

**Regional Autonomy and Social Welfare in Post-
Suharto Indonesia: A Case Study of
Decentralisation in Kabupaten Cirebon, West Java**

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Except as cited in the text, this work is the result of research carried out by me, and contains as its main content work which has not previously been submitted for a degree at any tertiary education institution.

Delys Craig

Frontispiece:
Batik “Kumpeni Pedesaan”
Rumah Batik Jelita, Kabupaten Cirebon

Abstract

In Indonesia, the concept of the decentralisation of government administration has been a feature of government for most of the twentieth century. Since the fall of Suharto's New Order regime, decentralisation has become one of the hallmarks of reform (*reformasi*). This thesis endeavours:

- To examine the impact on regional government of the Regional Autonomy Laws of 1999 and 2004;
- To assess the implications of these changes in law and policy for the democratic process and community participation; and
- To investigate whether the implementation of Regional Autonomy has resulted in better development outcomes, particularly in the fields of education and health.

Fieldwork was undertaken in Kabupaten Cirebon, West Java. A data base of ten villages was established as the basis of this case study of the impacts of regional autonomy. Special attention is given to the health and education sectors.

The district level (*kabupaten*) administration in Cirebon became responsible for the implementation of the decentralised health system from 2002. Increasing amounts of funding were invested in healthcare infrastructure, and the numbers of healthcare personnel expanded significantly. Conversely, many health indicators including infant and maternal mortality, life expectancy and malnutrition did not show significant improvement by 2009. The numbers of the volunteer workforce in the health sector, the *kaders* in the *posyandu*, whose participation in primary health care is so important, also declined.

The decentralisation of the education sector produced more positive results. The percentage of people who never went to school and those who did not finish primary school decreased, while the percentage of those who graduated from primary school and secondary school, and those who continued in tertiary education increased significantly.

The 1999 decentralisation legislation emphasised the principles of democracy, equitable distribution and public participation in development. Despite significant steps in the democratisation and decentralisation process, this study finds that much of the promise of the reform program has yet to be realised.

Table of Contents

Abstract	iii
List of Boxes	viii
List of Figures	viii
List of Maps	viii
List of Tables	viii
Acknowledgments	ix
Glossary	x
Introduction	xiii
Methodology	xix
Introduction to Kabupaten Cirebon, West Java	xxix
Thesis Outline	xxix
Chapter 1	
The Concept of Decentralisation	1
1.1. Decentralisation and Centralisation	1
1.2. Decentralisation	3
1.2.1. Deconcentration	4
1.2.2. Delegation	5
1.2.3. Privatisation	5
1.2.4. Devolution	6
1.2.5. Asymmetrical Decentralisation	7
1.3. Decentralisation and Federalism	7
1.4. Decentralisation, Development : the World Bank	8
1.5. Decentralisation, Local Government and Regional Autonomy	10
1.6. The Role of the Centre in Decentralisation Programs	14
1.7. Decentralisation and the Civil Service	16
1.8. Decentralisation and Participation	17
1.9. Decentralisation and Civil Society	20
1.10. Decentralisation and Non-government Organisations (NGOs)	20
1.11. Civil Society and Social Capital	22
1.12. Summary	26
Chapter 2	
Regional Government in Indonesia during the Old and New Orders	27
2.1. Background	28
2.1.1. The Period of the Dutch Re-occupation (1945 - 1949)	29
2.1.2. Law No. 22 of 1948 Basic Principles Concerning Regional Government	30
2.1.3. Period of the Provisional Constitution (1949 - 1959)	32
2.1.4. Law No. 1 of 1957 Concerning the Principles of Regional Government	33
2.1.5. Law No. 18 of 1965 Concerning the Principles of Regional Government	35
2.2. The Launch of the New Order Era	35
2.2.1. The Regional Government Law No. 5 of 1974	38
2.2.2. Decentralisation (<i>Desentralisasi</i>)	40
2.2.3. Deconcentration (<i>Dekonsentrasi</i>)	40
2.2.4. The Vertical Offices (<i>Instansi Vertikal</i>)	41
2.2.5. Co-administration (<i>Tugas Pembantuan</i>)	41
2.2.6. Autonomous Region (<i>Daerah Otonomi</i>)	42
2.2.7. The Head of the Territory (<i>Kepala Wilayah</i>) and the Head of the Region (<i>Kepala Daerah</i>)	42

2.2.8. Regional Government: the Regional Legislative Assembly (<i>Dewan Perwakilan Rakyat Daerah: DPRD</i>)	43 44
2.2.9. Election of the Head of the Region (<i>Kepala Daerah</i>)	44
2.3. The New Order and Regional Government Law No. 5 of 1974	46
2.4. Law No. 5 of 1979 concerning Village Government	47
2.4.1. The Formal Village Administration	48
2.4.2. Village Elections	52
2.4.3. Village Councils under the New Order: The LMD and LKMD	53
2.4.4. The Role of Women in Village Government (The Family Welfare Movement: PKK)	54
2.4.4.1. Organisational Structure of the PKK	
2.5. Towards the Demise of the New Order Regime	59
2.6. Summary	61
Chapter 3	
Towards Regional Autonomy (<i>Otonomi Daerah: OTDA</i>)	63
3.1. The District Autonomy Pilot Program (DAPP)	63
3.2. Changes in Regional Taxation	67
3.3. Impact of the Asian Financial Crisis of 1997 – 1998	71
3.3.1. The Government of Indonesia, <i>Krismon</i> and the IMF	72
3.3.2. The Impact of <i>Krismon</i> on the Indonesian People	75
3.3.3. <i>Krismon</i> and the Demise of the New Order Government	79
3.4. The Interregnum of President Habibie	82
3.5. Towards a More Democratic Society?	85
3.5.1. The Administration of President Abdurrahman Wahid	86
3.6. Summary	87
Chapter 4	
Local Governance in the Reform Era	89
4.1. The Implementation of the 1999 Regional Autonomy Laws	89
4.2. Political Parties in Indonesia	92
4.2.1. ‘Money Politics’	96
4.3. Law No. 32 of 2004 concerning Regional Government	98
4.3.1. Election of Regional Leaders (<i>Kepala Daerah</i>)	99
4.4. Fiscal Decentralisation	100
4.4.1. Law No. 33 of 2004 concerning Fiscal Balance between the Central Government and the Regional Governments	103
4.5. <i>Kabupaten</i> Government and Administration after OTDA	104
4.5.1. The Village Representative Council (<i>Badan Perwakilan Desa: BPD</i>)	109
4.5.2. Regional Autonomy and the Family Welfare Movement (PKK)	113
4.6. Village Administration in <i>Kabupaten Cirebon</i>	115
4.7. Village Government after 2004	117
4.7.1. Financing Village Government after 2004	120
4.7.2. The Organisation of the Family Welfare Movement (PKK) in the Villages after 2004	123
4.8. Summary	125
Chapter 5	
Two Welfare and Development Programs in <i>Kabupaten Cirebon</i>	127
5.1. Accurate Targeting of the Poor and Vulnerable	127
5.2. The President’s ‘Backward’ Village Program (<i>Program Inpres Desa Tertinggal: IDT</i>)	130
5.3. DAKABALAREA	134
5.3.1. The Onion Project: <i>Usaha Produksi Bawang Merah</i>	135

