

ABSTRACT

These case studies, conducted in 2003 based on fieldworks, serve as a follow-up to the previous year comprehensive and multi-dimensional review on regional autonomy policy from the fields of politics, law, economy, society, etc.

In this year study, seven provinces were covered, purposively selected representing three groups. The first group is the group of newly-established provinces, wherein Banten, Bangka-Belitung Islands, and Gorontalo provinces belong as they were established from October to December 2000. The second group wherein Jakarta Special Capital Region and Yogyakarta Special Region belong is considered to be special regions. Meanwhile, West Sumatra and Bali provinces, the representation of the third group, were selected for their unique customary autonomous system. To dig deeper into the dynamics of changes in these provinces, fieldworks were also conducted in two or three regencies/municipalities in each province in addition to the study at provincial level.

The research objects were actual conditions of the reorganization of autonomous bodies, substance of indigenous development projects, their socio-economic influences, correlations between decentralization and activities of social organizations/NGOs, and future prospect for socio-economic development in each region. Fieldworks were completed between June and November in 2003, which consisted of filling-out of questionnaire, collection of statistical data and legal materials, and interviews to people from various fields.

In this study, we find substantial positive effects of decentralization in addition to anticipated negative ones. The former takes shapes in the increasing atmosphere of independence of local government/assembly, industrial associations, local communities, social organizations or individuals as well as growing optimism for future development, revitalization of local communities, etc. The latter, on the other hand, manifests on the surfacing of confusion in dividing the authority between province and regency/municipality, uncertainty in the inconsistency of local regulations with existing laws/regulations, conflict between local parliament and local executive, considerable economic and fiscal gaps in the same province, etc.

In general, decentralization process could be likened to a pang of delivering a baby that will continue over ten years as seen in other countries.

In this book, new provinces were presented first, followed by old provinces from west to east.

Chapter 1 focuses on progress and outcome of the implementation of regional autonomy in Banten Province. While administrative coordination in this new autonomous region became much easier and faster after splitting from West Java Province, the region began to face uneven development between its northern and southern areas. Economic and infrastructure substances are very different especially between the two research areas, namely the rich Tangerang Municipality and the poor Lebak Regency. The author advocates the necessity of designing a specific strategy by the government of Banten to open the isolation of its southern areas, especially Lebak Regency. She also points out the need to enhance the capacity of the people as a part of social control as well as for smooth implementation of development plans.

In Chapter 2, the author investigates possibilities of further economic development in the province of Bangka-Belitung Islands, noticing the importance of tin mining industry. Despite the dwindling remaining tin deposit in the region, mining activities remain significant to the economy. The major drawback of mining activities is its negative effect to the environment. They prevent utilization of other natural economic resources besides damaging the environment of the province. The author argues attracting private investment as the only feasible way for Bangka-Belitung to develop its economy further. He also shows the potentials of forestry, plantation, and aquaculture sectors in the future as the region is still blessed with the richness of its natural resources.

Chapter 3, which is based on both intensive fieldwork and detailed survey of literature, has a special attention to poverty reduction in Gorontalo Province. Defining an effective strategy amidst the unsupportive properties of the province, such as scarce natural resources and sparse population, proves to be a difficult one. The authors discover that the regional government in Gorontalo cannot do more since it is restrained by its poor budget, in which local own revenues are too low. Meanwhile, transfer from the central government constitutes between 88% and 96% in 2002. The authors foresee the continuance of dependence of Gorontalo government

on central government transfers for economic development and for fighting poverty. They also point out the necessity of cooperation with governments of adjacent provinces to develop fishery sector and to improve transportation linking those regions.

In Chapter 4, the author selects regency and two municipalities in West Sumatra Province as research areas, in addition to the province itself. She evaluates the new paradigm of governance providing more rooms for local people to fulfill local aspirations and to maneuver their regional development objectives. Meanwhile, awkwardness of the role between provincial government and assembly, problems in the reinstallation of the *nagari* (village) governance system that had been abandoned during the Soeharto era, limited career opportunities faced by civil servants, etc. are pointed out. She finally maintains the need for the revision of Law No. 22/1999 especially on election of head of local government, centralization of management of civil servants and redefinition of the role of provincial government as policy recommendations.

Chapter 5 in turn examines the administrative and political dimensions of decentralization in Jakarta's local government. It is well known that a highly-centralized government system in the past provided a greater role and intervention of central government in the regional administration. On the contrary, the author argues the case of Jakarta as something positive. Decentralization amidst the country's changing politics has shifted the political and financial power away from the central government. However, he argues that decreasing authority of the central government does not necessarily mean losing of opportunity for the provincial administration of Jakarta.

In Chapter 6, the author points out that Yogyakarta is now likely working on digging up the meaning as well as the political and economic benefits that can be capitalized from its special status within the framework of the regional autonomy laws. The province's regional autonomy program has brought about considerable changes on the organizational structure of its administration, the nature of societal organizations, the society's efforts in socio-economic development, and the character relations between the regional executive and legislative. However, such changes have not yet resulted in comprehensive and concrete achievements of regional socio-economic development. The author observes that the program is on going and may take a long process to deliver comprehensive

results for the socio-economic welfare of the society.

Chapter 7 deals with regional autonomy policies in Bali Province. The author is of opinion that the issue on institutionalization in the province is not only about structural adjustment of the local government organization and its complexity, but also about the organizational culture of the apparatus. It is a logical effort to re-define the role and responsibility of each level of government institutions by adopting the principles of externality, efficiency, and accountability for better implementation of regional autonomy. However, it will be no significant advantage if the top down approach with superior-subordinate pattern still dominates the behavior of government apparatus. The capable leadership both in government and non-government organizations is definitely needed to cover the weaknesses of the existing rules and laws, to maintain the existence of tourism sector for the benefit of the people in the complexity of prosperity gap between regions, to develop a creative approach for public service, to become more aware with the course of special autonomy for Bali, etc. The author builds its findings about regional autonomy implementation in Bali by focusing more on inputs from various stakeholders in responding to the current regional development issues as the main source of data.

Supplement I focuses on decentralization policies of the central government between 1999 and 2003. The author reviews related laws from Resolutions of the People's Consultative Assembly to ministerial decrees. They are outlined chronologically in the first section, and followed by a list of 398 laws in section 2 that are arranged according to the "date of promulgation", "law number" and "title of law".

Supplement II is a bibliography of books on decentralization in Indonesia. 150 titles of books in 3 libraries in Jakarta (Library of CSIS, PDII-LIPI, and National Library of Indonesia) besides collections of our team members are arranged in alphabetical order of authors/institutions with English translation of each title. In this bibliography, considerable titles of dissertations owned by above-mentioned libraries are omitted.

The editors