

DECENTRALIZATION EVALUATION IN INDONESIA : THE DYNAMICS OF RELATION CENTRAL GOVERNMENT AND LOCAL GOVERNMENT

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ABSTRACT - Big bang decentralization in Indonesia has been started since 1999 as muffle of many problems after the fall of authoritarian regime in 1998. But no one can prove succeed rate, decentralization offered by World Bank is seen as an effective medicine to many countries different kind problems. Within the context, this paper evaluates the experiment of decentralization in Indonesia vigorous in revision by House of People's Representatives, attention in 2004 Indonesia also apply recentralization and consequently a changed in the relationship central government and local government. Using institutional design analysis coupled with empirical observation. The final conclusion of this paper is sovereignty of the people controlled relation central government and local government.

Keywords : decentralization, evaluation, institutional design, relation, people's sovereignty.

1. INTRODUCTION

In 1998 indonesia joined global trend to decentralise government [1]. Policy desentralisasi assumed to be able to stimulate economic growth or poverty alleviation [2]. At the same time, international donors like the World Bank and IMF require decentralization policy as part of kondisionalitas loans and assistance. Although not yet evident in empirical, decentralization policy in general considered as medicine for all kinds of problems faced by a country.

Basically decentralization it has been applied in Indonesia since 1903, by the addition of article 68a, 68b, and 68c of R.R (the law of decentralized) whose contents form decentralization areas. While the nature of decentralization that is very limited only on financial interests and on that can be set by the regions, even his organization did not at all satisfactory [3].

Now, decentralization policy in Indonesia can be found on the constitution of the republic of Indonesia in article 18, by giving an autonomous region the right to regulate and takes his household affairs [4]. Decentralization will also serve as a means of the breadth of unifying areas, and the amount the culture of the people as well as Indonesia that the Indonesian government unable to manage directly the islands being indivisible by the sea.

Although Indonesia decentralization has implemented since 1903 but the calculation of travel regulations on decentralization were calculated from independence day namely in 1945 that had been recognised sovereignty and his existenc in the world level. For that, Indonesia has given birth to 10 of the law on local government. But is not being governed based on the principle of decentralization but with centralization.

During the principle of centralization run for approximately 30 years. It was only in 1998 the society aware of authoritarian ruler of power, this awareness opened the door heaven so that despite from shackles a ruler and gives birth to Law No. 22 of

1999 on local government that accommodate sovereignty the people.

Just 16 years old indonesia in the decentralized system, with his latest the Law No. 23 of 2014. In several models decentralization that has been applied that brings a very easy question researchers, what is the choice of decentralization model best and what caused the change decentralization that applied. This research is focuses on the relationship of authority between the central government and local government.

2. MATRIALS AND METHOD

History records of decentralisation in indonesia had the tides along with political constellation attached and occurring on a journey of life of the nation. Decentralization is giving power to local government of the central government to local government .

James manor (1999) expressing decentralization be able to transfer power/ authority to different levels in a political system. The authority is may be provided by one or more the secondary level (territory or sub) area [5]. Amrah muslimen (1986) explaining decentralization namely this delegation of authority on agencies and category in society in a particular region manage their own household. Decentralization in teoritik giving authority from the central government to transfer the authority to regional government.

Faguet (2005) define decentralisation devolution by the us central (i.e. national) government of specificfunctions, with all of the administrative, political and economic attributes that these entail, todemocratic local (i.e. municipal) governments that are independent of the centre within alegally delimited geographic and functional the domain [6].

While Hendry B. Mayo (1960) has given understanding as follows. a democratic political system is one in which public policies are made on a majority basis, by representatives popular subject to effective control at periodic elections which are

conducted on the principle of political equality and under conditions of political freedom [7].

Deliar noer, (1983) said decentralization as the basis of state give life meaning that at the last of the people giving the provisions in matters of basic about his life, including in judging the discretion of the state, because of the wisdom to determine the life of the people. Clear that the people having power over the country commonly called the sovereignty of the people.

The law of decentralization own has been altered several times by the house of representatives approved president there are circles stating these changes influenced government politics in those days but writer deny the changes basically started with the council representatives of the people the house of representatives is community representatives of the majority of serving as lawmakers. The house of representatives also as the form of sovereignty of the

people who represent the people in the seat of government.

Within the context of the people’s sovereignty aspect of decentralization, this paper will evaluates the experiment of decentralization in Indonesia vigorous in revision by House of People’s Representatives.

