

MAKING DECENTRALIZED COASTAL ZONE MANAGEMENT WORK IN INDONESIA: CASE STUDIES OF KABUPATEN KONAWE AND KABUPATEN PANGKAJENE DAN KEPULAUAN

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***A thesis submitted for the degree of Doctor of Philosophy
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Declaration

This thesis is my own original work. The interpretations and perceptions contained in this thesis are my constructions of the world as I see it. Apart from citations of works of other researchers, the content of this thesis is my own. Therefore, I take responsibility for the limitations of its content and errors within this thesis.

Hendra Yusran Siry

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Abstract

Coastal governance in Indonesia is entering a new phase with new administration mechanisms, following the changes of political, administrative and fiscal framework resulting from decentralisation policy. For the first time provincial and district governments have mandates, resources, and responsibilities to manage their coastal zones. To this point, only a few studies have been conducted that focus on the analysis of effective coastal zone management (CZM) at district level in Indonesia under the decentralisation setting

This dissertation presents a study of decentralized CZM in eastern Indonesia based on case studies of two districts in Sulawesi Island, *Kabupaten* Konawe in Southeast Sulawesi and *Kabupaten* Pangkajene dan Kepulauan (Pangkep) in South Sulawesi. The dissertation focuses on these district local governments' responses to decentralisation policy in managing their coastal zones. This new shift is very significant in the sector of marine and coastal governance in Indonesia. This research applied qualitative methods through in-depth and semi-structured interviews as well as field-site observations.

I argue that the dynamic of the local socio-political context and the interaction of local actors, such as Heads of District (*Bupati*), determine the effectiveness of decentralized coastal zone management. Local socio-political contexts shape and influence the extent and characteristics of decentralized CZM that can be implemented in the region. The quality of local leaders, as local actors, influences the implementation of CZM through their interactions with other local stakeholders, the dynamic between them, the power distribution among local stakeholders, and local governments' relationships vertically with higher levels of government. The manifestation of decentralized CZM in practice relies

heavily on the combination of these considerations within the legal regulatory framework underpinning the process of decentralized CZM.

The research findings from the Konawe and Pangkep cases studies indicate that decentralized CZM will continue to be effective if local government is constantly responsive, effective and competent. This consistency has to be combined with a committed central government in shifting its power to the regional government under the constellation of decentralisation. Both local and central governments shape the implementation of effective decentralized CZM. The findings of this research indicate that the signs and seeds for effective decentralized CZM implementation in Konawe and Pangkep exist in some aspects, and can be built upon to achieve more successful practices in decentralized CZM.

This dissertation holds several implications for decentralization studies on CZM issues, such as whether decentralized CZM is linear with improving accountability mechanisms. It calls for better understanding of role of various forms of accountability in decentralized CZM, and its linkage with local-central governance arrangements. Replicating this study in other parts of Indonesia could provide a more complete comparison of decentralized CZM implementation. The degrees of variation in research findings are important to canvass in order to add to the lessons learnt from decentralized CZM implementation.

Summary

TITLE:

Making Decentralized Coastal Zone Management Work in Indonesia: Case Studies of Kabupaten Konawe and Kabupaten Pangkajene Kepulauan

SUPERVISORS

1. Prof. James J. Fox (*Principal Supervisor*)
2. Dr. Colin Filer (*Co-supervisor*)

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1. Dr. David Lawrence
2. Prof. Richard Kenchington (external)

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For Rino, Adrian and Jasmin

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List of Abbreviations and Acronyms

A

ADB	Asian Development Bank
APBD	<i>Anggaran Pendapatan dan Belanja Daerah</i> (Regional government budget)
APBN	<i>Anggaran Pendapatan dan Belanja Negara</i> (National budget)
APKASI	<i>Asosiasi Pemerintah Kabupaten Seluruh Indonesia</i> (Association of District Government)



B

<i>Badan</i>	Agency or (sometimes) Board, a technical supporting institution of government. On occasions it is managed by an executive board.
<i>Balai</i>	Executive institution of a lower level (translated as office or authority)
Bakosurtanal	<i>Badan Koordinas Survei dan Pemetaan Nasional</i> (National Coordinating Agency for Survey and Mapping)
Bangda	<i>Direktorat Jenderal Pembangunan Daerah</i> (Directorate General for Regional Development)
Bapedal	<i>Badan Pengendalian Dampak Lingkungan</i> (Agency for Environmental Impact Management)
Bappeda	<i>Badan Perencanaan Pembangunan Daerah</i> (Regional Development Planning Board)
Bappenas	<i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Board)
BBM	<i>Buton, Bugis, Makassar</i> (Butonese, Buginese, Makassarese).
<i>Bestuur</i>	Goverance/Governing body (Dutch)
BPN	<i>Badan Pertanahan Negara</i> (National Lands Board)
BPS	<i>Biro Pusat Statistik</i> (Central Bureau of Statistics)
<i>Bupati</i>	Regent, the Head of <i>Kabupaten</i> , which are autonomous regions with equal status with cities (<i>kota</i>)



C

<i>Camat</i>	Head of a <i>kecamatan</i> (sub-district administration) office
CGI	Consultative Group on Indonesia

CIDA	Canadian International Development Agency
Coremap	Coral Reefs Rehabilitation and Management Programme
CPUE	Catch Per Unit Effort
CRMP	Coastal Resource Management Project
CZM	Coastal Zone Management
	
D	
DAK	<i>Dana Alokasi Khusus</i> (Specific Allocation Fund)
DAU	<i>Dana Alokasi Umum</i> (General Allocation Fund)
<i>Desa</i>	Rural territory including one or more villages and surrounding areas that maintains traditional administration over certain local affairs. Also means village
DGF (<i>Perikanan</i>)	Directorate General of Fisheries, Ministry of Agriculture
DGPNC (PHPA/PKA)	Directorate General of Protection and Nature Conservation, Ministry of Forestry
Dinas	Technical Agency of regional government
District	Level of region with autonomous regional government and refers to both regencies (<i>kabupaten</i>).
<i>Dishidros</i>	<i>Dinas Hidro-Oseanografi TNI Angkatan Laut</i> (Indonesia Hydro-Oceanographic Service)
Ditjen	<i>Direktorat Jenderal</i> (Directorate General)
DPOD	<i>Dewan Pertimbangan Otonomi Daerah</i> (Regional Autonomy Assessment Council)
DPR	<i>Dewan Perwakilan Rakyat</i> (House of Representatives)
DPRD	<i>Dewan Perwakilan Rakyat Daerah</i> (Regional Representative Council)
	
E	
EEZ	Exclusive Economic Zone
EIA	Environmental Impact Assessment
ESD	Ecologically Sustainable Development
<i>Eselon</i>	Echelon, ranking of positions in the structural hierarchy

F

Fraksi Political grouping within representative councils

G

GBHN *Garis-garis Besar Haluan Negara*
(Broad Guidelines of State Policy)

GoI Government of Indonesia

Golkar *Golongan Karya*
(Functional Groups Party)

GTZ *Gesellschaft fuer Technische Zusammenarbeit*
(German Technical Cooperation Agency)

Gubernur Governor, Head of Government of a province, and representative of the national government in the province

H

HPH *Hak Pengusahaan Hutan*
(Forest utilisation rights/logging concession)

I

IBRD International Bank for Reconstruction and Development

ICZM Integrated Coastal Zone Management

IDR Indonesian Rupiah

Inpres *Instruksi Presiden*
(Presidential Instruction)

K

Kabupaten Regency, one of the two types of autonomous regions within a province.

Kecamatan Sub-district, territory of district government with its own branch office of district government for general administrative functions, headed by a *Camat*.

Kelurahan The territory of regional government under *Kecamatan* that replaces autonomous *desa* when an area becomes urbanized.

Keppres *Keputusan Presiden*
(Presidential Decree)

KKN *Korupsi, Kolusi dan Nepotisme*
(Corruption, Collusion and Nepotism)

Komisi Working committees of representative councils

<i>Kota</i>	City when referring to autonomous region, but also a general term for city or town.
KPU	<i>Komisi Pemilihan Umum</i> (Electoral Commission)
	
L	
LSM	<i>Lembaga Swadaya Masyarakat</i> (Community-based Organization, Non-Government Organization)
<i>Lurah</i>	Government official in charge of the <i>kelurahan</i> office of district government
	
M	
MCRMP	Marine and Coastal Resource Management Project
MMAF (DKP)	Ministry of Marine Affairs and Fisheries (<i>Departemen Kelautan dan Perikanan</i>)
MoF	Ministry of Finance
MoHA	Ministry of Home Affairs
MPR	<i>Majelis Permusyawaratan Rakyat</i> (People's Consultative Assembly)
MREP	Marine Resource Evaluation and Planning
MSY	Maximum Sustainable Yield
<i>Musbangdes</i>	Village development meeting
	
N	
<i>Nagari</i>	Areas of traditional leadership in West Sumatera.
<i>Naskah akademis</i>	Position or justification paper relating to proposed legislation
NGO	Non-government organization
	
P	
PAD	<i>Pendapatan Asli Daerah</i> (Locally genuine revenues)
<i>Pelita</i>	<i>Pembangunan Lima Tahun</i> (Five-Year Development)
<i>Pemerintah Pusat</i>	Central (national) government
<i>Pemerintah Daerah</i>	Regional government
<i>Perda</i>	<i>Peraturan Daerah</i> (Regional/local regulation)

PJPT-I	<i>Pembangunan Jangka Panjang Tahap Pertama</i> (The first long-term national development)
PJPT-II	<i>Pembangunan Jangka Panjang Tahap Kedua</i> (The second long-term national development)
PP	<i>Peraturan Pemerintah</i> (Government Regulation)
<i>Propeda</i>	<i>Program Pembangunan Daerah</i> (Regional Development Program)
<i>Propenas</i>	<i>Program Pembangunan Nasional</i> (National Development Program)
	