5.3.2. The Duck-breeding Project: <i>Usaha Peternakan Itik</i>	135
5.3.3. The Fisheries Project: <i>Budi Daya Ikan Bandeng</i>	136
5.3.4. The Bamboo Project: <i>Pengembangan Budidaya Tanaman Bambu</i>	138
5.3.5. The Mining Project: <i>Industri Batu Alam</i>	144
5.4. Summary	145
Chapter 6	
The Social Safety Net Program (<i>Jaring Pengaman Sosial: JPS</i>) and Related Welfare Programs	148
6.1. Legislative Background of Social Welfare in Indonesia	148
6.2. Social Welfare and the Social Safety Net Programs (<i>Jaring Pengaman Sosial: JPS</i>)	149
6.2.1. Below the 'Poverty Line'	150
6.3. The Implementation of the Social Safety Net Programs (JPS)	151
6.3.1 The Subsidised Rice Program	153
6.3.1.1. The Subsidised Rice Program in Kabupaten Cirebon	157
6.4. The <i>Raskin</i> Program	159
6.5. Employment Creation Program: <i>Padat Karya</i>	163
6.6. The PDM-DKE Credit Program	167
Empowering Regions to Overcome the Impact of the Economic Crisis (<i>PDM-DKE: Pemberdayaan Daerah dalam Mengatasi/Menanggulangi Dampak Krisis Ekonomi</i>)	
6.7. Direct Cash Transfers (<i>Bantuan Langsung Tunai: BLT</i>)	169
6.8. Summary	171
Chapter 7	
Decentralisation of the Health Sector	174
7.1. Central Government Administration of Healthcare	174
7.2. Development of Village Community Healthcare	177
7.3. <i>Krismon</i>, the Health Sector and the Implementation of the Social Safety Net Program (JPS-BK)	178
7.3.1. <i>Krismon</i> and the Family Planning Program	182
7.3.2. <i>Krismon</i> , Nutrition and Food Security	183
7.4. Establishment of <i>Posyandu</i>	185
7.4.1. The Activities of <i>Posyandu</i>	188
7.4.2. The Role of <i>Kaders</i> in <i>Posyandu</i>	189
7.4.3. Evaluating <i>Posyandu</i>	191
7.4.4. The PKK and <i>Posyandu</i> in Kabupaten Cirebon	195
7.4.5. Nutrition Status of Children under five years of age	200
7.6. Immunisation Program in Kabupaten Cirebon	201
7.7. Healthcare Facilities in Kabupaten Cirebon	202
7.8. Environmental Health (<i>Penyehatan Lingkungan</i>)	208
7.9. Summary	211
Chapter 8	
The Decentralisation of the Education Sector	213
8.1 Legislation Effecting the Decentralisation of Education	214
8.2. Education during the New Order Era	215
8.2.1. National School Leaving Examinations: <i>Ebtanas</i>	216
8.2.2. The Curriculum and the Quality of Education	218
8.3. The Implementation of the Social Safety Net Programs in the Education Sector (JPS-BP)	219
8.4. The Islamic Schools of Indonesia	222
8.5. Towards Regional Autonomy in Education	225
8.5.1. Changes in Funding for Education	226

8.5.1.1. The Implementation of the School Operational Assistance Program (<i>Bantuan Operasional Sekolah: BOS</i>)	228
8.5.2. The Role of Teachers in the Decentralised Education System	230
8.6. Education in Kabupaten Cirebon	232
8.6.1. Schools in the Ten Villages Kabupaten Cirebon	233
8.6.2. Education Opportunities for Disabled Students and ‘Drop-outs’ in Kabupaten Cirebon	235
8.6.3. Financial Support for Education in Kabupaten Cirebon	236
8.6.3.1. The Implementation of the School Operation Assistance Program (BOS) in Kabupaten Cirebon	238
8.6.3.2. Tertiary Education in Kabupaten Cirebon	240
8.7. Summary	241
Chapter 9	
The Sub-District (<i>Kecamatan</i>) Development Program (<i>Program Pengembangan Kecamatan: PPK</i>)	244
9.1. The Subdistrict: <i>Kecamatan</i>	245
9.2. The Objectives of the Kecamatan Development Program	246
9.3. The World Bank and the Local Level Institutions Studies	247
9.4. Kecamatan Development Program and Social Capital	249
9.5. Organising the Program	250
9.5.1. Financial Management of the Program	253
9.6. Activating the Kecamatan Development Program	256
9.7. Some Outcomes of the Kecamatan Development Program	257
9.8. National Community Empowerment Program for Self-Reliant Rural Villages (<i>Program Nasional Pemberdayaan Masyarakat Mandiri Perdesaan: PNPM</i>)	258
9.9. The Kecamatan Development Program in Kabupaten Cirebon	262
9.9.1. Desa Karangmulya – Kecamatan Plumbon	264
9.9.1.1 The Women of Desa Karangmulya	267
9.10. All the <i>Kecamatan</i> join the Program	272
9.11. Summary	275
Chapter 10	
Conclusion	278
10.1. Local Governance and Participation	278
10.2. Welfare Programs	280
10.3. The Kecamatan Development Program (PPK)	281
10.4. Decentralisation of the Health Sector	283
10.5. Decentralisation of the Education Sector	284
10.6. Summary	286
Appendices	
a. Criteria for Election of Head of Region I and II (<i>Gubernur and Bupati or Walikota</i>) According to Law No. 5 of 1974	288
b. Criteria for Election of Head of Region I and II (<i>Gubernur and Bupati or Walikota</i>) According to Law No. 32 of 2004	289
c. Criteria for Election of Head of a Village (<i>Kepala Desa</i>) According to Law No. 5 of 1979; and Law No. 22 of 1999	290
d. Details of Taxes and Levies in <i>Kabupaten Cirebon</i> in August 2002	291
e. Details of Variables used in the scoring system to evaluate IDT villages	292
f. The education level of the population of Kabupaten Cirebon of those ten years and above, by gender, in 1997 and in 2009	293
g. Details of health department vaccinations in 1999 – 2004 and 2005 – 2009	294

Bibliography	295
Boxes	
2.1 The Establishment of the Family Welfare Movement <i>Pembinaan Kesejahteraan Keluarga (PKK)</i>	54
5.1 Presidential Instruction Program, <i>Inpres: Instruksi Presiden</i>	131
6.1 <i>Gotong Royong</i>	165
6.2 Rotating Credit Associations: <i>Kelompok Arisan</i>	166
7.1 The Five Table System (<i>pola-lima-meja</i>) of <i>Posyandu</i>	188
8.1 Authorised Uses of BOS Funds	229
Figures	
1 The Structures of the PKK During the New Order	58
Graphs	
7.1 Number of <i>Posyandu</i> in Kabupaten Cirebon in 1999 -2009	195
Maps	
1 Kabupaten Cirebon, West Java (<i>Jawa Barat</i>)	xxi
Tables	
1.1 A Typology of Participation	18
4.1 Election Results DPRD Kabupaten Cirebon 1999 – 2009	106
4.2 Number of Civil Servants in Kabupaten Cirebon as a percentage of the whole population in 1999 and 2009	108
5.1 Production of the Cultivation of Fish and Shrimp in Kabupaten Cirebon 1999 – 2009	138
5.2 Development of the Rattan Industry in Kabupaten Cirebon 1997 – 2009	142
6.1 Prosperity Status of Families in Kabupaten Cirebon during 2000 and 2001, according to BKKBN Kabupaten Cirebon	157
6.2 Status of families as a percentage of the whole population in Kabupaten Cirebon in 2000 and 2001 according to BKKBN Kabupaten Cirebon	157
7.1 Number of Malnourished Children in Kabupaten Cirebon 1999 – 2002	184
7.2 Maternal and Infant Mortality Rates in Indonesia in 1990 and 2007	194
7.3 Ratio of <i>Posyandu</i> to <i>Kaders</i> in Ten Villages in Kabupaten Cirebon	198
7.4 Percentage of pre-school children who participate in <i>Posyandu</i> in Kabupaten Cirebon 2000 - 2009	199
7.5 Nutritional Status of Children under five years of age in Kabupaten Cirebon 2001 - 2009	200
7.6 Healthcare Expenditure in Kabupaten Cirebon	203
7.7 Healthcare Infrastructure in Kabupaten Cirebon	204
7.8 Private Healthcare Infrastructure in Kabupaten Cirebon	204
7.9 Number of Health Department Personnel	205
7.10 Ratio of Healthcare Workers to Population	206
7.11 Visits to Health Centres (<i>Puskesmas</i>)	207
7.12 Health Indicators (<i>Indikator Kesehatan</i>)	208
7.13 Percentage of Households with Basic Water and Sanitation Service	209
7.14 Cases of Diarrhoea in Children in Kabupaten Cirebon	210
8.1 The education level of the population of Kabupaten Cirebon, of those ten years and above, in 1997 and 2009.	232
8.2 Education Facilities in Kabupaten Cirebon in 2002 and 2009	233
8.3 Condition of Schools Buildings in Kabupaten Cirebon	233
9.1 Total PNPM Consultants and Facilitators as of December 2007	259
9.2 Prosperity Status of Families in Kabupaten Cirebon during 2000, 2001 and 2008 according to BKKBN Kabupaten Cirebon	275

