cultural and religious values¹³, which is very difficult to be understood by majority of people in that region.

Different from the LGV, the Leadership Vision of the elected District-Head 2005-2010 is not based on the tradition and cultural background but on the analytical results of the environmental development¹⁴. Accordingly, the LV is easier to be understood, and consequently, easy to actualize in more concrete policies. Apart from that, the orientation of the vision towards community empowerment is clear that may indicate

¹² Formulating or deciding development policy is an action taken within a system of planning in which various components or variables support functionally the planning. There should be a functional relationship between the components as a manifestation of the comprehensive planning.

¹³ There are 4 cultural values in the Perda No 1/2001 concerning GBHD 2001-2005 written in Torajan dialect Bahasa Tominaa - (philosophical language of Toraja) focusing on Tongkonan (clan system), namely (1) “**Tongkonan ditimba uainna**” (Tongkonan as the source of water), (2) “**Tongkonan dikalette’ utanna**” (Tongkonan as the source of daily needs), (3) “**Tongkonan dire’tok kayunna**” (Tongkonan as the source of building material), and (4) “**Tongkonan dipoada’ ada’na, dipoaluk alukna**” (Tongkonan as the source of order and law).

¹⁴ In the RPJMD of Tana Toraja 2002-2010, the environment analysis applied SWOT analysis on Internal Environment, External Environment, and Strategic Environment of Organization.

that the development policy being derived from it will be oriented to poverty alleviation.

The two different visions arises a question as to whether sustainability of a vision from one period to another is necessary. Or, should the vision created every period of leadership based on the need. Since policy direction and work program should be consistent with the vision, the function and the role of the vision in policy formulation is questioned. If vision of the existing period is different from the previous or the coming one then it is likely difficult to find sustainable development policy.

The problem will become more difficult if sustainable and consistent development is put in the frame of wider scope of development. Sociologically, the vision of each region has the power to “walk alone” out of the united networking of the state. Meaning, the development policy decided upon by the highest government will not be fully implanted in the lowest level. Consequently, it is rather difficult to implement the idea of the regional development to be in line with the national program.

The phenomena of the different development vision, either between period of leadership or with the wider development vision, indicate that, assumingly, there is a different understanding towards the meaning and the aims of regional autonomy. It maybe an excess of the perception of local bureaucrats that autonomy awards “freedom” to local government to decide whatever it wants and needs, as found by Hidayat and Firdausy in their research in West Kalimantan and East Nusa Tenggara¹⁵. Hidayat and Firdausy also found the similar perception among local political elites in the same provinces¹⁶.

Another possibility is local bureaucrats are not able to understand the ideal basis of policy decided by the central government that can result in the local development vision is different from the national development vision. Formulating development vision is not an easy task because it needs an ability to analyze the existing conditions and to predict the condition in a particular period in the future.

4.2.2. Development Mission

Five out of nine items of mission in the GBHD 2001-2005 related to economy sector. On the other hand, development mission concerning education only one and none for health sector¹⁷. The other two items were concerned about institutional building and one

¹⁵ Hidayat and Firdausy make an inventory of 6 kinds of local bureaucrats perception on regional autonomy. One of them is the local governments are “free” to decide what they want and need (Hidayat and Firdausy [2003:59]).

¹⁶ *ibid*, pp. 66.

¹⁷ Two out of nine items of development mission in the GBHD 2001-2005 are difficult to be attached to any development sector. The first item says: Improving the human quality in various aspects of religious, sels reliance, creative, dynamic, prosperous and full of lovely friendship of Torajan society ... and so on”, and the second one says: Optimalizing the landscaping and environment maintenance so that Tana Toraja becomes the most beautiful dream land... and soforth”. It is not clear whether health sector is covered by either of the items.

item about social environment. On the other hand, among 10 items of mission in the RPJMD 2005-2010, 4 items are related to economic development, 1 item for education, 3 items for social and health sectors, 1 item for institutional building, and 1 item is concerned with community participation¹⁸.