R	
<i>Renstra</i>	<i>Rencana Strategis</i> (Strategic Plan)
<i>Repelita</i>	<i>Rencana Pembangunan Lima Tahun</i> (Five-Year Development Plan)
RTRW	<i>Rencana Tata Ruang Wilayah</i> (Strategy for spatial planning at national and provincial level)
	
S	
SDO	<i>Subsidi Daerah Otonom</i> (Regional Autonomy Subsidy)
<i>Sekjen</i>	<i>Sekretaris Jenderal</i> (Secretary-General)
<i>Sekwilda</i>	<i>Sekretaris Wilayah Daerah</i> (Highest administrative function in the <i>wilayah</i> administration at regional level)
SKPD	<i>Satuan Kerja Perangkat Daerah</i> (Local Government Technical Department)
	
T	
TAP-MPR	<i>Ketetapan Majelis Permusyawaratan Rakyat</i> (Decree of the People's Consultative Assembly)
<i>Tata tertib (Tatib)</i>	Procedures of meetings, e.g. of representative councils, frequently mistranslated as codes of conduct.
TNI	<i>Tentara Negara Indonesia</i> (Indonesian military forces)
	
U	
UNDP	United Nations Development Program

UNCLOS	United Nations Convention on Law of the Sea
USAID	United States Agency for International Development
UU	<i>Undang-undang.</i> (Law passed by the Parliament/DPR)
UUD 1945	<i>Undang-Undang Dasar 1945.</i> (Indonesian constitution from 1945)
	
V	
VOC	<i>Verenigde Oost-Indische Compagnie</i> (United Dutch East-India Company)
	
W	
<i>Walikota</i>	Mayor, head of a city regional government
<i>Wet</i>	Law (Dutch)
<i>Wilayah</i>	Territorial sub-division of the state administration. Its territorial boundaries are identical with the provinces as "first level autonomous regions".

Currency Conversion

In this thesis the value of the Indonesian Rupiah (IDR) and the American Dollar (USD) are calculated at a rate of USD 1 = IDR 8,700, the rate current during the main period of fieldwork in 2005.

Interviewee Coding Guide

In this thesis, all informants and their information, thoughts and views are considered in accordance with research ethics protocols. This thesis does not reveal the identity of any informant. Informants are coded according to the following rule:

Informant Number of - Type of - Origin of - Year of
Informant **Informant** **Informant** **Informant** **Interview**
(in alphabetically)

For example: Informant H-NGO-Kdi, 2007 means Informant number H from a non-governmental organization or a community leader who was based in Kendari and I interviewed him/her in 2007.

Code explanation:

Gov	:	Government
NGO	:	Non Governmental Organizations and community leaders
Exp	:	Expert
Nat	:	National, means informants are from the central government or his/her expertise or areas of concerned are national-based
Kdi	:	Kendari, means informants are from Southeast Sulawesi Provincial Government or his/her expertise or areas of concerned are provincial-based
Kon	:	Konawe, means informants are from <i>Kabupaten</i> Konawe or his/her expertise or areas of concerned are district (kabupaten)-based
Mak	:	Makassar, means informants are from South Sulawesi Provincial Government or his/her expertise or areas of concerned are provincial-based
Pkp	:	Pangkep, means informants are from <i>Kabupaten</i> Konawe or his/her expertise or areas of concerned are district (kabupaten)-based

1 INTRODUCTION

Studies on decentralized coastal zone management (hereafter CZM) in Indonesia have not been as intensive as studies on other decentralized areas of natural resource management (NRM), such as forestry¹ and mining. Similarly, systematic studies that analyse the implementation of decentralized CZM in Indonesia are relatively rare. Among the few studies, most have focused primarily on the national perspective² or on community-based management³. Several studies have the *kabupaten* level as their focus area⁴. Like other decentralized NRM, the main idea of decentralized CZM in Indonesia is to address how institutions should be arranged to enable new ways of defining local governments' devolution mandates to manage coastal zones.

This dissertation is a study of decentralized CZM and local governments' capacity to respond to the significant shift in policy on managing coastal zones. The dissertation examines decentralized CZM at the local government (*kabupaten*) level and compares, in two cases, the enabling and constraining factors that can make the process work at the local government level.

The dissertation also examines how decentralization has led to the formal influence of local government on coastal resource management and the consequent impacts on CZM. It applies a systematic analysis to local governments' responses to decentralized CZM, one that offers an empirically grounded contribution to the policy of decentralized CZM in Indonesia. Two case studies are presented for examination of changing

¹ See studies by Lindayanti (2000); Iskandar (2001); Ismail (2001); Konsorsium Nasional Untuk Pelestarian Hutan dan Alam di Indonesia (2001); and Effendi (2001a, 2001b)

² For example studies by Purwaka (1995); Purwaka and Sunoto (1997); Dahuri and Dutton (2000); Pet-Soede (2000); PKSPL - IPB and Proyek Pesisir CRMP (2001); and Pratikto (2001)

³ For example studies by Crawford et al. (1998); Sujianto and Maulana (2002); Yusran (2002); and Crawford et al. (2004)

governance: *Kabupaten* Konawe (hereafter Konawe) in Southeast Sulawesi and *Kabupaten* Pangkajene dan Kepulauan (hereafter Pangkep) in South Sulawesi (Figure 1).

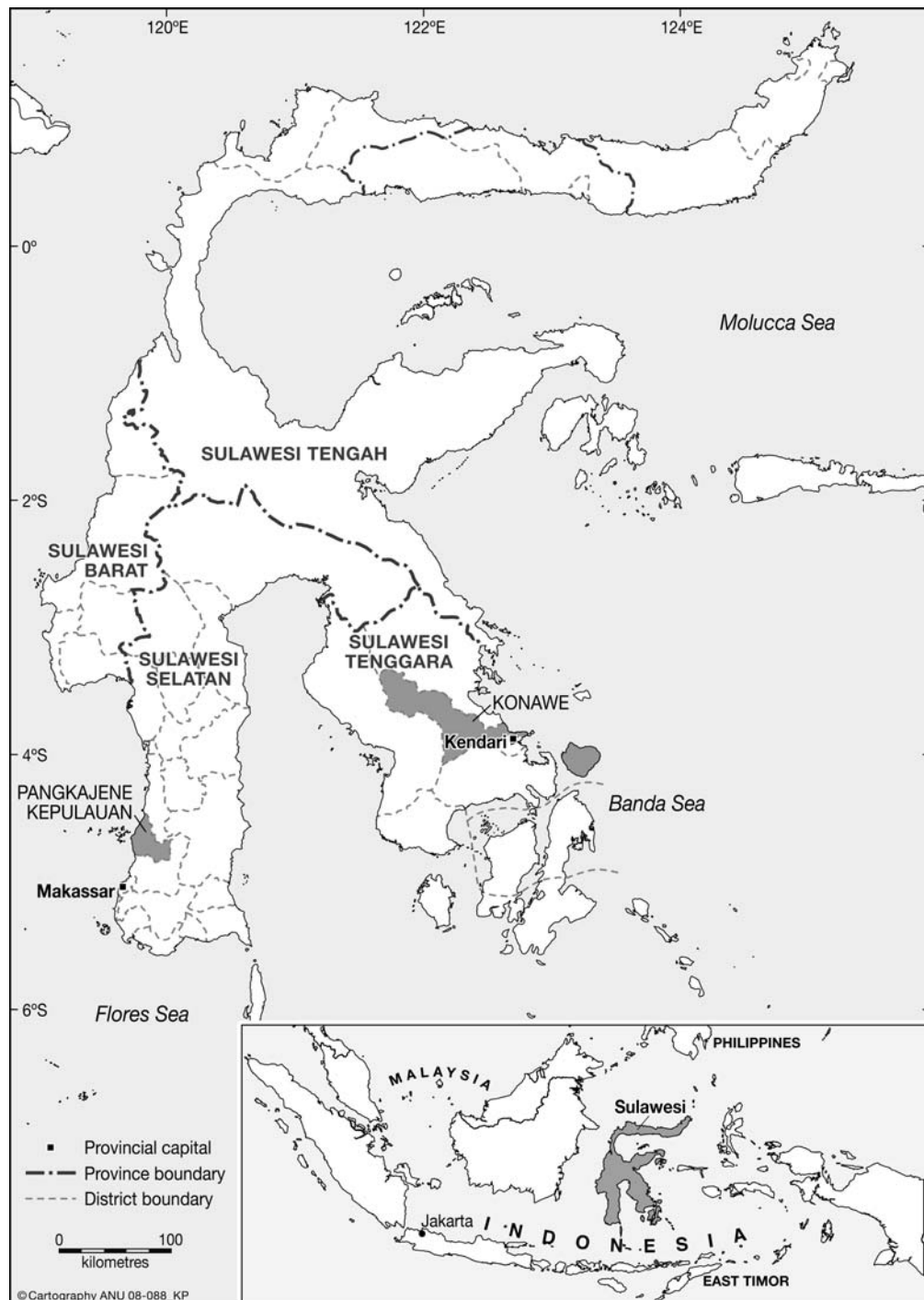


Figure 1. Location of case studies

⁴ For example study by Indrawasih et al. (2003) and Imron (2006)

In this dissertation, I argue that as a newly-devolved administrative entity, decentralized CZM relies heavily on local government and on the dynamics of local socio-political conditions in which the local actors play an important role. Furthermore, achievement of an effective decentralized CZM needs the presence of a combination of strong and committed local leadership, incentives and enabling conditions for innovation. I use the cases of Konawe and Pangkep to explore how the dynamics of local socio-political conditions have affected the implementation of decentralized CZM. Konawe and Pangkep represent local governments that are facing the emergence of new local elites, administrative proliferation and geographic challenges.