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Glossary

ABRI	<i>Angkatan Bersenjata Republik Indonesia</i>	Indonesian Armed Forces during the New Order
APBN	<i>Anggaran Pendapatan dan Belanja Negara</i>	National Budget
APBD	<i>Anggaran Pendapatan dan Belanja Daerah</i>	Regional Budget
BAPPEDA	<i>Badan Pembangunan Daerah</i>	Agency for Regional Development
BAPPENAS	<i>Badan Perancang Pembangunan Nasional</i>	National Development Planning Board
BKKBN	<i>Badan Koordinasi Keluarga Berencana Nasional</i>	National Family Planning Coordinating Agency
BP3	<i>Badan Pembinaan dan Penyelenggaraan Pendidikan</i>	Board of Education Assistance
BPD	<i>Badan Perwakilan Desa</i>	Village Representative Council
BPKD	<i>Badan Penyelenggaraan Keuangan Daerah</i>	Regional Audit Board
BPKP	<i>Badan Pengawasan Keuangan dan Pembangunan</i>	Financial and Development Supervisory Board
BLN	<i>Bantuan Luar Negeri</i>	Funds from foreign countries
BOS	<i>Bantuan Operasional Sekolah</i>	School Operation Assistance Program
Balita	<i>Bawah Lima Tahun</i>	Children below five years of age
BPS	<i>Biro Pusat Statistik</i>	Central Bureau of Statistics
Bulog	<i>Badan Urusan Logistik</i>	National Logistics Agency
DAK	<i>Dana Alokasi Khusus</i>	Special Allocation Fund
DAU	<i>Dana Alokasi Umum</i>	General Allocation Fund
DPD	<i>Dewan Pemerintahan Daerah</i>	Regional Government Board
DPR	<i>Dewan Perwakilan Rakyat</i>	Peoples' Representative Council
DPRD	<i>Dewan Perwakilan Rakyat Daerah</i>	Regional Peoples' Representative Council
G30S	<i>Gerakan 30 September</i>	Movement of 30 th September
GOLKAR	<i>Golongan Karya</i>	New Order political party of President Suharto
IDT	<i>Program Inpres Desa Tertinggal</i>	Backward Village Program
IIP	<i>Institut Ilmu Pemerintahan</i>	Institute for Government Studies
Inpres	<i>Instruksi Presiden</i>	Presidential directive
Inpres Khusus	<i>Instruksi Presiden Khusus</i>	Special <i>Inpres</i> funds
Inpres Umum	<i>Instruksi Presiden Umum</i>	General <i>Inpres</i> funds
JPS	<i>Jaring Pengaman Sosial</i>	Social Safety Net Program
JPS - BK	<i>Jaring Pengaman Sosial - Bidang Kesehatan</i>	Social Safety Net Program in the Health Sector
Kandep	<i>Kantor departemen</i>	Central government offices at district (<i>kabupaten</i> or <i>kota</i>) level
Kandepkes	<i>Kantor Departemen Kesehatan</i>	Central government health department in the regions
Kanwil	<i>Kantor wilayah</i>	Central government office at provincial level
KTP	<i>Kartu Tanda Penduduk</i>	Identification certificate
KB	<i>Keluarga Berencana</i>	Family planning
PS	<i>Keluarga pra-sejahtera</i>	Pre-prosperous family
KS 1	<i>Keluarga Sejahtera tahap 1</i>	Stage 1 prosperity family
KKN	<i>korupsi, kolusi dan nepotisme</i>	corruption, collusion and nepotism
KMS	<i>Kartu Menuju Sehat</i>	Road to Health Card
Krismon	<i>Krisis Moneter</i>	Monetary crisis
LKMD	<i>Lembaga Ketahanan Masyarakat Desa</i>	Village Community Resilience Council
LMD	<i>Lembaga Masyarakat Desa</i>	Village Consultative Council

LPMD	<i>Lembaga Pembangunan Masyarakat Desa</i>	Village Community Development Council
LP3ES	<i>Lembaga Penelitian, Pendidikan dan Penerangan Ekonomi dan Sosial</i>	Institute for Economic and Social Research, Education and Information
LSD	<i>Lembaga Sosial Desa</i>	Village Social Council
LSM	<i>Lembaga Swadaya Masyarakat</i>	Non-government Organisation –NGO
MPR	<i>Majelis Permusyawaratan Rakyat</i>	People’s Consultative Council
MPRS	<i>Majelis Permusyawaratan Rakyat Sementara</i>	People’s Provisional Consultative Council
OPK	<i>Operasi Pasar Khusus</i>	Special Market Operation
OTDA	<i>Otonomi Daerah</i>	Regional Autonomy
PAD	<i>Pendapatan Asli Daerah</i>	Local Taxes
PBB	<i>Pajak Bumi dan Pembangunan</i>	Land and Building Tax
PDI	<i>Partai Demokrasi Indonesia</i>	Indonesian Democratic Party
PDI-P	<i>Partai Demokrasi Indonesia Perjuangan</i>	The Indonesian Democracy Party for Struggle
PLKB	<i>Petugas Lapangan Keluarga Berencana</i>	Family Planning Field Officer
PMD	<i>Pembangunan Masyarakat Desa</i>	Ministry of Homes Affairs Community Development Agency
PDR:	<i>Pemerintah Darurat Republik Indonesia</i>	Provisional Government of the Republic of Indonesia
Pemdes	<i>Pemerintah Desa</i>	Department of Village Government
Penpres	<i>Penetapan Presiden</i>	Presidential Decision
PDI	<i>Partai Demokrasi Indonesia</i>	The Indonesian Democracy Party
PKI	<i>Partai Komunis Indonesia</i>	Indonesian Communist Party
PKK	<i>Pembinaan Kesejahteraan Keluarga</i>	Family Welfare Program 1973 – 1999
PKK	<i>Pemberdayaan Kesejahteraan Keluarga</i>	The Empowerment of Family Welfare: the Family Welfare Program after 1999
PKMD	<i>Pembangunan Kesehatan Masyarakat Desa</i>	Village Community Health Development Program
Podes	<i>Potensi Desa Sensus</i>	Village Potential Census
PPK	<i>Program Pengembangan Kecamatan</i>	Kecamatan Development Program KDP
PPP	<i>Partai Persatuan Pembangunan</i>	The United Development Party
PMT	<i>pemberian makanan tambah</i>	The gift of supplementary food
Pemdes	<i>Pemerintah Desa</i>	Department of Village Government
PERDA	<i>Peraturan Daerah</i>	Regional Regulation
POD	<i>Pos obat desa</i>	Village Drugs Post
Podes	<i>Potensi Desa Sensus</i>	Village Potential Census
Polindes	<i>Pos bersalin desa</i>	Village birthing post
POLRI	<i>Polisi Republik Indonesia</i>	Indonesian Police after 1999
Posyandu	<i>Pos Pelayanan Terpadu</i>	Integrated Service Post
PAB	<i>Proyek Air Bersih</i>	Clean Water Project
Puskesmas	<i>Pusat Kesehatan Masyarakat</i>	Regional Healthcare Centre
REPELITA	<i>Rencana Pembangunan Lima Tahun</i>	Five year development plan
RK	<i>Rukun Kampung</i>	Hamlet association
RT	<i>Rukun Tetangga</i>	Neighbourhood association
RW	<i>Rukun Warga</i>	Sub-unit of village made up of RTs
RS	<i>Rumah Sakit</i>	Hospital
RSU	<i>Rumah Sakit Umum</i>	General Hospital
RSUD	<i>Rumah Sakit Umum Daerah</i>	Regional general hospital
SDO	<i>Subsidi Daerah Otonom</i>	Subsidy for Autonomous Region
SD	<i>Sekolah Dasar</i>	Primary school
SLTA	<i>Sekolah Lanjutan Tingkat Atas</i>	Senior high school
SLTP	<i>Sekolah Lanjutan Tingkat Pertama</i>	Junior high school
SMP	<i>Sekolah Lanjutan Pertama</i>	Junior high school
SKPG	<i>Sistem Kewaspadaan Pangan dan Gizi</i>	National Nutrition Board

SPP	<i>Simpan Pinjam Perempuan</i>	Savings and lending groups for women
SSD	<i>Survei Seratus Desa</i>	100 Villages Survey
Susenans	<i>Survei Sosio-ekonomi Nasional</i>	National Socio-economic Survey
TNI	<i>Tentara Nasional Indonesia</i>	Indonesian Armed Forces after 1999
	<i>Undang-undang Dasar Sementara Republik Indonesia</i>	1950 Provisional Constitution of the Unitary Republic of Indonesia
UPGK	<i>Usaha Perbaikan Gizi Keluarga</i>	Family Nutrition Improvement Program
UDKP	<i>Unit Daerah Kerja Pembangunan</i>	Sub-district development unit
UPK	<i>Unit Pengelolaan Keuangan</i>	Financial management unit
UPGK	<i>Usaha Peningkatan Gizi Keluarga</i>	Family Nutrition Improvement Program
Yakum	<i>Yayasan Keristen untuk Kesehatan Umum</i>	Christian Foundation for Public Health
YIS	<i>Yayasan Indonesia Sejahtera</i>	Prosperous Indonesia Foundation
YPPSE	<i>Yayasan Pembangunan dan Pengembangan Sosial Ekonomi</i>	Social and Economic Development Foundation

When the term 'regional government' is used it includes provincial (*propinsi*) governments and district (*kabupaten* and *kota*) governments.