It seems development mission in the two periods emphasized on economic development. However, compared to the previous one, the development mission in the RPJMD 2005-2010 more varies, even shows the policy orientation towards poverty eradication the interesting point is health and social sectors are given more attention than education in this period. No explanation about that but assumingly, various activities in health and social sectors have similarity with education such as counseling, training of traditional midwife and the like. To some extent, educational activities or any program dealing with the improvement of community knowledge is not monopolized by educational sector which is formally under education department but also by other development sectors and other departments such as Health Department and Social Welfare Department.

4.2.3. Policy Direction

The policy direction in the GBHD 2001-2005 involved ten development sectors namely Legal Sector, Economy Sector, Politic Sector, Religious Sector, Education Sector, Social Culture Sector¹⁹, Regional Development Sector, Natural Resources and Environment Sector, Security Sector, Social Order Sector, and Transportation Sector.

The GBHD 2001-2005 had significantly paid attention to the people economic condition. By directing the policy towards the development of people economic, household and small scale industries, empowering the small, middle scale entrepreneurs and cooperation indicated the attention of the local government to stimulate the economic activities which in turn can generate income of the people leading to eradication of poverty. A significant attention was also paid to the betterment of the quality of human life through education and health services irrespective of the absent of the development of health sector in the mission.

Structurally, the formulation of policy direction in the GBHD 2001-2005 is different from that in the RPJMD 2005-2010 because in the latter, the policy direction for each development sector is not described in detail. However, from the existing formulation, the policy direction in the RPJMD 2005-2010 is more directed to the development of

¹⁸ It is said in this item that: "Involving the community in the development process by giving them opportunity to formulate the programs, to plan, to measure, to execute, and to maintain the development in their own region". This item is actually grouped into education sector, because the involvement of people is initially taken by giving them counselling, skill training or courses to improve their ability to participate.

¹⁹ Health and Social Welfare are included in the Social Culture Sector together with Culture, Art and Tourism, Youth and Sports, and Woman Status and Roles.

the economy sector. Five out of eight items of policy direction are dealing with economy development, while the rest is distributed equally to three sectors: institutional building, legal and security, and education together with health services.

4.2.4. Development Programs

By formulating the development programs, all ideas in the vision, mission and policy direction nearly come to reality since the development program is treated as the operational basis for all local government activities as indicated in the annual budget.

If we look at the development programs either referred to the GBHD 2001-2005 or the RPJMD 2005-2010, we can be optimistic that the development policy of Tana Toraja District Government has already been intended to combat the poverty condition through the provision of the human basic needs in three sectors: economy, education, and health services. The development programs in the economy sector may increase people income and economic status. The same optimistic prediction also found in the education sector in which development programs promise the betterment of the quality of human resources. In the health sector, all programs are promising to increase the degree and quality of people health condition.

4.2.5. Annual Budget

As mentioned before, the annual budget is the last terminal of all ideas in the vision, mission, policy direction, and development programs. Meaning, the implementation of those ideas, the poverty eradication in particular, will be realized in the annual budget. The realization of the ideas can be seen in the structure and fund allocation of the budget.

It is found in the three APBDs taken as sample in this study that only small portion of the ideas on poverty eradication accommodated in the development of economy, education, and health sectors. The empirical phenomena of this kind of attention in the three APBDs are described as follows.

4.2.5.1. Economic Development

The development in economy sector is still focused on the infrastructures such as roads and bridges, and the opening of isolated areas to give wider access to the transportation of goods, people, and services. However, from the point of view of poverty eradication perspectives, the structure and allocation of funds in the APBD shows the followings.

First, the development of infrastructures has affected the increase of the transportation costs for both people and goods resulting in no significant increase of people income gained from agricultural products and household industries.

Second, there is no budget allocation to develop economy infrastructures such as village market which is very strategic as a media for capital circulation, to marketing people products (such as agricultural products, handicrafts, and other home industry products), and to get daily needs easily. The village market can also be functioning as an income resource for the Lembang government. Apart from that, the village market can intensify the social interaction between people in which they can share and exchange information, experiences, and solve any problem.

Third, the local government has burdened the people by the issuing of so many Perda concerning local tax and retribution as mentioned before which has directly or indirectly affected significantly to the lessen of value-added of people income.