Konawe is a *kabupaten* that has seen an exceptional degree of administrative proliferation (*pemekaran*). This administrative process has gradually reduced Konawe coastal areas. Konawe is also more advanced than many other *kabupaten* in producing documents on coastal zone planning and management. Pangkep, on the other hand, represents an archipelagic district that confronts a common development problem: a combination of rich biodiversity coupled with a complexity of marine and coastal resources extraction and a lack of capacity to manage its resources. Its districts are at different stages of development. Indeed it provides a good example of the nature of decentralized CZM in eastern Indonesia with various gaps in development.

1.1 Context and rationale of this dissertation

The financial and governance crises of 1998 that produced radical policy reforms provided the momentum for local governments across Indonesia to examine their roles and responsibilities in managing their natural resources, including their coastal resources. This momentum challenged local governments to implement decentralized CZM, which constituted a major change to the nature of governance of these coastal resources.

The momentum that led to CZM in Indonesia entered a new phase with the passage of the Law 22/1999⁵ on Regional Government (Decentralization Law) in 1999. The law devolved the responsibility for managing coastal resources in Indonesia from the central government to the provincial and local governments (Article 3 and 9 Law 22/1999). The law institutes significant changes in the hierarchical relationships among the central, provincial and local governments with the intention of establishing better notions of partnership. Three years later Law 32/2004 superseded this law with merger of Article 3 and 9 Law 22/1999 into one article in Law 32/2004.

Decentralized CZM has paved the way for mainstreaming local coastal resource management in Indonesia. Local governments are more aware of the importance of coastal resources that can be sources of revenue for local development. This awareness brings with it the responsibility to address coastal resource degradation and depletion. In this context, decentralized CZM is one important step toward the sustainable management of coastal resources.

However, in some cases, the implementation of decentralized CZM has gone far beyond the expectations of decentralized CZM. Some local governments have endeavoured to exploit coastal resources for the sake of local development without concern for the sustainability of coastal and marine resources. These local governments have passed local regulations (*Peraturan Daerah/Perda*) on coastal and fisheries resource exploitation

⁵ Law 22/1999 is derivation and interpretation of the principles as stipulate in the People's Consultative Assembly Resolution no. XV/MPR/1998, that emphasized (i) the enactments of local autonomy by giving large, real competencies and proportional responsibilities to the regions; (ii) the enactments of local autonomy that has to be based on the principles of democracy, taking into consideration the plurality of the regions; (iii) regulations on the sharing and benefiting from national resources between the central government and the regions must to be justly carried out for the sake of the welfare of societies in the regions and the nation as a whole; (iv) balancing the incomes and expenditures between the regions must be carried out by taking notice of the local [resources] potentialities, the extension of the regions, its geography, number of population and the level of [average] income of the local people; and (v) the Local Government has the competency to manage the local national resources and to manage the sustainability of the environment (Hartono, Susanto, and Surachman 2002)

that lack ecological and sustainability considerations and have the potential to seriously degrade coastal and fisheries resources.

As the main legal instrument in a decentralized context, a *Perda* is a key mechanism in local government policy. *Perda* include details of decentralized and deconcentrated tasks for local government. Each *Perda* draws on the laws and regulations of the central government to fit them with the local conditions. The local government prepares a *Perda* and submits it to the local parliament for approval. *Perda* should not contradict national regulations and should avoid misinterpretation.

The central government conducts screening and evaluation on issued *Perda* including its processes and contents. The central government can annul *Perda* that misinterpret national laws and regulations, or contains distortions. The capacity of local governments to legislate with the suitable *Perda* depends on the competency of these local governments in determining their needs and in directing their development. There are variations in both the quality and content of *Perda* on marine affairs and fisheries including coastal zone management because these tasks are new for local government.

During the period 2004 - 2007, among 575 problematic *Perda* (514 of which were cancelled and another 61 revised: Figure 2), there were 40 *Perda* on coastal and fisheries management that were recommended by the Ministry of Finance for cancelation and revision. These *Perda* were considered to be counter productive within a business climate because they imposed high levies and taxes and could lead to coastal degradation (Appendix 1). This situation indicates that the approaches taken by many local governments not only lacked the capacity to manage coastal resource, but were also highly politicized in their use of coastal resources. These circumstances reflected a period of transition in the process of decentralizing CZM in Indonesia.

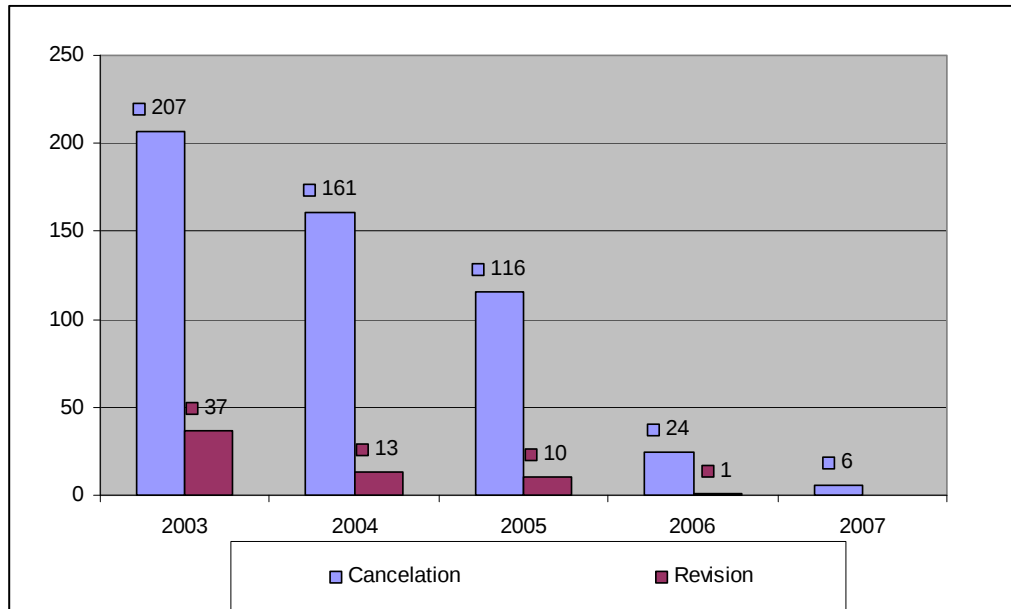


Figure 2. Numbers of cancelled and revised Local Acts (*Peraturan Daerah/Perda*) relating to coastal areas and fisheries 2003 -2007

1.2 Research objectives and questions

The objective of this dissertation is to examine the responses of two local governments to decentralized policy on CZM by investigating how local socio-political contexts and CZM policies in these two *kabupaten* have changed in response to shifting policy directions. The dissertation also explores areas of institutional performance, notably in the provision of conditions for creating effective decentralized CZM implementation. To do so, the research examines the roles, interactions, interests and actions of various stakeholders involved in CZM, including the role played by the local District Head (*Bupati*), in the implementation of the decentralized CZM. This research also focuses on examining and comparing the effectiveness of decentralized CZM by exploring factors beyond the scope of CZM, such as bureaucracy reform and the assessment of the prospects for collaborative co-management in decentralized CZM.

To achieve these objectives, the following research questions are addressed:

1. What is the extent and nature of decentralized CZM in Indonesia?
2. How do the dynamics of local socio-political conditions affect decentralized CZM implementation?
3. How have local government decision-making processes in coastal zone management been shaped in the context of decentralization?
4. What are the theoretical and practical requirements for effective decentralized CZM?
5. What are the lessons that can be learned from the process of decentralized CZM implementation in the Indonesian contexts?

1.3 Research approach and methodology

Decentralized CZM deals with people, resources, assets and interactions within particular political and socio-economic settings. Decentralized CZM is connected to the people's attitudes, behaviour, values, interests and experiences, which are reflected in the plans and actions of institutions or communities.

In order to explore the ways in which local governments manage their coastal resources, this research uses multiple methods. The research approach consists of the collection and compilation of both primary and secondary data. It comprises semi-structured interviews, field site observations, documentary research, critical reviews, the comparative study approach, focus group discussions and an analysis of the literature in order to obtain the primary and secondary data summarized in Figure 3.

This research has involved in-depth and semi-structured interviews as well as field-site observations for sources of primary data. There were numbers of arranged interviews with key informants from different types of institutions who were involved in and contributed to decentralized CZM implementation at the district, provincial and national levels. The purpose of these interviews was to gather information, opinions and suggestions from local communities, professionals, experts, non-governmental

organizations, activists and officers from a range of government agencies involved in decentralized CZM.