Introduction

In Indonesia, the concept of the decentralisation of government administration has been a feature of debates about governance for most of the twentieth century. It was not until the end of the Suharto regime, and the initiation of the Reform Era, that the concept was realised with the implementation of the 1999 Regional Autonomy Laws in 2001.¹ In its simplest form, political decentralisation involves the transfer of decision making authority and resources to regional administrations.²

During the 1970s many governments began experimenting with new approaches to development programs. As societies became more complex and government activities expanded, it became increasingly difficult to administer all development activities effectively from the centre. Rondinelli and Cheema (1983) advocated the implementation of decentralisation programs, and distinguished four categories of political decentralisation: deconcentration, delegation, privatisation and devolution. However, within a unitary system of government, the extent of decentralisation, and therefore the extent of regional autonomy, is always dependent upon the degree of power and control retained by the central government.

In the colonial era, the Dutch introduced the concept of decentralisation through the Decentralisation Act of 1903, but its character represented deconcentration rather than devolution (Suwandi 2001: 2).³ The Dutch East Indies comprised, in the first place, a large range of formerly self-governing kingdoms and communities, which necessitated acknowledgement of diverse local regimes. These influenced the outlines of regional government in the Republic of Indonesia which were apparent during the revolutionary period of 1945 – 1949. The Dutch favoured a federal state to which sovereignty might be transferred (Legge 1961; Feith 1962; Ricklefs 1981; 1993).

¹ *Undang-Undang Republik Indonesia Nomor 22 Tahun 1999 tentang Pemerintahan Daerah and Undang-Undang Republik Indonesia Nomor 25 Tahun 1999 tentang Perimbangan Keuangan antara Pemerintah Pusat dan Daerah*

² For a range of perspectives on the issue see Devas and Grant 2003; De Guzman and Reforma 1993; Fritzen 2001; Heywood 2000; Jütting, et al., 2005; Kulipossa 2004; Litvack, Ahmad, and Bird, 1998; Manor 1997, 1998, 1999 and 2006; Mathur 1983; O'Dwyer and Ziblatt, 2006; Rondinelli and Cheema, 1983; and Treisma 2006.

³ For further discussion of Dutch concepts of decentralisation between 1903 and 1942 see De Kat Angelino 1931 and Furnivall 1944

The federal system, foisted on Indonesia by the departing Dutch, survived for less than a year but left a lasting distaste for federalism there (Devas 1997: 354; Feith 1962: 58-59; Holland 1999: 201). The Elucidation of Article 18 of the 1945 Constitution states that because Indonesia is a unitary state, there should be no separate states within its boundaries, but rather a system of autonomous or administratively autonomous regions. Strong objections to a federal state saw the establishment of a unitary republic on August 17th 1950 (Cribb 1995: 24). Subsequently, Article 131 of the 1950 Provisional Constitution established the concept of deconcentration of state power and authority, as well as a degree of autonomy for local affairs (The Liang Gie 1994: 7-9).

Rebellions in the Outer Islands provided the rationale for President Sukarno to declare martial law in 1957, which effectively reassigned authority from provincial civilian leaders to the military, reinforcing central control (Holland 1999). Holland considered that the position of regional government prior to 1999 was shaped by the legacy of the regional rebellions in the 1950s. With the demise of the Suharto regime, a compelling imperative to decentralise was the need to counter strong centrifugal forces from the resource-rich provinces such as Aceh, Riau and Irian Jaya, which claimed that the central government had for too long exploited their natural resources without reasonable return of revenues. When the New Order regime collapsed, it was predictable that tensions that had built up in the regions would resurface. Both regional bureaucrats and leaders in the private sector continued to protest that previous government policy was too centralist, and that every decision a regional government made had to be endorsed by the central government. There was agitation among activists and academics in the regions for more autonomy, and the risk of dissolution of the Republic of Indonesia was a serious concern following the recent history of the Soviet bloc (Carey 2001; Siagian 1998).

The move to greater regional autonomy in Indonesia in the mid 1990s accorded with a global trend. Decentralisation was seen as the key to stronger economic performance (Devas 1997). Indonesian people had become disillusioned with existing systems of government and the declining effectiveness of the state in the face of globalisation. They believed them to be “inequitable, unrepresentative, poorly performing, and failing to provide them with a voice to influence decisions which affect them” (Turner and Podger 2003: 5). Dissent was emerging in both the public and

private sectors. Student leaders and academics had long advocated an end to the economic and political role of the military, and the liberalisation of politics (Robison 1990). An undercurrent of change was also emerging in the villages. By the early 1990s there were calls for government to be made more accountable to the people; for an independent judiciary; and for constitutional protection of human rights to protect ordinary people from rampant abuse of power (Schwarz 1994; van Tuijl and Witjes 1993). Opposition to restrictions on freedom of speech and political organisation became much more open. The staggering mal-distribution of wealth aroused growing criticism of the Suharto regime and its cronies (Niessen 1999). The political reforms which began in Indonesia with the collapse of Suharto's New Order government in 1998 created new prospects for the relationship between the state and the community (Antlov 2003b: 192).

Decentralisation programs are meant to facilitate participation by local governments in the democratic process, and ensure greater benefits from development. Successful decentralisation should increase the opportunities for participation by placing more power and resources at a local level of government (Fritzen 2001). Greater public participation can unite those who share commitments to more equitable and compassionate forms of social and political economic organisation, but who differ greatly on strategy (Bebbington 2004).

Cooke and Kothari (2001: 5) suggested that the focus on participatory development can be seen as emerging from the identification of the deficiencies of top-down development programs. While the broad aim of participatory development is to increase the involvement of marginalised peoples in decision-making over their own lives, Cooke and Kothari are concerned that participatory development programs, nonetheless, have potential to lead to the unjust and illegitimate exercise of power; in ways that can be identified in many of the welfare and development programs examined as part of this research.

Participation has to be understood in the context of power relations between elite groups and the less powerful. "Participatory goals including ideas about 'people's knowledge' and 'participatory planning' are significantly (if not primarily) oriented upwards (or outwards) to legitimise action, to explain, justify, validate higher policy goals, or mobilise political support rather than downwards to orientate action"

(Mosse 2001: 27). Furthermore, participatory ideals were often operationally constrained to meet formal and informal bureaucratic goals (Mosse 2001: 21).

Much of the literature on community participation overstates the cohesion of communities, treating them as natural social entities characterised by solidarity. It is assumed that 'community' can be represented and channelled in simple organisational forms (Cleaver 2001: 44). More realistically, the community is a complex entity of "shifting alliances, power and social structures" (Cleaver 2001: 45).

A simplistic notion of 'community',

further masks biases in interests and needs based on, for example, age, class, caste, ethnicity, religion and gender. Participation can result in political co-option, and can require contributions from participants in the form of labour, cash or kind and thus transfer some of the projects costs on to the beneficiaries, and those who challenge the rhetoric of participation, arguing that it masks continued centralisation in the name of decentralisation (Cooke and Kothari 2001: 6).

Cleaver (2001: 53) suggested the time was ripe for critical re-analysis of 'participatory approaches'.⁴

Cornwall (2004: 81) identifies 'spaces' in which citizens are invited to participate, as well as those they create for themselves. Such spaces are never neutral, but are infused with existing relations of power. "Yet the 'strategic reversibility' (Foucault 1991: 5) of power relations means that such governmental practices and 'regimes of truth' in themselves are always the sites of resistance; they produce possibilities for subversion, appropriation and reconstitution" (Cornwall 2004: 81).

On that premise, Hickey and Mohan (2004) seek to build on 'more and better participation'. They say:

the past decade witnessed a growing backlash against the ways in which participation managed to 'tyrannise' development debates without sufficient evidence that participatory approaches were living up to the promise of empowerment and transformative development for marginal people (Hickey and Mohan 2004: 3)

Gaventa (2004: 25) says that "nowhere is the intersection of concepts of community participation and citizenship seen more clearly than in the multitude of programs

⁴ For further discussion on 'participation as the new tyranny' see Francis 2001; and Hilyard, Hegde, Wolvekemp and Reddy 2001.

for decentralised governance”. At the same time, the call for new forms of engagement between citizens and the state involves placing an emphasis on inclusive participation as the very foundation of democratic practice (Gaventa 2004: 28).

The mainstream form of ‘participation in development’ from the 1980s asserted the importance of placing local realities at the heart of development interventions. There was seen a need to transform agents of development from being directive ‘experts’ to ‘facilitators’ and ‘enablers’ (Hickey and Mohan 2004: 11).

Hickey and Mohan (2004: 159) argue that:

participatory approaches are most likely to achieve transformations where (i) they are pursued as part of a wider (radical) political project; (ii) where they are aimed specifically at securing citizenship rights for marginal and subordinate groups; and (iii) when they seek to engage with development as an underlying process of social change rather than in the form of discrete technocratic interventions.