4.2.5.2. Development in Education

Development in the sector of education has got significant attention in the APBD every year. Distribution of education infrastructures such as school building has met one of the World Bank recommendation [2006]. Accordingly, many school-age children will have access to get education though still not available for most of the children of poor people since education costs are still high. Other concerns from studying the APBD are as follows.

First, there is no explanation concerning the realization of programs to literate people of age 10-44 years that has been planned since the GBHD 2001-2005.

Second, the method of teaching at primary till tertiary education still in conventional way because education program oriented towards increasing skill and entrepreneurship ability is not implemented.

Third, according to some information, the development of Workshop (*Balai Latihan Kerja: BLK*) as a centre to increase the skill and quality of manpower seeking for jobs both at home and overseas that has been planned in the GBHD 2001-2005 has not been realized yet.

Fourth, there is no subsidy provided by local government to help poor children to meet the education costs.

Fifth, there is no activity to educate, prevent, and rehabilitate school children from misusing of drugs or gambling habits.

4.2.5.3. Development in Health Sector

Development of health services to the people is paid significantly in terms of structural and budget allocation in the APBD. Unfortunately, most of the budget is allocated for institutional empowerment, provision of health infrastructures, and spending for operational costs as indicated as follows.

First, activities directed towards nutritional betterment, reducing of mother and

infant mortality rate, sanitation improvement, provision of clean water, and medicine supply for poor people have not been designed yet. It means the World Bank recommendation to eradicate poverty through health development has not been applied.

Second, the APBDs have not accommodated yet the aim of the Law No. 40/2004 concerning the National Social Welfare System particularly in relation with health insurance for poor people.

5. FINAL NOTES

5.1. Conclusion

Conceptually, ideas contained in the Vision, Strategy and Policy Direction, and Working Programs are consistent in formulation from one to another. The consistency is seemingly easy to keep though all ideas have compatibility with the idea in the Vision as the main source.

However, when all the ideas will be realized in more concrete actions through APBD, different phenomena exists: to keep the consistency is not easy. The structure and the budget allocation in the APBD actualize the inconsistency between the idea and the reality.

There are several determining factors resulting in inconsistency between the development ideas and the concrete actions as mentioned in the following.

- (a) The conceptors of the development ideas originated from Vision to Development Program do not have authority on APBD formulation since, according to law, it is in the hand of DPRD members. Though all development ideas under the Law No. 22/1999 were decided together by District-Head and DPRD which took form in a GBHD, to more extent the construction of the APBD is affected by several factors as follows.
 - (a-1) As the representative of political party, members of the DPRD have to be loyal to the vision and mission of their respective political affiliation that may be incompatible with or even opposing the vision and mission of local government and District-Head. On the one hand, the vision and mission of political party are mostly related to the interest of the party concerned in order to gain power in the government, while on the other hand, the Vision and Mission Daerah and the Vision and Mission of the District-Head are likely to be more directed to the public interest in general.
 - (a-2) The dividing of District region into several electoral areas (*Daerah Pemilihan: Dapil*) in the 2004 general election has resulted in the DPRD member is not the representative of the whole people of the District but small portion of voters in the electoral area concerned. In deciding the structure and

budget allocation in APBD, the legislative member has a moral, social, and political obligation to take into account the need and interest of the people in his or her electoral area (the constituents).

- (b) The other factor is improper analysis on the local economic revenue resulting in development plans is idealistic. There is an optimistic expectation of the bureaucrat to get the Block Grant (DAU) and the Special Grant (DAK) in large amount from the central government that leads to the unbalanced budget construction which is indicated by minus balance.

In general, the APBD of Tana Toraja has not indicated significant policy directed towards poverty eradication due to:

- (a) the bureaucracy and political elites do not understand properly the criteria of poverty resulting in difficulty in determining the poor people in real meaning; and consequently,
- (b) there is no actual and proper data on poor people in the region.

5.2. Autonomy in United State

The experience of Indonesia in implementing autonomy indicates a proper law on local government that is compatible with the condition and the need of the country still needed. The reasons are:

First, since the independence Indonesia has practiced seven constitutions which have influenced the implementation of the regional autonomy.