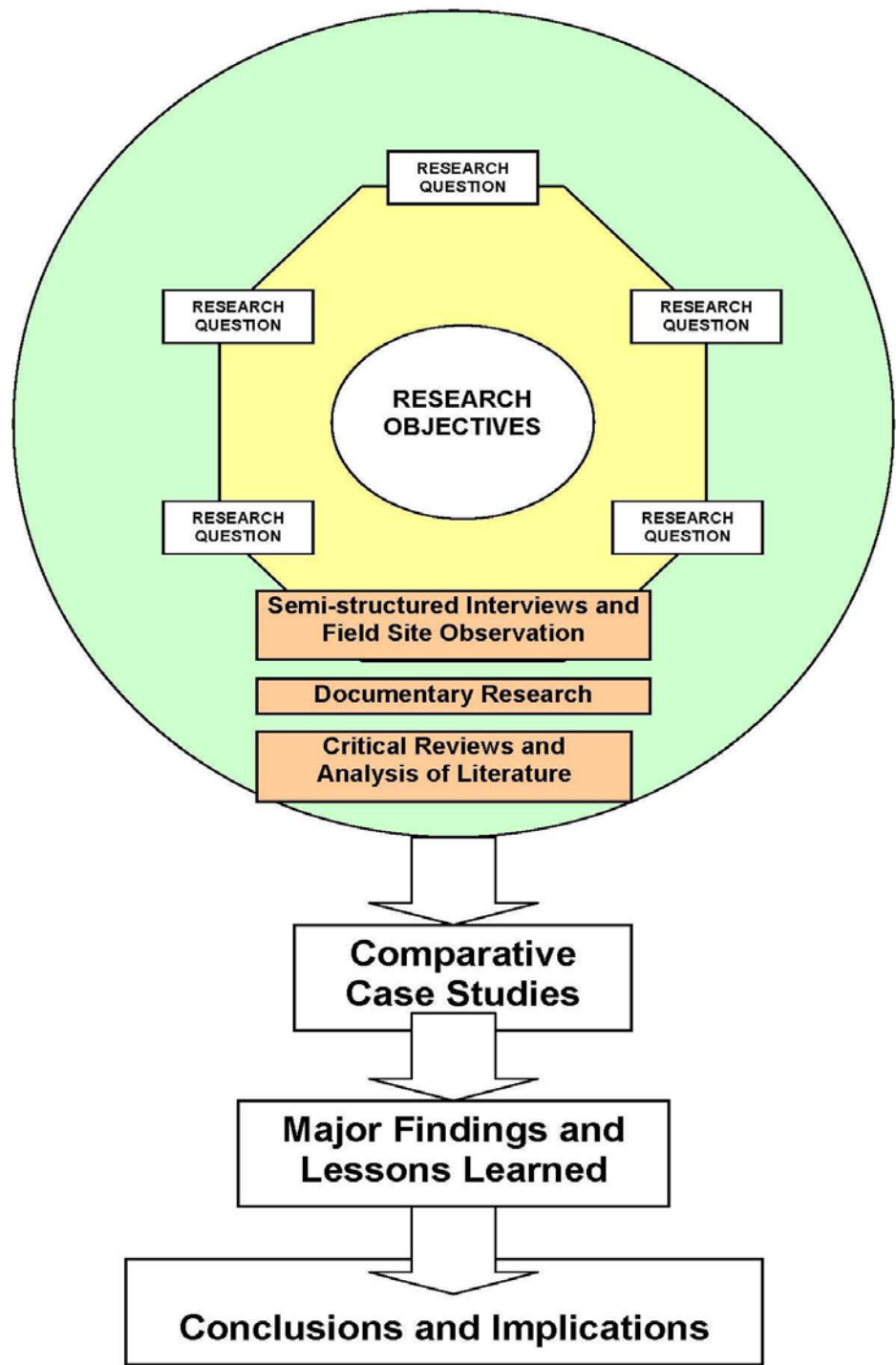


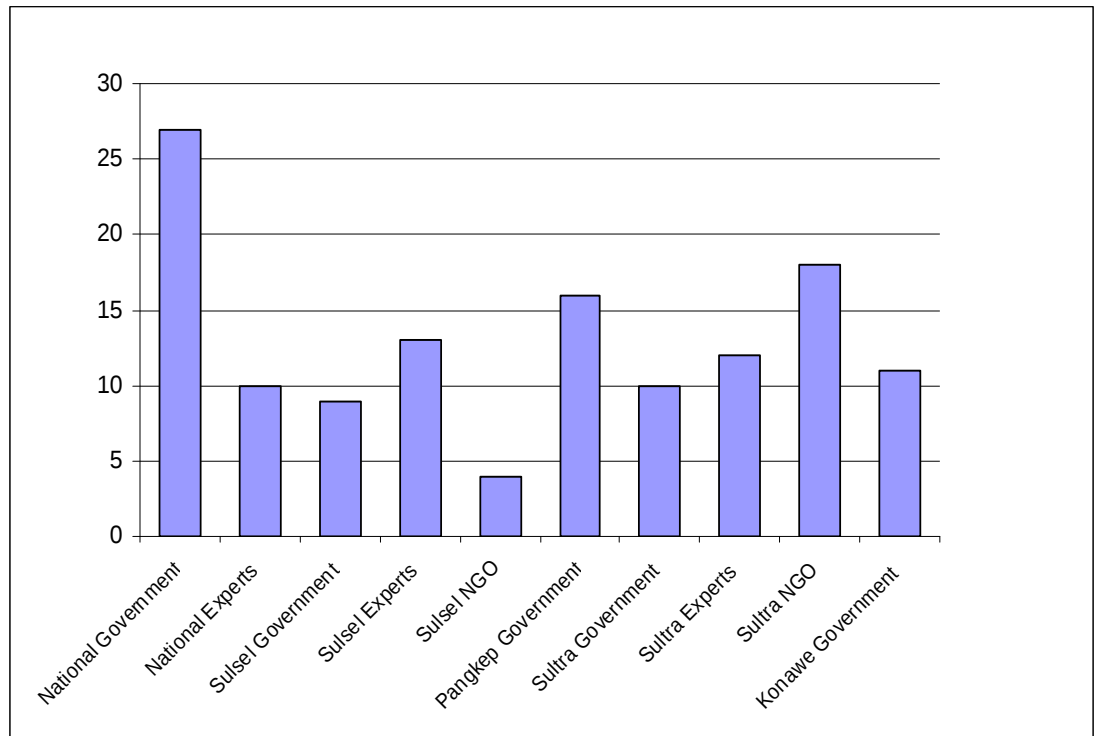
Figure 3. Summary of research methodology

The research methods involved the participation of 130 key informants: 93 key informants at the local level and 37 at national level, from local and central government agencies, research centres, universities, local community groups, non-governmental organizations (NGOs) and other related institutions (Figure 4). I purposely selected key informants to obtain their perceptions and experiences. I also selected the key informants through membership in my professional and institutional networks with government officers and NGO activists at the national, provincial and district levels. My professional ties at the *Ditjen Bangda* (Directorate General of Regional Development) in the Ministry of Home Affairs assisted me in the selection of informants in the government sector and in NGOs in both case study areas. In addition, key informants from the Ministry of Marine Affairs and Fisheries (MMAF) who had actively promoted the decentralized CZM policy helped me to identify the key informants at various levels of government for my two case studies.

The most important criterion for the selection of key informants was their ability to represent the visions, policies, objectives and action plans of their organization or institution. Key informants in an organization were not always high-ranking members of the management. Some were lower ranking officials who had knowledge of the main policy, planning and implementation processes and more importantly, could provide information on decentralized CZM implementation.

This research also involved extensive interviews with individuals on a focused number of subjects. The interviews explored conditions that would make decentralized CZM work at the *kabupaten* level. Claims by key informants were evaluated and confirmed through discussion with other key informants. Selected focus group discussions

were used to examine group perceptions and stimulate general discussion on decentralized CZM.



Note:

1. National Government refers to the informants from central government;
2. National Experts refer to researchers and resource person from Jakarta, and activist from national Non Governmental Organizations;
3. Sulsel Government refers to the informants from South Sulawesi Provincial Government;
4. Sulsel Experts refer to researchers and resource person from Makassar;
5. Sulsel NGO refers to informant from Makassar-based Non Governmental Organizations and community leaders;
6. Pangkep Government refers to the informants from Pangkep Local Government;
7. Sultra Government refers to the informants from Southeast Sulawesi Provincial Government;
8. Sultra Experts refer to researchers and resource person from Kendari;
9. Sultra NGO refers to informant from Kendari-based Non Governmental Organizations and community leaders;
10. Konawe Government refers to the informants from Konawe Local Government;

Figure 4. Types of key informants

To conduct the semi-structured interviews in an effective manner, I developed an interview guide or aid memoir based on relevant selected topics (Appendix 2). Questions were normally specific, but I also probed beyond the answers I received. Not all questions were asked in all contexts: this depended on the nature of the responses received. The contexts of the interviews were an important aspect of the process of interview.

Before interviews, I always informed my interviewees about my research, obtained their consent and told them of their right to ask me not to record the interview, as they wished. Therefore, not all my interviews were recorded, as some informants did not wish to be recorded and felt uncomfortable when I tried to record their interview. I then extracted and combined my interviews results with field observations to provide the most reliable possible data, which could highlight (i) decentralization policy in the coastal zone, (ii) managerial, organizational and regulation aspects of policy and (iii) achievements and limitations in decentralized CZM implementation.

I also recorded field observations when conducting interviews and collecting secondary data. Field site observations were useful as ground checking for biophysical and socioeconomic conditions. It was also helpful in obtaining a clear picture of the management practices and as a critical first step in evaluating these procedures. I took some photographs and maps of the study areas to obtain views of the different research areas. Some photographs and maps were supplied by the Provincial Planning and Development Board (*Bappeda Provinsi*), *Kabupaten* Planning and Development Board (*Bappeda Kabupaten*), and Marine and Fisheries Services (*Dinas Kelautan dan Perikanan*).

My secondary data consist of documents and statistical data on CZM practices, current policies, programs, laws and regulations related to decentralized CZM. I gathered these documents and data from various sources such as government offices, universities, research organizations and NGOs. I examined the official documents and reports, such as strategic planning reports, zoning plans, evaluation reports, consultant reports and local government reports. Overall, this research followed a strategic analysis process by applying this research methodology in combination with literature reviews, documentary analysis and comparative perspectives (Figure 5).