Democratic decentralisation is associated with the institutionalisation of participation at the local level through regular elections, council hearings, and more recently, participatory budgeting.⁵ The devolution of power “creates incentives for increased local civil society activity” (Hickey and Mohan 2004: 161). An endeavour to adopt this ‘more and better participation’⁶ is evident in the Kecamatan Development Program (PPK)⁷ in Indonesia. The Kecamatan Development Program, later expanded through the national government’s national community empowerment program (PNPM),⁸ was designed to enable villagers to participate in decision making effecting local programs.

The successful functioning of decentralisation depends upon ongoing local participation. It is argued that in communities where participation in the democratic process is encouraged, evidence of a growing accumulation of social

⁵ In Indonesia, the governance of the Village Representative Council (*Badan Perwakilan Desa*: BPD) between 1999 and 2004 is an excellent example of participation through regular elections, council hearings, and participatory budgeting.

⁶ For further discussion on ‘more and better participation’ see also Brown 2004; Cooke 2004; Henry 2004; Kelly; Masaki 2004; Mitlin; Vincent 2004; and Williams 2004.

⁷ PPK: *Program Pengembangan Kecamatan*. In World Bank literature, *Program Pengembangan Kecamatan* is referred to as KDP, the Kecamatan Development Program, is discussed in Chapter 9.

⁸ PNPM: *Program Nasional Pemberdayaan Masyarakat Mandiri Perdesaan*

capital can be observed.⁹ With the implementation of the 1999 Regional Autonomy Laws, Indonesia embarked on simultaneous programs of political, fiscal and administrative decentralisation, moving the country from one of the most centralised political systems in the world to one of the most decentralised. This process was not uncontested. Law No. 32 of 2004 concerning Regional Government¹⁰ was promulgated to restore greater power and authority to central and provincial governments and restricted many of the programs initiated with the promulgation of the 1999 Laws.

This thesis examines the impacts of decentralisation policies and participatory development programs with a case study of a number of villages in Kabupaten Cirebon, West Java. It endeavours

- To examine the impact on regional government of the Regional Autonomy Laws of 1999 and 2004;
- To assess the implications of these changes in law and policy for the democratic process and community participation; and
- To investigate whether the implementation of decentralisation policies have resulted in better development outcomes, particularly in the fields of education and health.

⁹ See for example Coleman 1990 and 2007; Harris 2002; Kilby 2002; Portes 1998; Putnam 1993, 1995 and 2000; Stone and Hughes 2001; Van Rooy 1998; and Woolcock 1998.

¹⁰ *Undang-Undang Republik Indonesia Nomor 32 Tahun 2004 tentang Pemerintahan Daerah*

Methodology

This research began with the objective of examining local government in Indonesia. At the end of 1998, the newly-appointed *Bupati* of Cirebon, H Sutisna SH., approved my request to carry out fieldwork in Kabupaten Cirebon, West Java. A number of significant events influenced the focus for conduct of the research on the implementation of the decentralisation laws and the participation of the communities of Kabupaten Cirebon in the decentralisation program. These were:

- the fallout from the 1997 - 1998 financial crises (*Krismon*);¹¹
- the establishment in 1998 of the Social Safety Net program (JPS);¹² and
- the promulgation of the 1999 Regional Autonomy Laws.

The approach to the research has been primarily qualitative involving fieldwork in Kabupaten Cirebon during 1999, 2000 and 2002 toward a case study¹³ of decentralisation and participation. Information was collected through interviews with elected officials and bureaucrats at all levels of regional government; district (*kabupaten*), sub-district (*kecamatan*) and village (*desa*). Focus group discussions¹⁴ were held with villagers and especially with members of the Village Representative Council (BPD);¹⁵ and The Family Welfare Empowerment Movement (PKK).¹⁶ I participated in many gatherings of the Integrated Service Posts (*Posyandu*).¹⁷ Wide-ranging interviews were carried out with representatives of political parties, NGOs, and local workers of the National Family Planning Coordinating Agency (BKKBN).¹⁸

¹¹ *Krismon: Krisis Moneter*

¹² JPS: *Jaring Pengaman Sosial*

¹³ Case study research refers to the collection and presentation of detailed information about a particular participant or small group. Yin (2012: xix) says that the case study research continues to be an essential form of social science inquiry, but warns of generalisation beyond the case study (Yin 2012: 18). The purpose of this case study was to draw on several communities in Kabupaten Cirebon to understand how the 1999 and 2004 Regional Autonomy Laws affected the people in the ten villages it comprised. An effort was made to identify problems and to assess if the implementation of the Laws brought lasting benefits to the villages.

¹⁴ Focus groups methodology provides concentrated amounts of data, in participants' own words, on the topic of interest. The interaction of participants adds richness to the data that may be missed in individual interviews. The responsibility of the researcher is to create an environment that encourages participants to share perceptions and points of view, without being pressured to vote or to reach a consensus (Krueger and Casey 2000: 4).

¹⁵ BPD: *Badan Perwakilan Desa* later changed to *Badan Permusyawaratan Desa*. See chapter 4 on the importance of this change.

¹⁶ PKK: *Pemberdayaan Kesejahteraan Keluarga*

¹⁷ *Posyandu: Pos Pelayanan Terpadu*

¹⁸ BKKBN: *Badan Koordinasi Keluarga Berencana Nasional*

Bearing in mind that the research was initiated following the 1997 - 1998 political and financial crises and at a time when the Social Safety Net Programs (JPS) and decentralisation laws were being implemented for the first time, the context of the fieldwork was in considerable flux.

Due to serious health problems and family circumstances I was unable to complete the field research in Cirebon, and from 2003 relied on research assistants to collect and update data. I acknowledge the invaluable contributions of Agung Gumilang who collected information and data for me over many years; and Uzair Fauzan who not only collected data but also conducted a series of follow up interviews, in all of the ten study villages, on my behalf.

Documentary sources, both in English and in *Bahasa Indonesia*, relevant to governance, decentralisation and participation were used. These include:

- Reports and articles from AusAID¹⁹ RAND Corporation²⁰ SMERU,²¹ USAID²² and World Bank, especially on the Kecamatan Development Program (PPK).
- Official Indonesian central government documents 1998 – 2010 which included Republic of Indonesia Laws and Regulations (*Undang-Undang / Peraturan Pemerintah*); Presidential Decisions (*Keputusan Presiden*); and Ministerial Decisions and Regulations (*Keputusan Menteri / Peraturan Menteri*). Each year the *kabupaten* administration publishes a report '*Kabupaten Cirebon dalam Angka*' which is produced by the Kabupaten Bureau of Statistics and contains quantitative data from the *kabupaten* for that year. Each *kecamatan* publishes similar reports of varying content and reliability. Government departments, for example, agriculture, development, education, fisheries, health, trade, water and so on, publish annual reports.
- Village reports *Monografi Desa* 1998 – 2005, and *Daftar Isian Potensi Desa* 2004 – 2006 contain quantitative data from each village.

¹⁹ AusAID: The Australian Government agency responsible for managing Australia's overseas aid program.

²⁰ Since 1948, the RAND Corporation is an American, non-profit research organisation which presents monographs of major research findings on political and socio-economic subjects (<http://www.rand.org/about/history.html> accessed March 2012).

²¹ SMERU: Social Monitoring & Early Response Unit, a Jakarta-based research unit with support from the World Bank, AusAID, the ASEM Trust Fund, and USAID.

²² USAID is the United States Agency for International Development, a government agency, providing economic and humanitarian assistance worldwide.

Kabupaten Cirebon is located between longitude 108° 40' and 108° 48' east meridian, and latitude 6° 30' and 7° 00' south of the equator (*Pemerintah Kabupaten Cirebon* 2000b). At its maximum length, from north-west to south-east it extends for 54 kilometres and 39 kilometres from north to south, covering 989.70 square kilometres (*Pemerintah Kabupaten Cirebon* 1997: 1-3). The region is bounded in the east and northeast by the province of Central Java; in the south by Kabupaten Kuningan; in the West by Kabupaten Majalengka; and in the north by the oil rich Kabupaten Indramayu; Kotamadya Cirebon and the Java Sea.

Kabupaten Cirebon has 54 kilometres of coastline. The plains which centre on Indramayu in the north and Losari to the east were formed by alluvial sand mixing with clay carried seaward by the Cimanuk and Cilosari river systems. Both these rivers have their sources in the mountains and flow northward. The alluvial deposits add up to 100 metres annually to the coastline of the *kabupaten* (*Yayasan Mitra Budaya Indonesia* 1982: 12). In total, there are eighteen rivers which rise in the southern mountains and flow north into the Java Sea. The Citanduy River flows south and forms the boundary between West Java and Central Java.