Second, under the various constitutions Indonesia has implemented several autonomy laws as mentioned before. From the era of the first law till the Law No. 5/1974 the autonomy applied was a “controlled” autonomy in which central government authority was very dominant. Moreover, till the Law No. 5/1974 the government and political decentralization were not accompanied by a financial decentralization that make dependency attitudes of the local government on the central government was very strong. There was once a policy called Automatic Revenue Allocation (*Alokasi Devisa Otomatis: ADO*) under the Law No. 1/1957. The amount of the ADO dependent on the revenue gained from export commodities originated from each region. However, the ADO system was not a supplement to the government decentralization but was likely a “political” policy of the central government to response to the claim of several unrest regions at the time caused by the so-called PRRI/Permesta rebellion in 1956. When the political and security unrest were peacefully solved the term of the Law No. 1/1957 was ended and the ADO system was terminated. Afterwards, under the Law No. 5/1974 the claim of regions to get more balanced financial aids through fiscal decentralization was met but in the form of Presidential Instruction (*Instruksi President: Inpres*) in which budget allocation and funded projects were determined and controlled by the central government. In other words, the INPRES did not give authority to the local government

to use the budget on their own development policies.

Third, the united state paradigm which is always be the reference in formulating development policies must be oriented towards the empowering of the NKRI. Due to such a paradigm the authority of local government in determining its own development policy is limited. This phenomenon is indicated by the obligation of the local government to consult and to get approval of the higher authority before implementing the annual budget (APBD)²⁰.

5.3. What Should be Done?

The answer to the above question is actually a recommendation to be considered in the implementation of the regional autonomy. However, before answering the question, an answer should be given to a prior basic question saying “how is the ideal autonomy in a united state”? Or, “whether autonomy can be implemented and functioning properly in a united state”? Or, if the two questions are merged and formulated in one contradictive one as “whether regional autonomy is not against the system of united state”? The history of the implementation and execution of government and development administration in Indonesia since the independence till very recently has resulted in a hypothetic perception on the ideal type of system of the state. In other words, if united state is more emphasized the more proper system of the government is centralization; on the other, if decentralization principle is more emphasized the form of *uniting state* is more relevant.

The last question above is abstracted from phenomena existed in the practices of regional autonomy laws that always left unsolved “home work” concerning the disappointment of regions related to unfair and injustice development and people welfare distribution. The concentration of poor people in particular regions from year to year, the becoming wider gap of development between regions, and the unbalanced distribution of qualified human resources between regions are some indicators of such disappointment attitudes.

Accordingly, as the answer to the early mentioned question in the title of this subsection and the recommendation of this study in order to find a proper format in formulating development policy which is more oriented to the poverty eradication, it is necessary to rethink the model of the implementation of the decentralization principle in

²⁰ Till the era of the Law No. 5/1974 the APBD must be legalised by the authority which is one rank above the local government concerned (The provincial APBD legalised by the central government and the district/municipality APBD legalised by the provincial authority). Since the Law No. 22/1999 till now the “legalization” term is replaced by “consultation”. Irrespective of the different terminology the core objective remains similar because the higher authority has the function to examine and make correction if possible even to give directions that should be accomodated in the APBD before it is implemented. Accordingly, bith legalization and examination mechanism have invisible fear of the possibility of local government to separate from the united state.

a united state²¹ with the following alternatives: (1) reconceptualizing the paradigm of the united state to be compatible with the demands of the international development, or (2) maintaining the united state principle in a united governments system (*unitary in united states*), or (3) maintaining the principle of the united state in a federal system (*unitary in federal state*).

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²¹ To borrow the terminology of Prof. Mark Turner of the University of Canberra, Australia, “Rethinking Decentralization in Unitary State”, mentioned in a paper presented at the National Seminar on “Community Empowerment in Decentralization Era”, organised by Sekolah Tinggi Ilmu Administrasi Lembaga Administrasi Negara (STIA LAN), Makassar, 18 July 2007.