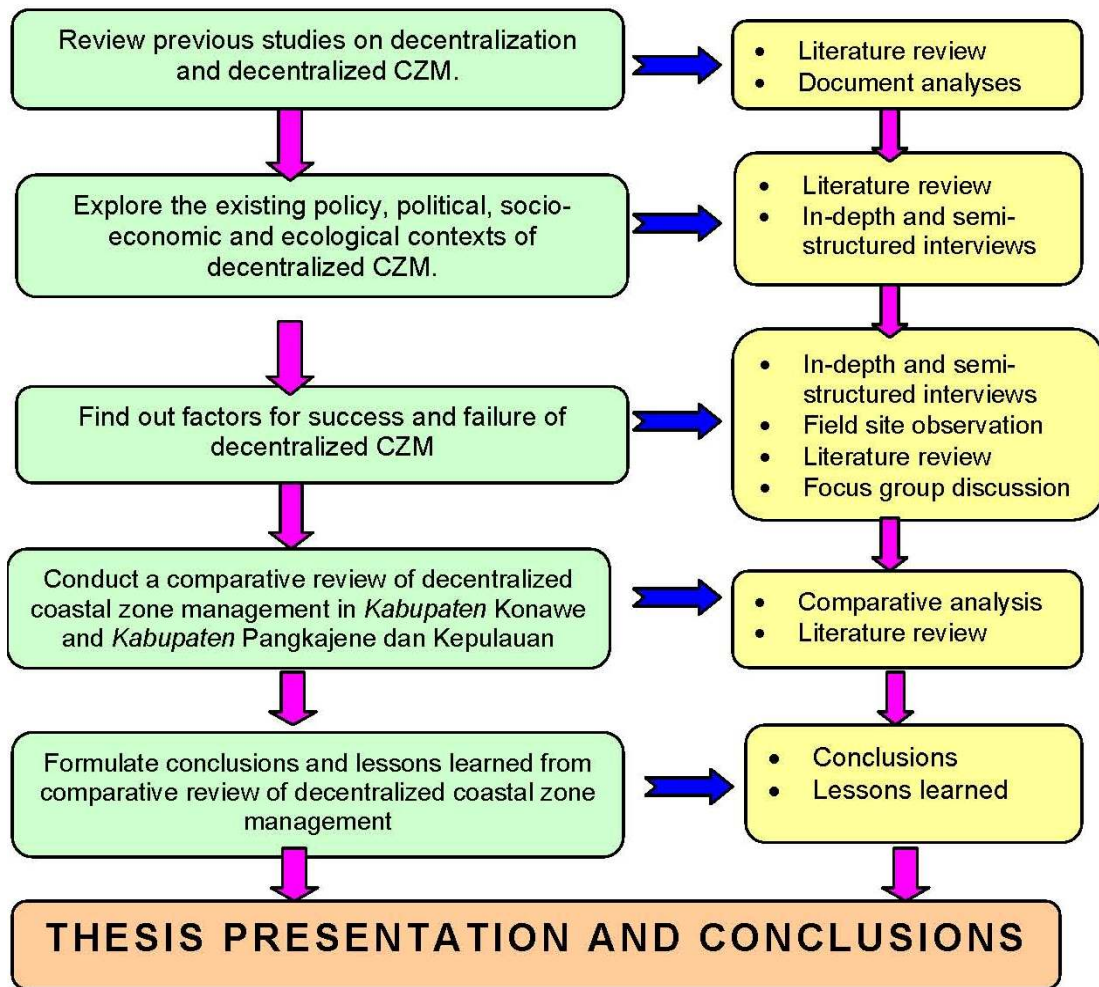


Figure 5. The Research Design

1.4 Structure of the dissertation

This dissertation consists of three parts. The first part comprises of Chapters 1, 2 and 3. Chapter 1 presents an introduction to the dissertation that describes the context, rationale for and objective of the research. This chapter summarizes the research approach adopted and the methodology as well presenting the thesis structure.

Chapter 2 introduces the theoretical concepts of decentralization and the historical background to decentralization policy in Indonesia, which is important as the framework of analysis. Chapter 2 then summarizes a range of dynamic and enduring changes in

decentralization policy in Indonesia that cover the institutional, financial and planning processes. Chapter 3 presents a framework and working definitions of coastal zone, CZM and decentralized CZM. This chapter examines the evolution of decentralized CZM in Indonesia.

The second part of this dissertation (Chapters 4 and 5) provides an analysis of the two case studies, Konawe and Pangkep, in Sulawesi. Each chapter has a similar structure. Each begins with a general description of the case study area (people, geography, culture, history and economy) as an important foundation for understanding each area's special characteristics, local dynamics and processes of social changes. This general description of the case study areas also helps in understanding the present social and environmental situation. Then each chapter examines the capacities for and responses to decentralized CZM policy in the case study area based on data and information that I collected during my fieldwork.

The last part of this dissertation (Chapter 6, 7 and 8) presents a comparative analysis, synthesis and lessons learned from the two case studies. This part also examines the research and policy implications of the research. In more detail, Chapter 6 demonstrates both common and distinct themes from a comparative perspective of the two case studies.

Chapter 7 suggests various factors that may contribute to effective decentralized CZM, followed by a discussion that draws on lessons learned to look beyond the two case studies to a broader view of decentralized CZM in Indonesia. Finally, Chapter 8 concludes the dissertation by considering how the knowledge gained in the thesis may contribute broadly to development of decentralized CZM. This chapter highlights the importance of local socio-political context and role of central government in enabling and supporting decentralized CZM implementation.

2 DECENTRALIZATION: BASIC CONCEPTS AND HISTORY

Decentralized CZM in Indonesia cannot be separated from the wider contexts and pathways of decentralization policy in Indonesia. This chapter discusses the concept of decentralization and the evolution of the decentralization policy and highlights the colonial legacy of government administration in Indonesia. The chapter then elaborates the dynamic and enduring fundamental changes in decentralization policy that have occurred since its inception.

2.1 Decentralization: Basic Concepts

Decentralization is a broad concept relating to development and governance strategies⁶, which involve a wide spectrum of general development and governance policy goals. This concept has become a global phenomenon in the reform of centralized governance structures (United Nations 1962, 1996; UNDP 1997, 1998, 1998b, 1998c; Brillantes Jr 2001; Farazmand 2002; Kumssa et al. 2003). As the United Nations (1996:7) pointed out, in the adoption of governance reforms “[a] large number of developing and transitional [countries] have embarked on some form of decentralization programs”. Decentralization reforms are significant as they shift models of governance from a centralized bureaucratic model to participatory and localized bureaucratic structures. The reforms represent a change from a 20th century to a 21st century governance model (Figure 6) (Brillantes Jr 2001).

⁶ Important studies on decentralization include Commonwealth Secretariat (1983); Conyers (1983); Mawhood (1983); Rondinelli and Cheema (1983); Rondinelli et al. (1983); Smith (1985); Mawhood (1986); Rondinelli and Nellis (1986); Bennet (1990); Samoff (1990); Lauglo (1995); Devas (1997); Kumssa et al. (2003); and Farazmand (2004)

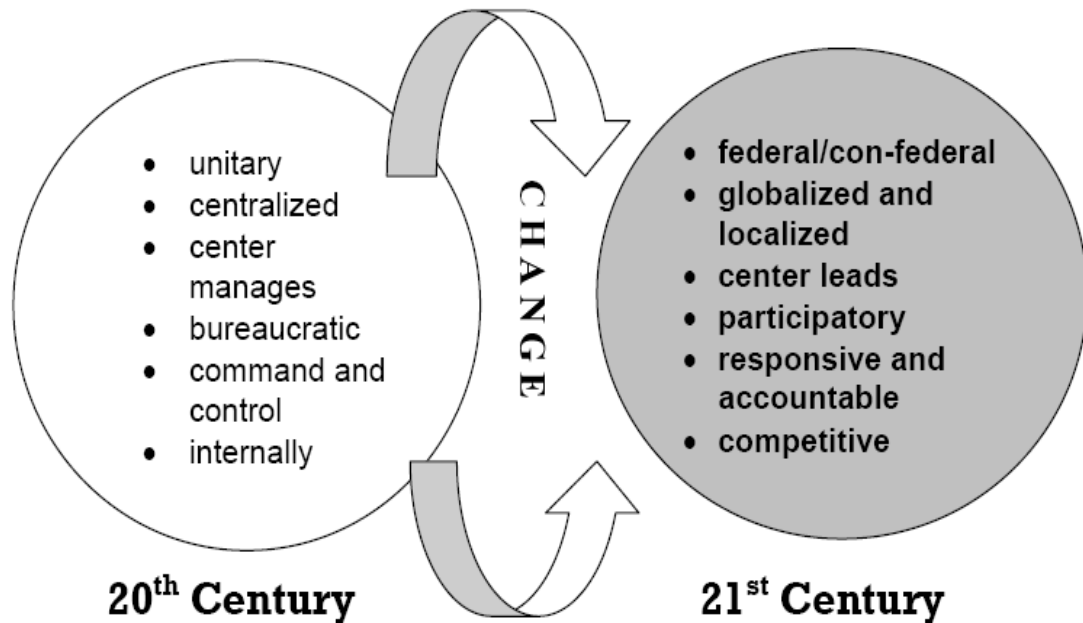


Figure 6. Governance structure changes from the 20th to the 21st century
Source: (Brillantes Jr 2001)

Decentralization has been studied through many cross-disciplinary approaches (Faguet 1997), including its application in natural resources management⁷. Thus, the study of decentralization involves a variety of disciplines such as economics, public administration, political science, sociology and anthropology. In many cases, the concept of decentralization has emerged from these fields (Cheema and Rondinelli 1983). There is a variety of interpretations and meanings of decentralization at the core of the debates on decentralization.