An active volcano, Gunung Ceremai, rises to a height of 3,070 metres and is surrounded by limestone hills and low fertile plains. Gunung Ceremai is central to the *kabupaten* and is the highest mountain in West Java. On its slopes are a number of sulphur and hot water springs. The most prominent feature of the landscape is a chain of jagged limestone hills, west of the mountains. These are extensively quarried. Most of the northern part of Kabupaten Cirebon is a flat, fertile and marshy plain, less than 20 metres above sea level. This plain comprises about 80 percent of the *kabupaten*. This tropical region has a temperature range of 24°C to 33°C averaging 28°C. Precipitation lies between 4,000 mm and 4,500 mm per year (*Pemerintah Kabupaten Cirebon* 1997: 6-7).

Kabupaten Cirebon has few natural resources. Unlike its neighbour, Kabupaten Indramayu, Cirebon has no oil. Cirebon is a relatively dry district and must acquire much of its water from another neighbour, Kabupaten Kuningan. Kabupaten Cirebon is predominately an agricultural region which surrounds, but is not part of, the port city of Cirebon (Kotamadya Cirebon). Kabupaten Cirebon has a strategic location serving as a link between the port and the remainder of West Java.

Because of its juxta position to the city, the *kabupaten* benefits considerably from the urban and industrial development of Kotamadya Cirebon.

What is traditionally known as the 'Cirebon region' was the former Dutch Residency of Cirebon which comprised the city of Cirebon (Kotamadya Cirebon) and the four districts or regencies (*kabupaten*) of Indramayu, Majalengka, Kuningan and Cirebon. Administratively, the region of Cirebon was a part of the province of West Java headed by a governor (*gubernur*) seated at Bandung, the capital of West Java. The province of West Java occupies a strategic location, surrounding the nation's capital, Jakarta. West Java is bounded on the north by the Java Sea; south by the Indian Ocean; the Sundra Strait to the west; and the province of Central Java to the east. The province covers approximately 43,117 square kilometres. Until 2000, Kabupaten Cirebon was one of 25 Districts (*kabupaten*) in West Java. Since 2000, following the breakaway formation of the Provincial Government of Banten, the Province of West Java consists of 16 *kabupaten*, and six municipalities (*kota*)²³ (Usman et al 2002: 4). Kabupaten Cirebon comprises 29 sub-districts (*kecamatan*); 412 villages (*desa*) and twelve urban wards (*kelurahan*). The administrative capital of Kabupaten Cirebon is Kota Sumber which is situated twelve kilometres southwest of the city of Cirebon. In 1995 the *kabupaten* had a population of 1,776,798 which rose to 2,170,374 by 2009 (*Kabupaten Cirebon dalam Angka 2010*).

History

The earliest human settlements in the Cirebon region were in the mountain districts south and west of Kuningan. At the time of the Hindu kingdoms of Java,²⁴ Sunda settlements such as Dermayu and Muara Jati already existed, and there was an established pattern of trade and subsequent social intercourse between the plains and the mountains (*Yayasan Mitra Budaya Indonesia 1982: 12*). According to legend, Cirebon was founded by Sunan Gunungjati in 1552. It was subject to the rulers of Banten, and later to those of Mataram, before submitting to the Dutch from 1609, during the reign of Panembahan Sed-ing-Krapyak. For centuries a

²³ Cities (*kota*) headed by a mayor (*walikota*), and regencies or districts (*kabupaten*) headed by a regent (*bupati*), have equal status. *Kota* and *kabupaten* are divided into *kecamatan* which are headed by a *camat*. A *kecamatan* consists of a variable number of villages (*desa* or *kelurahan*) which in turn are headed by *kepala desa* or *lurah*.

²⁴ The Period of Hindu Kingdoms lasted from ancient times until the 16th. Century AD. Building of the Prambanan temple near Yogyakarta began in 856 AD and was completed in 900 AD.

centre of Islam, this regency generated much of the opposition to Dutch rule (*Yayasan Mitra Budaya Indonesia* 1982: 65).

Economy

Most of the arable land is appropriated to agriculture, 63 percent to wet rice paddies (*sawah*). Other crops include: cassava, cinchona, coffee, corn, essential oils, peanuts, pulses, rubber, sugar-cane, tea, tobacco and assorted fruits and vegetables. The special Cirebon mango is widely marketed.²⁵ There are two small forests in the *kabupaten*. They measure only 4000 square meters and are mixed forests, though predominantly teak. The forest is of very low productivity. The central government owns the forest and the tax on felling the timber is claimed by the central government.²⁶ In the villages, poultry, especially ducks, are produced for meat and eggs. Fish breeding is widespread in the villages, and many Cirebonese are ocean fishermen. Most of the population is engaged in agriculture and this sector is the largest contributor to the local GDP. Trade, which includes the burgeoning rattan industry, is the second largest contributor to the local economy (*Pemerintah Kabupaten Cirebon* 1999i: 32).

Towards Independence

The beginning of the twentieth century saw the rise of the Indonesian nationalist movement. People from Cirebon became leaders of organisations working for independence and many of Cirebon's leading activists were exiled by the Dutch after the 1926 - 1927 rebellions. In the late twenties and early thirties the whole residency was in turmoil, with the nationalist parties maintaining roots in the Cirebon district²⁷ and in the neighbouring *kabupaten* of Indramayu. In this way an early nineteenth century tradition of militancy and protest emerged.²⁸ During World War II, after December 8, 1941, the coast of Cirebon at Eretan, close to Indramayu, was the location for the Japanese invasion of Indonesia. Invading Japanese troops landed there and proceeded to occupy Cirebon. With little opposition the occupation was extended to all of Java and subsequently the remainder of

²⁵ Interview at Department of Agriculture Kabupaten Cirebon, July 2002

²⁶ Interview with Drs. Rony Rudyana, May 1999.

²⁷ In 1928 the Indonesian Socialist Party (PSI) was established in Waled, followed by the Indonesian Communist Party (PKI) at Lemahabang, and the Indonesian Nationalist Party (PNI) at Ciledeg.

²⁸ Interview R.A. Abdurahman, July 2002. R.A. Abdurahman is a respected amateur historian and former Head of the Department of Fisheries (*Kanwil*) in West Java.

Indonesia. At first, the Japanese were welcomed by the Indonesian as liberators, although this reaction was gradually reversed as the occupation was intensified and extended (*Yayasan Mitra Budaya Indonesia* 1982: 65).

Following World War II, the Republic of Indonesia was proclaimed on August 17, 1945. The victorious Allies, unaware of much that had transpired within Indonesia during the war, were speedily arranging their return to accept the Japanese surrender and to re-establish their former colonial administration. However, the Japanese occupation had produced an environment of such chaos and uncertainty; had so politicised people at every stratum of society; and had encouraged both older and younger Indonesian leaders to take the initiative; that the allies found themselves confronted by a revolutionary war of independence (Ricklefs 1993: 211). True to Cirebon's traditions of political and social unrest, coups and take-overs characterised its history (*Yayasan Mitra Budaya Indonesia* 1982: 66). In November 1946 a treaty between the Dutch and the Republic of Indonesia was finalised at Linggadjati, a resort village just south of Cirebon (Ricklefs 1993: 224). Finally, on the fifth anniversary of the declaration of independence, the political structures²⁹ of the revolutionary years were eliminated and the Republic of Indonesia established.

Culture

Because Kabupaten Cirebon is strategically located on the north coast of Java and on the border between West and Central Java, it is not only the gateway between two provinces but is also the melting pot for Sundanese and Javanese sub-cultures. The Sundanese kingdom was first established at Galuh (now Ciamis) and was later moved to Pakuan Pajajaran (now Bogor). From the time of their inclusion in the Sundanese kingdoms, the mountain areas were Sundanese-speaking. As reminders of the Hindu period, some of the mountain villages still have Sanskrit based names. Similarly much of the music and local tradition in the mountain areas have a Hindu character (*Yayasan Mitra Budaya Indonesia* 1982: 12). On the other hand, the plains between Losari and Indramayu have long been strongly influenced by their ties with the coast and with the interior of Central and East Java. Consequently they have received and absorbed elements from various cultures.

²⁹ The Republic of the United States of Indonesia, the Republic of Indonesia as a constituent within it, and the states of East Sumatra and East Indonesia were replaced by a new Republic of Indonesia with a unitary (but provisional) constitution (Ricklefs 1993: 233).

