

Chapter 2

Highlights and Reflections on Policy-Making in Indonesia

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The theses included in this volume represent hundreds of hours in the field, involving interviews with policy-actors and stakeholders, observation, and collection of documents and data. The research process, as well as the analysis of the information collected, was built on a foundation of two semesters of classroom study, interaction with colleagues and faculty, and short-term intensive fieldwork in foreign settings (Chennai and Bangkok). These studies and research experience prepared the SGPP-Indonesia Master's students to undertake their own investigation of a policy process, under the supervision of faculty and thesis tutors. This work was the culmination of the Master's program and the opportunity for the students to better appreciate and put into perspective what they had studied throughout the program.

The educational philosophy of the Master of Public Policy Program at SGPP-Indonesia emphasized the importance of implementation and, thus, of understanding and analyzing the conditions on the ground that shape implementation challenges. The theses represented this approach and were research projects that required the students to do field research, to understand what was really happening around the implementation of a policy and to get the perspective of different actors and stakeholders.

The result is a wealth of case-study data on policy implementation experiences in Indonesia. Although done in a short time and with limited resources, the studies provide insights into public policy in Indonesia. In this introduction, I will first highlight some of the points that I find particularly striking or intriguing from the theses included here as complete case studies and then will reflect on a few themes that cut across the studies more generally.

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In Chap. 3, Citra Andina Rosa looked at tourism promotion policy by focusing on the plan for a large tourism project in West Nusa Tenggara. Her question was about why the project had been delayed and did not seem to be moving forward very quickly. She found a number of different factors that were problematic, but none of which alone was a clear obstacle. The problem that seemed to be referred to most often had to do with land and property and the difficulty of getting legal access to the land that was needed, either because of resistance to giving up land or simply unclear property rights. Yet the slowness of implementation itself contributed to the land problem, since people who had cleared off the land moved back once they found that nothing was being built. Interestingly, there did not seem to be strong opposition to the project on the part of the local people, who were worried about losing land and unhappy about levels of compensation, but hopeful about job opportunities. The puzzling thing about the situation was the lack of communication—among the state development company, the local governments, and the residents—and the misunderstandings and basic lack of information that seemed to circle around the project and hinder progress on it.

Junianto's research on the implementation of the merit-based selection of ward and district heads in Jakarta is reported in Chap. 4. He provided detail about the rules for selection, the process of implementation, and how the new selection was implemented. Several points were especially notable. The development of the procedures, including the assessment process, was done essentially "from scratch," responding to what was needed and what resources were available, rather than trying to import a ready-made process from somewhere else. In addition, there was considerable collaboration across units within the Jakarta government and beyond to develop and implement the process, and different agencies and parts of the government seemed to work effectively together. The process was carried out in a fairly short time and within the planned timeframe. This was an impressive accomplishment. Somewhat open questions remain about the continued role of the Baperjakat in making final decisions about postings (but within a given framework) and about the degree of preference given to incumbents, both of which appear to water down the merit basis of the new system. As this is a very new system that has only been implemented once, it remains to be seen whether these are transitional measures to create the political and administrative space for implementation or whether they represent concessions that will undermine the intention of the change.

Chapter 5 is Kristia Davina Sianipar's study of issues around the resettlement of former East Timorese refugees in East Nusa Tenggara, a situation in which some refugees have been successfully resettled and others remain in refugee camps, long after those camps were intended to have been closed. To some extent this seems to be almost a forgotten problem outside the immediate area. She found that a frequent approach to resettlement—providing land and building houses for the refugees—tended to lead to less successful resettlement than an approach that gave the refugees more control over acquiring land and making choices about where and how to resettle. So, developing processes to support communities of refugees in their own resettlement seems most promising. Nevertheless, she found constraints in terms of availability of suitable land for resettlement that would need to be

overcome. This study also found that the resettlements that were geographically nearer East Timor had fewer problems in integrating former refugees because of shared culture and even family ties, whereas the more distant ones were more problematic because of ethnic and cultural differences.

A study of the implementation of PNPM-Rural, the National Program for Community Empowerment in Rural Areas, in two districts of Bekasi Regency, written by Melani, is Chap. 6 of the volume. PNPM-Rural provides infrastructure funding for local communities as well as microfinance credit for groups of women. The two components of the program are linked, with the infrastructure funds being contingent on repayment of the microloans. She interviewed local government officials, program staff, and community members, including women receiving loans. The puzzle was why some communities were receiving the infrastructure funds, while others failed to qualify for them, so the focus was on what was happening with the microfinance program. The researcher found a variety of issues. There were difficulties inherent in microfinance schemes, such as lack of familiarity of the participants with the financial and economic implications of managing an activity, as well as the lack of proper training for such activities—all difficulties that have already been observed in other microfinance initiatives. Other issues observed by the author were perverse incentives to insure infrastructure credits by creating somewhat artificial groups of women who were not engaged in productive activities to apply for the loans, and processes for collecting payments and turning them in that provided a variety of opportunities for leakage or worse. The functioning of accountability systems also varied across communities.

In Chap. 7, Mohammad Reza Adenan looks at the “waste-for-health insurance,” an innovative nonprofit initiative that tried to tackle both access to health care and management of solid waste at the same time—residents could commit to bringing in a certain amount of garbage as payment for access to a clinic’s services, then the clinic sold the garbage it collected to a company that paid for the garbage and hauled it away. His is a fascinating story of the challenges of getting the initiative off the ground and then of implementing and sustaining it. The innovation captured attention and imagination, and prizes, but its early successes have been difficult to secure in ways that are the eternal challenges of innovators in the nonprofit world: the difficulties of keeping sight of the mission and not getting pulled in too many directions; doing the hard, mundane organizational work to get things done in a systematic and sustainable way; making sure that the financial model works; and managing and maintaining critical relationships.