The various definitions of decentralization in the literature cover a range of perspectives and dimensions. These definitions centre on the stratification of government systems and strategies for distribution of power. Among the various definitions of

⁷ See Agrawal (2001), Agrawal and Gibson (2001); Agrawal and Ribot (1999), Ahmed and Mbwambo (2004), Bazaara (2003), Benjaminsen (1997), Bigombe-Logo (2003), Brown (1999), Resosudarmo (2004), Ribot (2003, 2004), Ribot and Larson (2004) and Ribot (2003)

decentralization, there are three commonly accepted interpretations. First, the United Nations (UN) definition of decentralization which appears in the report, *Decentralization for national and local development* (ST/TAO/M/19) (United Nations 1962), has become the standard definition that has since been refined by scholars (Kumssa, Edralin, and Oyugi 2003). In the 1962 report, decentralization is defined as “the transfer of authority on a geographic basis whether by de-concentration (i.e., delegation) of administrative authority to field units of the same department or level of government or by the political devolution of authority to local government units or special statutory bodies” (United Nations 1962: 7)

Second, the World Bank (2006a) provides a definition of decentralization as the “transfer of authority and responsibility for public functions from the central government to subordinate or quasi-independent government organizations and/or the private sector” (World Bank 2006a: 1). This definition refers to the division of four broad categories of decentralization, namely; political, administrative, fiscal, and market decentralization (World Bank 2006a). The World Bank (2006a:1) indicates that each category has “different characteristics, policy implications and conditions for success” (Table 1).

Table 1. Main ideas, attributes and requirements of four types of decentralization.

Category	Main ideas	Attributes	Requirements
Political decentralization	to give citizens or their elected representatives more power in public decision-making	• pluralistic politics and representative government • more influence of society in the formulation and implementation of policies • greater participation • local electoral jurisdictions	• constitutional or statutory reforms • development of pluralistic political parties • the creation of local political units • strengthening of legislatures • encouragement of effective public interest groups
Administrative decentralization	to redistribute authority, responsibility and financial resources for providing public services among different levels of government to transfer of responsibility for the planning, financing and management of certain public functions	• deconcentration redistributes decision making authority and financial and management responsibilities • delegation, transfer responsibility for decision-making and administration of public functions • devolution of functions, transfer authority for decision-making, finance, and management	• redistribution system among different levels of the central government. • semi-autonomous organizations not wholly controlled by the central government, but ultimately accountable to it • quasi-autonomous units of local government with corporate status
Fiscal decentralization	to transfer responsibility for the financial responsibility	• self-financing or cost recovery through user charges, • co-financing or co-production arrangements through which the users participate in providing services and infrastructure through monetary or labor contributions; • expansion of local revenues through property or sales taxes, or indirect charges; • intergovernmental transfers • authorization of municipal borrowing and the mobilization of either national or local government resources	• adequate level of revenues – either raised locally or transferred from the central government • authority to make decisions about expenditures • mechanisms to shift general revenues from taxes collected by the central government to local governments for general or specific uses; • loan guarantee mechanisms for local governments
Market decentralization	to shift responsibility for functions from the public to the private sector	• privatization by allowing private participation, contracting, financing public sector through the capital market, transferring responsibility for providing service deregulation	• economic liberalization and market development policies • reduction of the legal constraints on private participation in service provision • enabling competition among private suppliers for services

Source: Ribot (2004) and World Bank (2006a)

As it is driven by a market-based premise, the World Bank definition considers the private sector as an important actor in decentralization (Bennet 1990). For some scholars, market-based decentralization is referred to as economic decentralization (Bennet 1990; Faguet 1997; World Bank 2006a). However, some scholars also argue that this type of decentralization is not formally defined as decentralization (Ribot 2004). For example, Ribot argues that market-based decentralization is not part of decentralization (Figure 7) because decentralization only exists in the presence of power transfers within the government administration (Ribot 2004)⁸.

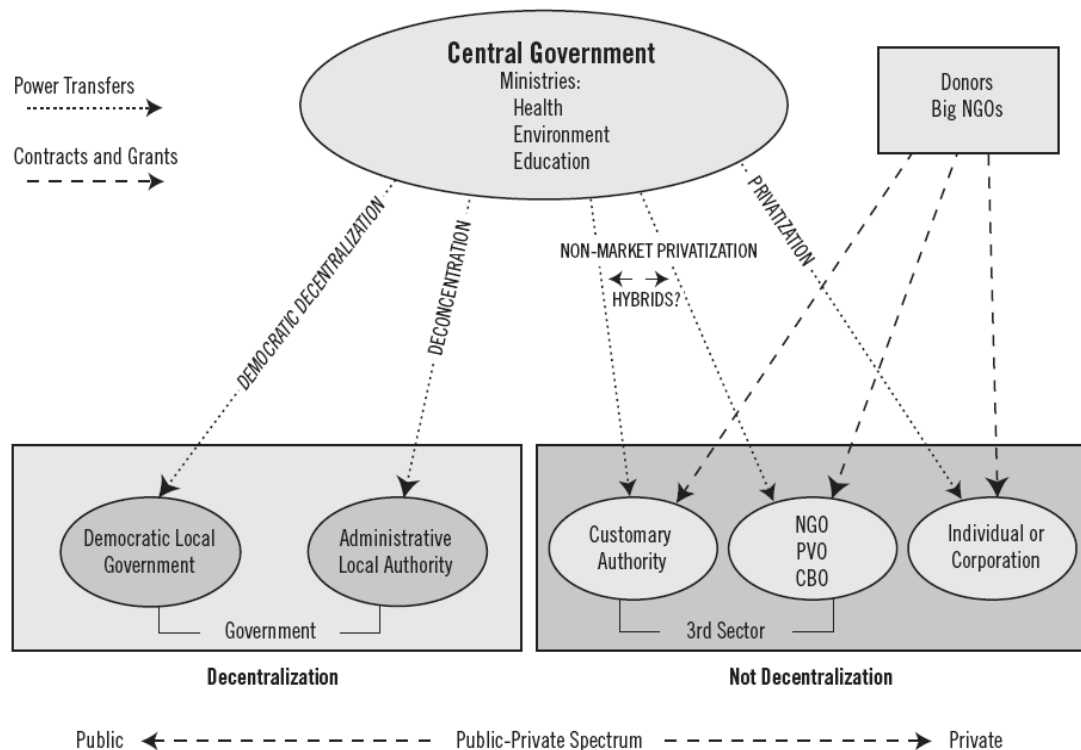


Figure 7. Formal definitions: decentralization, not decentralization
Source: Ribot (2004)

⁸ Political decentralization is referred to as democratic decentralization or devolution. Administrative decentralization is known as de-concentration. The main theme of these types of decentralization is the transfer of power to lower levels of authority, while the difference is the level of empowerment of the local people (Ribot 2004). Political decentralization allows greater participation of the local people in decision-making processes through their local representative authorities while administrative decentralization aims to better the delivery of services from public institutions.

Rondinelli and Cheema (1983) promote the third definition of decentralization. They define decentralization as “the transfer of responsibility for planning, decision-making, or administrative authority from central government to its field organizations, local administrative units, semi-autonomous and parastatal organizations,⁹ local governments or non-governmental organizations” (Rondinelli and Cheema 1983:18). This definition has become the cornerstone of many analyses of decentralization and is cited by many scholars.

These three definitions of decentralization are similar with only small differences in the lexicon of the types of units that receive the transfer of authority or delegation. The key commonality among the various definitions of decentralization is the notion of a transfer of power from an upper level to a lower level of governance.

The definition of decentralization in Indonesia is in line with this key commonality of the definitions discussed above. Law 32/2004 concerning Regional Government defines decentralization as the delegation of government authority from central government to autonomous local government to regulate and take care of government affairs within the system of the Unitary State of the Republic of Indonesia (Article 1 item 7 Law 32/2004). Law 27/2007 concerning Management of Coastal Zone and Small Islands adopted this definition as one of the main principles for managing coastal zone and small islands (Article 3 Law 27/2007). Therefore, this dissertation adopts the concept of decentralization as the transfer of authority from central government to local government in the areas of planning, decision-making and administration in government affairs.

⁹ Parastatal refers to a company or agency owned or controlled wholly or partly by the government.

Many scholars and organizations emphasize that decentralization is a process leading to good governance¹⁰. Through the process of structural and policy reforms, decentralization is designed to improve local governance, delivery of services, allocation of fiscal resources, promotion of public participation and government responsiveness (Brillantes Jr 2001; UNDP 1997). In this sense, decentralization is expected to lead to more creative, innovative and responsive programs by allowing local experimentation and involving citizens and other stakeholders in local decision making processes and programs at the local level (UNDP 1997; World Bank 2006a).

In practice, decentralization has so far produced both success and failure. There are arguments for and against decentralization (Table 2). Both arguments frequently refer to the “cross-disciplinary claims about the effects of administrative measures on the quality and efficiency of both government and social interaction” (Faguet 1997:2). These arguments reflect the intensive debates about the success and failure of decentralization (Faguet 1997). The debates refer to arguments both from theoretical and empirical studies on the efficiency and effectiveness of decentralization with political and economic theories being dominant in the debates (Faguet 1997).

The arguments for supporting decentralization lie mainly in the idea that if governments are closer to beneficiaries, they will be more effective in providing better services¹¹. The arguments are led by the premise that governing large areas and diverse populations in a country such as Indonesia, using a centralized approach, is financially costly and resource intensive (Alm and Bahl 1999). Similarly, government units that are closer to the local people are “better able to make choices that reflect the needs and

¹⁰ For examples, see also UNDP (1997, 1998a, 1998b, 1998c); and Brillantes Jr (2001)

¹¹ See also Commonwealth Secretariat (1983); Conyers (1983); Mawhood (1983); Rondinelli and Nellis (1986); Devas (1997); Faguet (1997); Farazmand (1997); Alm and Bahl (1999); Balogun (2000); Brillantes Jr (2001); Farazmand (2002); Devas and Grant (2003); Mokhsen (2003); and World Bank (2006a)

priorities in their jurisdiction than is a remote central government; and that it is easier to hold local elected representatives and officials accountable for decisions and performance than those at the centre” (Devas and Grant, 2003:352). In this case, decentralization may be effective for solving blockages in decision making processes and bureaucratic procedures (World Bank 2006a).