Javanese is the language most spoken in the plains (*Yayasan Mitra Budaya Indonesia* 1982: 13). Overall in the *kabupaten* 99.62 percent of the population are Muslim.³⁰

West Java was the centre of Sundanese culture. In October 2000, the region of Banten in West Java, which includes the Sukarno-Hatta international airport, was the first of Indonesia's post-New Order breakaway provinces to be created on Java since 1950.³¹ Banten had considerable economic resources and potential, but one of the main provocations in the desire for provincial status was resentment of neglect by the provincial capital, Bandung (Quinn 2003: 165-166). The breakaway of the region sent a tremor of uncertainty through the Sundanese community in the rest of West Java. For some Sundanese the new province was an affront to the authority and distinctiveness of Sundanese culture and sparked debate about the identity of a suddenly reduced Sundanese heartland. The debate aroused indignant response in the Cirebon region, where there was a strong sense of a distinct, coherent local identity very different from that of the Sunda highlands (Quinn 2003: 167). In 2002, an unsuccessful attempt was made to form the greater Cirebon region into another breakaway province (*Media Indonesia* August 7, 2002).

In Kabupaten Cirebon changes brought about by modernisation, have generated an awareness of the need to preserve customs and habits which, if not protected, could disappear. Traditional centres for ceremonies and the arts such as the courts (*kraton*), and the communities of Plumbon, Trusmi, Gegesik, and Arjawinangun, have played an important role in the preservation movement fostered by people with a profound understanding of the culture of the Cirebon region. This awareness

³⁰ Of the population, 99.62% are Muslim; 0.19% Catholic Christian; 0.15% Protestant Christian; 0.03% Buddhist; and 0.008% Hindu. In the *kabupaten* there are 5,691 mosques or Muslim prayer rooms, 22 Christian churches, four Hindu *pura*, and two Buddhist *wihara* (*Pemerintah Kabupaten Cirebon* 2000b).

³¹ Banten stretches along the coast from the western outskirts of Jakarta to the Sunda Strait, encompassing the complex of steel and chemical plants at Cilegon and the light manufacturing area of Tangerang. The major highway connecting Jakarta with Merak, the busy crossing point to Sumatra, runs through Banten. According to Quinn (2003: 165) the desire for a separate province of Banten was not new. "A widespread perception in the region that Banten is a distinct cultural and administrative entity had been inherited from Dutch colonial times when it was a separate residency and was officially regarded as having unique attributes of character, history and social organisation. In the late 1960s, during the turbulent early years of the New Order, a campaign was mounted to establish a province of Banten, but it failed. With the downfall of Suharto in May 1998 and the drafting of the autonomy laws under the Habibie administration, the issue of provincial status for Banten returned to the agenda. After the general election of 7 June 1999 and the subsequent convening of a new, democratically elected national parliament, a special committee (*pansus*) was set up within the national parliament to draft an act for the formation of a province of Banten."

of the district's cultural heritage has brought a revival in branches of the arts such as dance, batik making and painting, which preserve the unique style and symbols of the region. The arts of Cirebon remain distinctly different from other parts of Java. Wood-carving, wall-hangings, textiles, music, dancing, even traditional cuisine are forged from many different traditions. Cirebon batik is unique and differs markedly from batik made in other parts of Indonesia.

Choice of Field Work Sites

In 1999, with the cooperation of the *Bupati*, two diverse sub-districts (*kecamatan*) within the *kabupaten* were selected for field work. One, Kecamatan Beber, is a dry and under-resourced region; while the economic activity in Kecamatan Plumbon is augmented by its proximity to the City of Cirebon. Each of the two *camats* was asked to suggest five mainstream villages in each *kecamatan* who might be willing to participate in the research.

Kecamatan Beber is situated in the southern, hilly part of the *kabupaten*, and is 152 metres above sea level. By radius it is seven kilometres from Sumber, the administrative capital of Kabupaten Cirebon; but by the long winding mountain roads it is seventeen kilometres (*Pemerintah Kabupaten Cirebon 1997: 5*). Indeed the *kecamatan* office is situated high on a 'pass' through the mountains. With only 7.28 kilometres of all-season sealed roads, the main form of transport is by motor bike. Although five rivers flow through this *kecamatan*, this resource is not efficiently exploited nor adequately harnessed and the *kecamatan* remains a very dry area. Most of the farmers receive only enough rain to grow one crop of rice each year. In the dry season vegetables are grown. Kecamatan Beber is well-known for the production of distinctive high-quality mangoes. Until the expansion of the rattan industry in the *kabupaten*, Kecamatan Beber was an important centre for growing bamboo and manufacturing bamboo furniture, handicrafts and artefacts. Both the burgeoning rattan industry and the established bamboo manufacturing industry witnessed a dramatic decline in the 1997 – 1998 financial crises.

Kecamatan Beber covers an area of 43.64 square kilometres and has a population of 59,451. With a density of 1,362 persons to the square kilometre, it is one of the least dense localities in the *kabupaten* (*Pemerintah Kabupaten Cirebon 1999i: 30*). There are 18 villages in the *kecamatan*. The five villages which joined this research were Desa Ciawa Gaja, Desa Cikancas, Desa Jatipancur, Desa Kamarang Lebak, and

Desa Sindangkasih. Only three individuals in the *kecamatan* are non-Muslim (*Monografi Kecamatan Beber* 1999). From 2006 Kecamatan Beber was divided into two and one part was renamed Kecamatan Greged.

Kecamatan Plumbon is situated on the flat and marshy plain in the north of the *kabupaten*. It is only 3 metres above sea level. This *kecamatan* is also within a seven kilometre radius of the administrative capital, Sumber, but 12 kilometres along much better roads (*Pemerintah Kabupaten Cirebon* 1997 5). With 122,100 people Kecamatan Plumbon has the largest population of the *kecamatan*s in the *kabupaten* and the highest density - 3,378 people to the square kilometre (*Pemerintah Kabupaten Cirebon* 1999i: 30). The *kecamatan* covers an area of 36.15 square kilometres and consists of 29 villages (28 *desa* and one *kelurahan*). The villages which took part in this research were Desa Cikeduk, Desa Getasan, Desa Karangasem, Desa Karangmulya, and Desa Purwawungangun. Plumbon is a complex and diverse *kecamatan*, a centre for trade and industry in an otherwise rural *kabupaten*. It is the centre for many of the more than 900 rattan factories and is the hub of a cottage industry which makes rubber sandals for export to Africa. Because of the proximity to the city and the existence of its many factories, unemployment is relatively low. With 103 kilometres of all weather roads this *kecamatan* has easy access to the city of Cirebon, 12 kilometres away. Kecamatan Plumbon also draws labour from adjacent rural areas which have high levels of unemployment. One village in the *kecamatan*, Desa Karangmulya, has established a vibrant market place. Consumers and traders come, not only from the village, but from neighbouring villages and *kecamatan*. In Kecamatan Plumbon, 31 people are non-Muslim (*Monografi Kecamatan Plumbon* 1999). From 2005 Kecamatan Plumbon was divided into two and one part was renamed Kecamatan Depok.

The Thesis

The Concept of Decentralisation is examined in **Chapter 1**. In its simplest form, political decentralisation involves the transfer of authority and resources from the centre to regional administrations. Decentralisation programs play an important role in enabling more direct participation by civil society in democratic decision-making. If ‘decentralisation’ and ‘participation’ can be described as having a synergistic relationship, ‘civil society’ and ‘social capital’ are argued to have a similar, mutually beneficial association. Decentralisation should increase popular participation. An active civil society building its social capital should provide the link that makes the relationship between decentralisation and participation work.

In **Chapter 2, Decentralisation in Indonesia during the New Order** is discussed. The most appropriate structure for local governance is a subject of continuing debate in the political life of many countries. In this chapter the relationship between the central and regional governments in Indonesia is examined. During the New Order programs were executed by the central government through deconcentration, which implied a delegation of implementation responsibilities from the central government to its own central government officials, and its own departments, *Kanwil*,³² established in the regions. Regional governments remained under the control of the central government through deconcentration rather than devolution which would have involved delegation of greater authority for decision making and program initiation.

The implementation of Law No. 5 of 1974³³ provided for the expansion of a formidable bureaucratic hierarchy which directed a chain of central government control through the provinces (*propinsi*), regencies or districts (*kabupaten*) and municipalities (*kota*); right down to subdistricts (*kecamatan*). This control was further entrenched in the villages by the implementation of the 1979 Village Government Law.³⁴ Through this structure, the state manipulated “political parties, universities, students and intellectuals, unions, the media, trade associations, religion, the judiciary, mass organisations, and other groups” (Holland 1999: 207). Of fundamental

³² *Kanwil: Kantor Wilayah*

³³ *Undang-Undang Republik Indonesia No. 5 Tahun 1974 tentang Pokok-Pokok Pemerintahan di Daerah*. For further discussion on its impacts, see Antlov 1995; Holland 1999; MacAndrews 1986; and Warren 1993.

³⁴ *Undang-Undang Republik Indonesia Nomor 5 Tahun 1979 tentang Pemerintahan Desa*.

importance to central government dominance was its control of the armed forces which, during the New Order, included the police.