In Chap. 8, Mursyidah Machmud looks at a major urban services challenge, solid waste management, and compares management between specific Jakarta and Surabaya areas. She describes quite different levels of performance between the two. While the explanations are not clear-cut, a number of differences stand out: the degree of importance that city leaders placed on solving the solid waste problem, the extent to which residents were incentivized and mobilized to become part of the solution, and the level of organizational discipline and performance in the municipal agency responsible for solid waste management. In fact, with all the attention given these days to educational and behavioral change efforts in discussions of the

challenges of solid waste management, perhaps what is most striking about this case is that it shows quite clearly that the core of the management issue is still the waste collection and transport agency and its performance of its work. So, the combination of infrastructure and equipment, logistics, and management of front-line personnel is the inescapable heart of a solution.

To reflect more generally on the studies summarized here, I would note that they suggest, first of all and even through this small subset of cases, the great diversity of policy areas and challenges faced by Indonesia as a country and by local governments and communities within it. The policies studied ranged from management of national parks to challenges in large urban areas, from community health programs to e-procurement, from flood management in Jakarta to shark protection in remote coastal areas, from controlling illegal fishing to improving traditional markets. It is possible within this to identify several broad groupings of policy challenges: natural resource management; social policy and human development (including health and education programs); economic development (including job creation, sustainable tourism, and support for traditional economic activities); and institutional reform, to help move the public sector toward more effective and accountable governance. Many of these are interrelated.

Some of these policy challenges are shared with many other countries and cities. Others reflect the particularities of Indonesia: its position as an emerging economy, but still with substantial poverty to address; its geographical size and dispersedness; its wealth of natural resources, including marine, mineral, and forest resources; its ethnic and cultural diversity; and the newness of its democratic institutions. These characteristics make Indonesia a vibrant country with much potential, but the multiplicity and enormity of the challenges are impressive.

Second, a thread that was woven throughout the studies had to do with decentralization. The important place—both in terms of authority and power—of local governments came out as a clear fact of life, and it brought many policy issues very much down to the local level. Most of the topics studied could not be studied without primary reference to the local level. Yet, the complications of that reality came up again and again: not surprisingly, differing interests and perspectives between different levels of government, but also unclear relationships (and inadequate information flows) between the national government and local governments, lack of capacity at the local level, unclear systems of accountability, and politicization of local administration. Decentralization took place quickly and not so long ago, and making decentralized government work in terms of adequate representation and effective service delivery remains a major governance challenge and a reality that affects an extraordinarily wide range of policies and programs.

One other thread caught my attention in several of the studies. It is related to the issue of decentralization but is somewhat apart from it. The extent to which government programs are designed not only to include but indeed to depend on community participation in decision-making or implementation is impressive (although there were certainly exceptions, where it seemed that greater consultation with local communities would have helped). This is in line with much current thinking in development that gives participation a privileged place for reasons of

justice and voice on one hand, and effective service delivery, on the other. Many of the case studies documented the extent and nature of community participation in a range of programs. Some of these had donor involvement, so reflected donor emphasis on participation, but that was not always the case. Sometimes the community participation was really critical to the success of the program, other times it seemed less significant.

What was striking about these was the burden that the participatory processes placed on citizens and on government officials. The numbers of meetings that were required and the processes that had to be completed were high. There were real costs to participants—sometimes direct monetary costs but also opportunity costs relating to the time and effort that went into attending meetings and carrying out various functions. The actual level of community participation varied, and there was the risk of capture of the process by a few who could manage it to their own benefit. This may not be surprising, but my sense is that the burden on government officials is less well recognized and needs to be understood as a cost. The combination of the desire to be inclusive and bring in everyone who “needs” to be involved, and at the same time to ensure accountability of actions and resources, can lead to complicated, burdensome processes. The lesson that I would draw from this is that we need to make sure that participation will have sufficient benefits to justify it and to take heed of the demands placed on members of communities and on public servants as such processes are designed and put in place. Donors in particular should be more alert to these costs.

While these brief reflections do not do justice to the many findings and conclusions of the theses, they highlight a few of the issues that demonstrate the wealth of information and analysis from the studies. I learned from them—about Indonesia but about more general issues, as well.

The complexity and range of public policy issues that Indonesia as a country and a society faces means that committed, well-trained policy professionals are essential. The public problems that need to be addressed are partly technical and require professionals in all parts of society (not just government but also private sector and civil society) who can bring technical expertise and skills to finding solutions. But making “solutions” work in the real world also means understanding the obstacles, listening to the different communities involved, thinking analytically, and being creative and skilled in working across sectors, levels of government, and even internationally. Young professionals, such as those who conducted the research and did the policy analysis contained in this volume, and public policy education, that can continue to produce committed and capable human resources to tackle complex problems, will be important components of effective public policy as Indonesia strives to confront its challenges, meet its goals, and move forward into the twenty-first century.

Observing Policy-Making in Indonesia
Friedberg, E.; Hilderbrand, M.E. (Eds.)
2017, XIII, 232 p. 27 illus., Hardcover
ISBN: 978-981-10-2241-8