3. DISCUSSION

a. Sovereignty : The decentralized
 Since independence until now the regulation of decentralization has been born as many as 10 the act [8], that the whole thing about the regional government. Each of the act of course having the characteristics and own characteristics, because influenced by the ruler of lawmakers. The ruler was the people where the people represented by the council of representatives to form a law that its essence prosper people. The following chart the chronology of the sovereignty of the people of influence in decentralization.

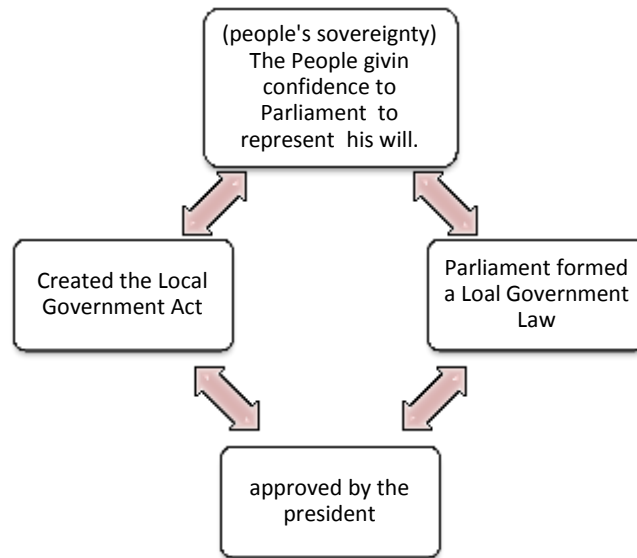


Fig 1. Groove influence people's sovereignty in the decentralization changes

But the entire bill on local government not carried out on the basis of sovereignty of the people in full. There are some act laden with authoritarian just as the Law No. 1 of 1945 about the regulation on local national committee. This law made with the background of the acuteness the state of the power struggle of the hands of Japan. In connection with the acuteness the state of, and local K.N.I executive agency did not have a firm grip on the rights and obligations.

because it is not defined area such bodies, the bodies are held wherever there is the head region, namely the provinces, in residency, in the district, in the city, and in the district, even in villages; regulations of the National Committee of Indonesia caused difficulties in the law, because it does not admit the validity of the judge who must adjudicate matters based on applicable laws valid; increasingly mounting crunch, the government in 1946 has held a regional defense council-dean (DPD) in the residency-residency

consists of representatives of organizations of struggle and the army led by the resident as chairman of DPD is entitled to organize any urgent matter that needs to be addressed since the atmosphere precarious, work practices in the Council of Representatives and the Executive residency of urgency because of the DPD so that still works is the House of Representatives and the Executive Board of the lower region. Not infrequently DPD acted contrary to the regulations of the central government.

The Law No. 5 of 1974, the concept of this law is economic development based on the trilogy with the establishment of the stability of the significant local government. But the essence of deconcentration the principle of decentralization castrated by centralized government that reflects. Domination of power more weight on a central government and leader in the cause of the people are in weak position, where the

values of the sovereignty of the people power government erode due to strong.

After revormasi 1998, the government replace law 5 of 1974 with law 22 of 1999 which the essence of it give the scope of the regions to set and take care of his own house on the basis of community empowerment, the growth initiative, and initiative enhancing the role of the community and legislative [9]. This law also raised the value of sovereignty council the people that is given the rights and obligations which do not have previous in legislation so the basic objective decentralization that wrapped by the unitary state of can terakomodir mechanism to build democracy at the regional level.

Five years the implementation of Law No. 22 of 1999 criticized by the government so it appeared on the revision of the law. That eventually gave birth to a new law that Is Law No. 32 of 2004. Many negatively on evaluation Law No. 22 of 2004 from various circle agree that this law not too supporting the creation of democracy because this law tends to produce excessive democracy and appearing at the small of the kings. Euphoria decentralization felt to be growing

with Law No. 32 of 2004, for the improvement of the completion of the implemented as is the case the value of the sovereignty of the people who represented by the house of representatives.

Law 23 of 2014 is a very "bold" is undergoing drastic changes during the course of decentralization by stating the article most during a journey laws. The spirit of Law No. 23 of 2014 is to maximize the role of Local Government that is able to exercise its powers oriented basic service, not power alone. In Article 1 (2) The value of people's sovereignty in this act is also accommodated with the recognition of the Regional People's Representative Assemblies as an equal partner with the heads of each area means no or litte treat like a king of celebrating the sovereignty of the people, although representatives. On the basis of the description above, it can be drawn graph sovereignty of the people from time to time, as illustrated in Figure 2. The higher point in the curve, indicating the higher degree of sovereignty of the people are accommodated, and vice versa.