The thrust towards **Regional Autonomy** in the Reform Era, which is examined in **Chapter 3**, was for greater scope for regional and local decision making. In particular the demands of local people for more benefits from development programs urgently needed to be addressed. As a result of combined democratisation and decentralisation policies in the immediate Post-Suharto period, Antlov (2003a: 80) indicated that more than half a million democratically elected village council members were in a position to act politically. Village councils, citizens' forums, social movements and civil society organisations mobilised millions of people to become involved in local politics, people who during the New Order were excluded from meaningful participation.

Local Governance in an Era of Reform is discussed in **Chapter 4**. This chapter considers some of the impediments to achieving the political reforms envisioned in the early Reform Era. These include the politicisation of village government; problems of resourcing local development; and conflicting authorities between regional and central governments. The main impacts of the 2004 revisions in decentralisation legislation, which reversed some of the provisions for democratisation and decentralisation at village level, are also examined.

Two Welfare and Development Programs in Kabupaten Cirebon are discussed in **Chapter 5**. The programs are: The President's Backward ('left behind') Village Program³⁵ (IDT)³⁶ and *DAKABALAREA*, a special provincial government policy to rescue the people of Kabupaten Cirebon from the effects of the 1997 - 1998 Financial Crisis. The top-down funding decisions for the President's Backward Village Program (IDT) were ceded to village administration for implementation in the manner of deconcentration (*dekonsentrasi*). There was no guarantee which poor families were to participate in the program. *DAKABALAREA* was different. This program was instigated by the provincial government of West Java. The criteria for determining who would receive funding were at the discretion of the Bupati. The dilemma of targeting recipients of welfare programs is examined in this chapter.

³⁵ *Instruksi Presiden R.I. Nomor 5 Tahun 1993 mengenai Program Inpres Desa Tertinggal*

³⁶ IDT: *Program Inpres Desa Tertinggal*

In **Chapter 6 the Social Safety Net Program (JPS)** and related welfare programs are appraised. The tragic consequences of the monetary crisis (*Krismon*), which began in mid-1997, were graphically portrayed by researchers from SMERU. Indonesian people had never been able to depend on government welfare programs. Without external support, the country had neither sufficient economic resources nor the political apparatus to provide comprehensive welfare programs. The JPS programs were introduced to relieve the severe social impacts of *Krismon* which forced the government to act rapidly to preserve real incomes and to safeguard access to social services for the poor. From 2003, the Subsidised Rice Program (*OPK Beras*)³⁷ was replaced by the *Raskin*³⁸ Program which continued to supply subsidised rice to impoverished families. The Social Safety Net program (JPS) was used as a model for a Direct Cash Transfer Program (BLT)³⁹ in 2005 and 2008. The Health and Education components of JPS are discussed in following chapters.

The Decentralisation of the Health Sector is examined in **Chapter 7**. The administrative approach to healthcare in Indonesia, during the New Order, was unambiguously centralised and dependent upon a forcefully imposed authoritarian hierarchy (Hull and Adioetomo 2002: 243). However, during the New Order a number of organisations were established which remained an integral part of healthcare in Indonesia post-1999. Of special mention are the local health centres (*puskesmas*)⁴⁰ and the integrated service posts (*posyandu*). *Posyandu*, with support of the members of the PKK and the participation of a local volunteer network of *kaders*, brought primary healthcare and family planning services to every village.

This chapter also considers the implementation of the health component of the Social Safety Net Program (JPS-BK)⁴¹ following *Krismon*, and the continuing measures to provide healthcare for the people. A move towards meeting Indonesia's ambition for universal health insurance was made in 2005 with the introduction of the Health Insurance for the Poor (*Askeskin*)⁴² program, a subsidised social health insurance program for the poor and the informal sector (Sparrow 2010: ii; Sumarto and

³⁷ OPK: *Operasi Pasar Khusus*

³⁸ RASKIN, *Beras untuk Rakyat Miskin*, rice for the poor

³⁹ BLT: *Bantuan Langsung Tunai* (SMERU refers to the Direct Cash Transfer as *SLT: Subsidi Langsung Tunai*)

⁴⁰ *Puskesmas: Pusat Kesehatan Masyarakat*

⁴¹ JPS-BK: *Jaring Pengaman Sosial - Bidang Kesehatan*

⁴² *Askeskin: Asuransi Kesehatan untuk Masyarakat Miskin*

Suryahadi 2010: 225 - 226). This chapter traces the implementation of these programs in Kabupaten Cirebon and the general effects of the decentralisation of the health sector for local communities.

The **Decentralisation of the Education Sector** is discussed in **Chapter 8**. During the New Order, the Ministry of Education and Culture⁴³ was one of the most centralised of all government departments. Since the introduction of regional autonomy (OTDA), *kabupaten* and *kota* governments employ the teachers; pay their salaries; and adjust the curricula for their schools. This chapter also surveys the introduction of the BOS⁴⁴ education program which could be seen as a partial re-centralisation of education policy. However, BOS funding is directed to individual schools, and the *kabupaten* and *kota* administrations continue to employ teachers and remain responsible for the construction and maintenance of school buildings. This chapter reviews policy changes and the role of local communities that are meant to give local people the opportunity to participate in the development of local education.

The Kecamatan Development Program: PPK⁴⁵ is discussed in **Chapter 9**. This World Bank - sponsored program began in 1998 in the dying days of the New Order. Implemented by the Ministry of Home Affairs, the Kecamatan Development Program (PPK) aimed at alleviating poverty in rural communities and strengthening local government and community institutions. The Kecamatan Development Program encouraged communities to select and manage a broad range of economically productive development investments (Guggenheim 2004: 5). The implementation in 2001, of the 1999 Regional Autonomy Laws, provided a positive environment within which PPK could operate, and presented an opportunity to replace standardised national development programs with more relevant community driven programs (World Bank 2001b: 28-29). This chapter assesses the implementation and effectiveness of PPK and its successor program, the National Community Empowerment Program for Self-Reliant Rural Villages (PNPM),⁴⁶ which the Indonesian government rolled out across the country since 2007 as the main

⁴³ *Kementerian Pendidikan dan Kebudayaan Republik Indonesia*

⁴⁴ BOS: *Bantuan Operasional Sekolah*

⁴⁵ PPK: *Program Pengembangan Kecamatan* In World Bank literature, *Program Pengembangan Kecamatan* (PPK) is referred to as KDP, the Kecamatan Development Program

⁴⁶ PNPM: *Program Nasional Pemberdayaan Masyarakat Mandiri Perdesaan*

focus of community development programs. Attention is given to the effects of Law No. 32 of 2004 concerning Regional Government on the PNPM.

Chapter 10 Conclusion: The anticipation that the accomplishment of the 1999 Regional Autonomy Laws would deliver a more equitable society where the people's voices could be heard, and decentralisation and democratisation were paramount, was dissipated by the implementation of the 2004 Laws. As Turner and Podger (2003: 23) explain "democratisation and participation are the leading objectives" of Law No. 22 of 1999. But the 2004 Laws consolidated 'money politics'; the people were marginalised and many of the restrictive practices of the New Order were reinstated. In particular, the 2004 Law circumvented participation by the elected members of the Village Representative Council (BPD) in the democratic process, and the unchecked authority of the village head was restored.

The outcomes for the decentralised health sector are disappointing. Despite the vast amount of funding invested in the health sector and the quantum leap in the number of healthcare sector employees, the healthcare indicators⁴⁷ remain much as they were in 1999. The biggest disappointment in this sector is the decline in the voluntary workforce, the *kaders* in the *posyandu*. The strong focus on public participation and economic downturn from 2005 should have provided many more volunteers to participate in community activities. This did not eventuate. The decentralisation of the education sector produced better results. Although serious issues regarding the informal costs of schooling have arisen, the percentage of people who never went to school and those who did not finish primary school decreased, while those who continued their education increased significantly. At the same time, the multi-level committees within the *kabupaten* encourage the participation of the community in schools' activities.

Law No. 32 of 2004 concerning Regional Government was promulgated to restore greater power and authority to central and provincial governments and restricted some of the authorities that had been transferred to the Districts. It also reduced the role of the village council (BPD) as a representative body and the balance of authority between council and village head initiated with the implementation of the 1999 Laws. The 1999 decentralisation legislation emphasised the principles of

⁴⁷ Health Indicators: Infant Mortality (AKB) per 1,000 live births; Maternal Mortality; Crude Birth Rate; Life Expectancy (AHH); and adequate nutrition in children.

democracy, equitable distribution, and public participation in development. Despite significant steps in the democratisation and decentralisation process, this study finds that much of the promise of the reform program has yet to be realised.