Table 2. Compilation of arguments for and against decentralization

Pro-decentralization	Contra-decentralization
• broadens participation in political, economic and social activities • alleviates the bottlenecks in decision-making that are often caused by central government planning and control of important economic and social activities • cuts complex bureaucratic procedures • increases government officials' sensitivity to local conditions and needs • helps national government ministries reach larger numbers of local areas • allows greater political representation for diverse political, ethnic, religious, and cultural groups in decision-making; • relieves top managers in central ministries of routine tasks to concentrate on policy. • creates a geographical focus at the local level for coordinating national, State, provincial, district, and local programs more effectively • provides better opportunities for participation by local residents in decision making • leads to more creative, innovative and responsive programs by allowing local experimentation and innovation. • increases political stability and national unity by allowing citizens to better control public programs at the local level	• not always efficient, especially for standardized, routine, network-based services • loss of economies of scale and control over scarce financial resources by the central government • less efficient and effective service delivery in the absence of strong administrative or technical capacity at local level • coordination of national policies more complex • vulnerable to local patronage and corruption • potentially creates opportunities for local elites to play a disproportionate role in planning and management of projects • tends to create greater inequities among communities and regions with different levels of organizational capacity • leads to disappointing results in absence of or through weakness in supporting institutions • vulnerable to political judgments which lead to unexpected results.

Source: Compiled from various sources¹²

Proponents of decentralization also argue that decentralization will accommodate local differences and preferences in order to provide better services¹³. They anticipate that

¹² See: Devas (1997); Faguet (1997); May et al. (1997); Scott (1997); Turner and Hulme (1997); UNDP (1997, 1998b, 1998c); UNDP-Government of Germany (1999); Azfar et al. (2001); Devas and Grant (2003); and World Bank (2006a).

¹³ See: United Nations (1962, 1996); UNDP (1997, 1998a, 1998b, 1998c); Alm and Bahl (1999); Brillantes Jr (2001); Farazmand (2002); and Kumssa et al. (2003)

this process will increase political stability and national unity (Alm and Bahl 1999), and lead to more creative, innovative and responsive programs through local experiments (World Bank 2006a).

Arguments opposing decentralization highlight the fact that most of the decentralization process is extremely complex and time consuming¹⁴. These commentators argue that decentralization has the potential to fail where formal local governments units are large and too remote from local communities, as in many developing states (Devas 1997), including Indonesia. From the political point of view, this situation can create an opportunity for “local elites to play a disproportionate role in the planning and management of projects” (Faguet 1997:3).

Such arguments are informed by empirical studies and evidence of the failure of decentralization. These studies propose that decentralization may not always be efficient and effective (Rondinelli, Nellis, and Cheema 1983), especially in areas where local or supporting institutions have limited capacity to make decisions; thus, enabling conditions are required for decentralization to work. In these areas, central governments can also lose control over scarce financial resources. Decentralization, then, can be considered as a transfer of inefficiency that carries a high economic cost leading to a loss of economies of scale (Scott 1997).

Arguments that oppose decentralization also highlight that in most cases central government decentralizes several administrative tasks and responsibilities to local governments without proper design, and local governments do not have the capacity to handle the new mandates. This leads to under-performing or even non-functional, local government units.

¹⁴ See: United Nations (1996); UNDP (1997, 1998a, 1998b, 1998c); and World Bank (2006a)

The opponents of decentralization use the argument that to deliver services more effectively and efficiently than the central government, local governments need larger budgets and additional resources (Fukasaku and Hausmann 1998; Rondinelli and Nellis 1986). For example, local governments in Latin America required more resources to conduct shared responsibilities with the central government, but these resources were taken from unclear areas of joint jurisdiction (Fukasaku and Hausmann 1998). Cross-country studies have shown that decentralization in most countries faced serious problems of implementation (Rondinelli, Nellis, and Cheema 1983). In many instances, decentralized policies were handicapped by a slow pace of implementation and poor organizational reform (World Bank 2006a). There are several reasons for these failures. Perhaps the best observation is provided by Smoke (2000:4), who explains the root cause of the failure of decentralization in developing countries:

[r]ecent decentralization and local government reform programs in developing countries have often been undertaken during domestic political or economic crises, and some have been externally imposed or influenced by donors. Such efforts have been undertaken by central governments because they may feel they have no choice when faced with structural adjustment programs, poorly performing economies, declining public service levels and political unrest.

When decentralization takes place within the context of political unrest, as happened in Indonesia during the *reformasi* movement, the “careful, rational and orderly process of decentralization” is often neglected (Burki et al. 1999:33). This neglect is not exclusive to unstable countries, but “[e]ven where decentralization happens in a less dramatic context, questions of strategy and timing still arise” (Burki et al. 1999:33).

Another reason for the failure of decentralization is the lack of “autonomous elected sub national governments [that are] capable of taking binding decisions in at least some policy areas” (World Bank 2006a:1). Insufficient capacity in local institutions and the lack of bureaucratic support also cause serious problems of implementation of

decentralization policy (Mokhsen 2003). In the same way, the legacy of centralistic attitudes and behaviour among political and administrative leaders has also been held for decentralization failure in developing countries (Mokhsen 2003). Centralistic attitudes and behaviour, such as egocentric control of decentralization by power brokers, can also lead to unexpected results and failure of decentralization policy¹⁵ (Smoke 2000).

Failure also can arise when decentralization is framed as the only alternative to the inadequacies of centralization (UNDP 1998b). Decentralization is sometimes held as a magic potion or mantra for reforming governance structures and achieving better service delivery. In fact, decentralization is not a stand-alone panacea for management of any public resources (Ribot 2004; World Bank 2006a). Both decentralization and centralization can play complementary roles (UNDP 1998b), and the careful and rational analysis of responsibilities, roles and duties can provide an opportunity to achieve the desired intention of decentralization (Ribot 2004; World Bank 2006a).

The essential aim of decentralization is to build capacity at the local level by strengthening local government capacity and capability. This aim is not intended to weaken the role of central government (Azis 2003). Achieving the aim of decentralization requires careful definition of appropriately shared responsibilities and duties. It also requires innovative approaches and a full understanding of the potential outcomes of different local government systems in public service delivery (World Bank 2006a). In other words, the analysis should respect diverse policy influences.

¹⁵ Such ego-centrism arises in the competition to control elements of the decentralized program. This competition is putting the program “under the leadership of a single central agency that is perceived as a rival by other agencies whose cooperation is required for success” (Smoke 2000:6). For example, Smoke cited the competition for control of the World Bank’s Second Urban Project in Indonesia during the late 1980s. This competition led to a project design that inappropriately gave substantial control to a technical ministry (Smoke 2000).

Furthermore, the choice of the most appropriate form of shared responsibilities relies heavily on the need to balance power and knowledge, and, indeed, to understand when the distribution of power is in or out of balance (World Bank 2006a). Political and economic factors influence the complexity of balancing decentralization and centralization (Brillantes Jr 2001; World Bank 2006a). Political and economic factors can determine the division of responsibilities among decentralization and centralization, and have the most significant bearing on motives for decentralization.

Similarly, in Indonesia political and economic factors are the two main motives for choosing and implementing decentralization.¹⁶ Political unrest in May 1998 combined with the impacts of the Asian monetary crisis “led to widespread calls for fundamental changes [*reformasi*] in Indonesia’s system of governance” (McCarthy et al. 2006:31). Decentralization, regional autonomy and equitable sharing of revenues became important agenda items for fundamental changes in the governance system in Indonesia, especially for maintaining the unity and integrity of the state and avoiding political unrest (Rasyid 2005:5). These agenda items then were conceptualized by President Habibie into Law 22/1999 and 25/1999. The rush and political justification for enacting these two laws caused several call for improvement, and even withdrawal of these laws. Political and economic issues thus became the leading factors to address all the deficiencies arising from the implementation of these two laws.

To sum up, political and economic factors were the main considerations in enacting the decentralization policy in Indonesia. These factors influenced the path of decentralization in Indonesia following on from the political justification and economic

¹⁶ See: Cheema and Rondinelli (1983); Alm and Bahl (1999); Hidayat (2000); Dwiyanto (2003); Mokhsen (2003); Hidayat (2004); Erb et al. (2005); Rasyid (2005); DRSP (2006); and McCarthy et al. (2006)

considerations of the rulers of Indonesia. This theme is the topic of discussion of the following section.

2.2 Decentralization in Indonesia

Contemporary discourse on decentralization in Indonesia has to acknowledge the political history of the nation from the colonial era to the *reformasi* era (Figure 8). The political settings of every phase of Indonesia's political history have shaped the forms and mechanisms of government interaction and the central-local relationship that set down the pathway of decentralization policy in Indonesia. The pathway of decentralization in Indonesia is like a "long and winding road" (Chalid 2005:1) and the history of decentralization has been shifting, especially in the last past 60 years (Mokhsen 2003). This section discusses the history of decentralization in Indonesia from the pre-colonial period to the *reformasi* era to provide a framework for understanding contemporary local government administration.