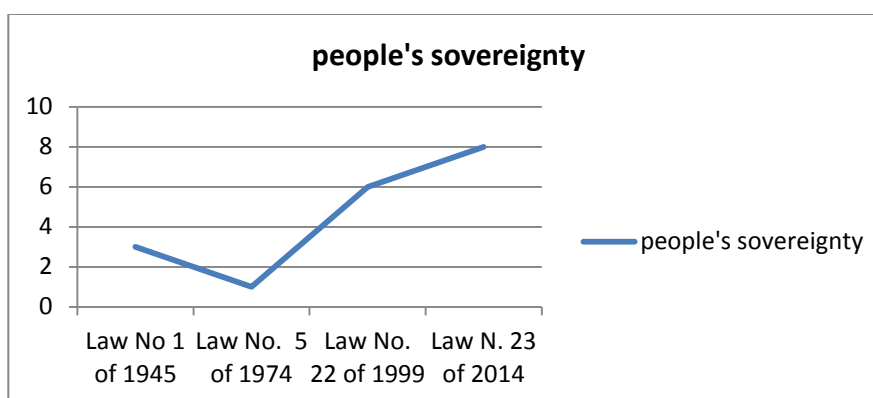


Fig 2. Graph journey sovereignty in local government

b. Relation Central Government and Local Government

According to Lubis was quoted Kaho Basic relations between central and local power is "that holds the supreme authority over all state affairs is the Central Government (Central Government) without interruption by a delegation or devolution of powers to local authorities (regional government). In principle there is a unitary state affairs of state are not shared between the central government (central government) with the local government (local government) such that the affairs of the state in the unitary state remained a roundness (*eenheid*) and that the highest authority in The state is the central government "reflects the unitary state that adheres to the system of decentralization, the central government has the right to supervise the local government although local governments are given the authority to regulate and manage the household.

At the time of the Republic of Indonesia with Law No. 1 of 1945, the structure of governance of each

residency area down run by continuing the arrangement from the Netherlands Government before World War II but also customised democratically. The formation of K.N.I as a people's representative with executive agencies to set up households together. In the set up and take care of his household, there is no strict boundary between local authority run by the head of the region in order to dekonsentrasi.

Areas regulate the affairs of local authorities that are continuing as it has been held at the time of the Dutch East Indies: Restrictions on the amount of money brought someone into a region; Registration of the company; registration of political parties and other associations; Obligation to report to the reviewers who come from outside the region; A ban on transporting household goods to happen outside the region; The registration of experts; Registration Cooperative; Ban issued from the Regional and stockpiling essential materials; A ban on speculative trading of cotton; Supervision of the death and its causes; Collection and pricing of crops; and the composition and procedure

of the election of the National Committee of the Regions. Under Law No. 5 of 1974, Soeharto Administration maintained strong fiscal and political control over provinces and municipalities/regencies through central field agencies in the regions by the principle of deconcentration. The fall of President Soeharto in May 1998 marked the beginning of a new relationship between the central and local governments. The protest in favor of reform and democratization expended to the regions before and after Soeharto's downfall. Many regions demanded fiscal independence from Jakarta and more political importance (Malley, 1999).

Law No. 22 of 1999 was a simply the start of the Decentralization process. an enormous amount of work Remained to be done to implement the redical legislation [9]. The Government enacted Law No. 22 of 1999 on the basis of maintaining the existence of the Nation and the Republic of Indonesia from the Dutch aggression. In article Law No. 22 of 1999 describes "On the establishment of the Regional Government has the right to regulate and manage their own household according to the Basic Law Government this strip, then the obligations prescribed by the central government (jobs) everywhere that can be delivered in the area. These two work such that:

- a. Submission of full, meaning both on principle (principles) nor about its operation obligations (work) that submitted it, left everything to the Regions (autonomy);
- b. Submission is not full, it means submission only about how to run its course, while principles (principles on) are set by the central government itself (Ha medebewind) [10].

Results of evaluation of the Law No. 22 of 1999 and its implementation there are some fundamental issues among others are less comprehensive in the regulation of basic concepts, such as the relationship between levels of government, the financial balance; There are settings in sync among multiple chapters, there is a setting in the article that is likely to give rise to multiple interpretations, as there is no hierarchical relationship, the whole authority of the Regions applies a certain region, and the division of authority. Sharing mechanism implemented affair with the principle of residual function (the affairs of the rest) submitted to the district/city level, while government

affairs at central and provincial levels defined specifically in the government regulations No. 25 of 2000. However, in practice it appears the impression that the principle adopted by Regency/City is broad autonomy for the rest of the matters submitted has a very broad scope, whereas the provincial level because it adheres to the limited autonomy has been set [11].

On the basis of these evaluations, the government enacted Law No. 32 of 2004, adheres to the principle of broad autonomy to further clarify the division of government affairs at central and regional level, whether provincial or regency through government regulations 38 of 2007. Compared to Law No. 22 of 1999, Law No. 32 of 2004 the principle of concurrence function [12]. A five-year pilot regional autonomy does not guarantee the smooth decentralization, as well as Law No. 32 of 2004 showed the reverse flow (recentralisation) as the new regime is increasingly fulfilled the basic character who kept maintained by various previous rules. Crate personnel management, oversight of regulations (related to budget, taxes and levies), developm ent planning, or dismissal of the head/deputy head of the region. All this is forcing local leaders directly elected area to always maintain obedience to the center, not a functional relationship with Parliament or the relationship of accountability to the people.

Law No. 23 of 2014 as amended by Law No. 9 of 2015 is a law that local governments use today. Payload Law No. 23 of 2014 brought many changes in governance one of them in central and local government relationship with local government affairs division. Based on this law, government affairs consists of three matters that absolute government affairs, general government and government affairs public concurrent. Government affairs is the absolute government affairs under the authority of the central government entirely [10]. Concurrent affairs are government functions that are shared between the central and regional governments of provincial and regency, government affairs concurrent submitted to the Regional form the basis of regional autonomy [11]. General Government affairs is government affairs under the authority of the President as head of government [12]. See figure 3 the division of government affairs.

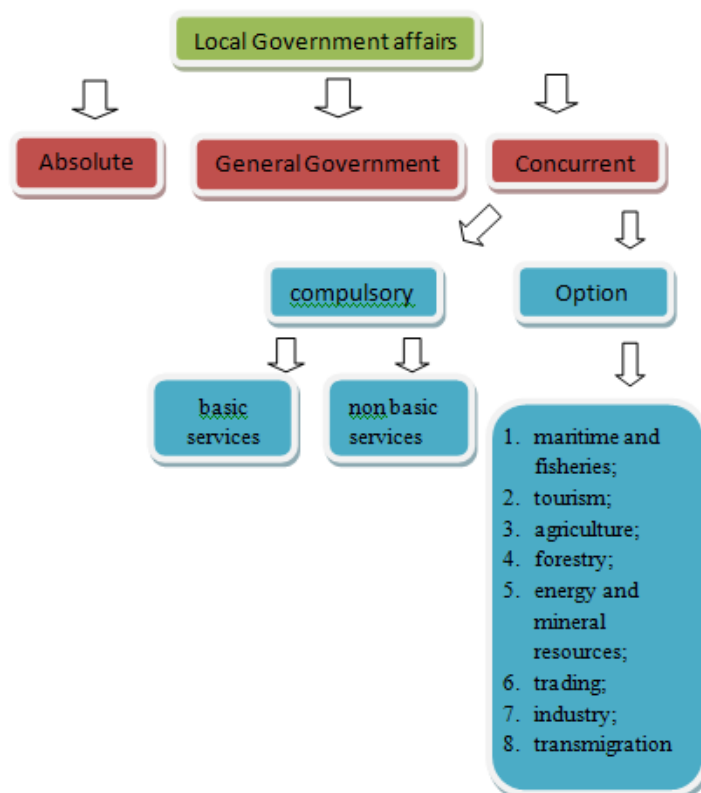


Fig 3. Local Government affairs

Concurrent administration affairs are shared between the central government and the provincial and district/city is divided into obligatory functions and affairs of choice. Affairs shall be convened by all regional affairs while the selection organized by the regions in accordance with the region's potential.

4. CONCLUSION

Shift decentralization in Indonesia is influenced by the quality of the influence of popular sovereignty represented by Parliament. sovereignty of the people considered to be loaded with pure intentions for the welfare of the people. indirectly welfare of the community that encloses the sovereignty of the people in Indonesia.

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- [12] Article 9 (5) Law No. 23 of 2014.