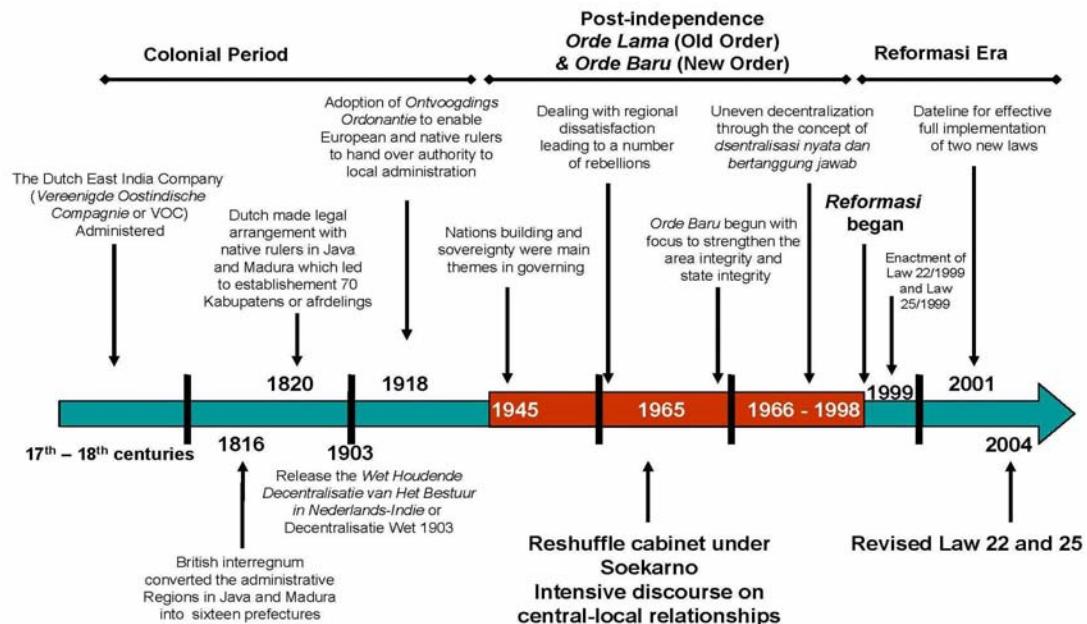


Figure 8. Decentralization timeline in Indonesia

2.2.1 Dutch Colonial Rule

In the colonial period (1603 – 1945), Indonesia was subject to successive Dutch, British and Japanese occupation. Their occupation of Indonesia influenced the passage of decentralization but the motives for and scales of decentralization varied (Fauzan 2006; Ferrazzi 1998; Kansil and Kansil 2002). The motives were shaped by the policies of each ruler, but there was a common intention, which was the effective maximization of control and exploitation of resources (Malo 1995; Mokhsen 2003). To pursue this power, colonial rule had to be maintained by a centralized government. Thus, the imperatives of colonialism have dominated the trajectory of the development of local government administration in Indonesia. The legacy of colonialism remains in some aspects of the current governance system, such as in the paternalistic relationships still existing in the bureaucracy (Ferrazzi 1998).

The Dutch colonial system inherited the remarkable legacies of local government systems and provided the seeds for decentralization. The Dutch introduced two broad administration systems in the Netherlands East Indies (NEI)¹⁷: direct rule (*Direct bestuur gebied/Gouvernements gebied*) and indirect rule (*Indirect bestuur gebied/Landschapsgebied*). These two systems¹⁸ were related to the degree of Dutch colonial control on its NEI colony (Mokhsen 2003).

¹⁷ The name of Indonesia under Dutch colonial rule.

¹⁸ This division of administrative systems was the legacy of the Dutch United East India Company (*Verenigde Oostindische Compagnie* or VOC), which was created in 1602. The VOC expanded its political power by a monopoly on trade in a number of territories and then gradually interfered in the administration of the native rulers. Through its intervention with the native rulers, the VOC was able to control the strategic spice-trading network and through this, applied its political control. In some areas, these approaches were successful, and in other areas, the Dutch struggled with the native rulers. It was necessary for the Dutch to apply the two different systems of administration and this was a reflection of the strength and loyalty of the local power and authority.

Direct rule applied in the areas under the control of the NEI government, while indirect rule referred to the level of compromise between the NEI and the native rulers of the areas not under effective Dutch colonial. Under direct rule, these areas were administered through a division of administrative units into: the *gewest* (also called *residentie*), the *afdeling* (region), the *onderafdeling* (sub-region), the *district* (district) and the *onderdistrict* (sub-district) (Fauzan 2006; Kansil and Kansil 2002; Mokhsen 2003). Only in the lowest unit, *onderdistrict*, were native rulers eligible to participate as native civil servants (*pangreh pradja*). The first four levels were restricted to expatriate Dutch officials (Mokhsen 2003).

The seeds of decentralization were sown at the beginning of the 19th century. Having taken over again at the end of British rule in 1816, the Dutch rearranged and extended the role of the native rulers who were appointed as *Bupati* in 1820. Under the Dutch colonial regime, these *Bupati* had extended responsibilities in the fields of agriculture, farming, security, irrigation, public health, road maintenance, taxes and law enforcement (Malo 1995). This led to the formation of seventy *kabupaten* or *afdeling* in Java and Madura, except in the Sultanates of Yogyakarta and Surakarta.

In 1854, the Dutch enacted the 1854 Government Code of the NEI (*Regeringsreglement 1854/RR 1854*), which was intended to establish a *rechtsstaat* (constitutional state). The law provided enormous power to the Governor General of the NEI as the highest ruler and the envoy of the King of the Netherlands. The Governor General had chief authority in military matters, administrative control, appointing the highest ranking officers in the *Raad van Indie* (Council of the Indies) and granting amnesty for criminals accused persons (Wignjosoebroto 2004). This enormous, monopolistic power of the Governor General created a highly centralized and rigid administration (Niessen 1999). However, there was considerable dissatisfaction with the highly

centralized and rigid administrative government among the Dutch entrepreneurs (*Nederlandse bugerij*) (Mokhsen 2003). They called for reform and requested participation in the policy making processes (*medezeggenschap*).

Their requests were supported by the Dutch legislative member, L.W.C Keuchenius, who brought their request to the legislative assembly (*Tweede Kamer*) and proposed the establishment of a council for the Dutch and Europeans (*Gewestjik raden*) in the NEI to represent their aspirations to the NEI administration (Wignjosoebroto 2004). This proposal stimulated a plan for more decentralization in the NEI. The *Tweede Kamer* then enacted the first decentralization law for the NEI, *De Wet Houdene Decentralisatie van Het Bestuur in Nederlands-Indie* on 23 July 1903. This law was filed as *Staatblad van Het Koninkrijk Der Nederlanden 1903* and is known as *Decentralisatie Wet 1903* (The Decentralization Law of 1903).

The *Decentralisatie Wet 1903* provided an opportunity to restructure local governments in the NEI. The law gave the mandate to the NEI Governor General to establish “several levels of *locale resort* [councils] possessing a degree of autonomy over their own affairs” (Mokhsen 2003:49). There were three regional councils: *Gewestelijke Raad* for the residencies, *Plaatselijke Raad* for units under the residencies and *Gemeente Raad* for urban centres (Kansil and Kansil 2002). Civil servants chaired most of the councils. The expatriate community could only participate in the *Gemeente Raad*.

In practice the *Decentralisatie Wet 1903* followed the principles of the RR 1854 which separated the administration into Java and the Outer islands (Malo 1995). This distinction led to uneven decentralization in the Outer islands, and only in Java and Madura was decentralization consistently introduced. The implementation of the *Decentralisatie Wet 1903* mainly related to administrative decentralization (Mokhsen 2003: 49) and provided limited space for inviting local communities to participate and exercise

their interests. The implementation of this form of decentralization highly favoured the Dutch population, and the expatriate population was granted many more opportunities for participation than local people.

Dutch and European members of the civil service (*Europesche bestuursambtenaar*) received special privileges to be in charge of the decentralized government as local administrators (Kansil and Kansil 2002; Mokhsen 2003). However, in most cases the local administrators were officials of the central government (Malo 1995). In this way, the central government could still exercise tight control and suppress local interests and aspirations. This led to further calls for reform after the implementation of the *Decentralisatie Wet 1903*. In 1918 the Dutch colonial authority adopted the *Ontvoogdings Ordonantie* (Emancipation Order) in order to allow greater involvement of local people especially with a Western-trained background in local administration (Malo 1995; Poeze 1989). The Dutch colonial administration set up “the formation of a reservoir of Western-trained Indonesians [for fulfilling] the needs of government and business for cheap native middle-cadre personnel” (Poeze 1989:88).

Four years later, the Dutch enacted a law on governmental reform, the 1922 Government Reform Act (*Wet op de Bestuurshervorming*). This law provided the opportunity for local administrators to exercise their authority without interference from the central colonial government (Niessen 1999). The law also granted mandates to regroup and merge the existing residencies into provinces, which were larger territorial divisions based on the principles of decentralization (Malo 1995; Mokhsen 2003; Niessen 1999).

In 1924, the Dutch passed an ordinance on the formation of provinces (*Provincie ordonnantie*) to accommodate the provincial structure. The ordinance stated that the formation of provinces required the establishment of provincial councils (*Provinciale Raad*) (Niessen 1999). The members of the council were partly elected and partly

appointed by the Governor General. For operational purposes, the council had the authority to appoint a council of deputies (*college vangedeputeerden*) (Mokhsen 2003). The Governor General also appointed governors to supervise the provincial council and council of deputies. The governor not only acted as the chairperson of both councils but also possessed rights and responsibilities for and on behalf of the Governor General. The governor therefore was a local official whose authority and power were derived from the central government.

The pathway of decentralization during the Dutch colonial period was limited in nature and subject to the direct supervision and control of the central authority through its representatives in the regions. The political arrangements during the colonial period show that in the same areas both European and native authorities maintained some limited degree of self-rule and political autonomy (Malo 1995). The Dutch policy to enact the ordinance on the formation of provinces (*Provincie ordonnantie*)¹⁹ established some principles of decentralization by granting the provinces authority to manage their internal affairs and by setting forth the distribution of responsibilities between central and regional governments (Mokhsen 2003; Niessen 1999). As the central government was unable to finance the operations of regional governments, the Dutch also applied principles of ‘deconcentration’ by giving the power and authority to a number of native kingdoms occupying large areas on Java. Deconcentration principles were stimulated by administrative constraints rather than by a goal to grant direct political power (Malo 1995).

¹⁹ The Dutch also passed an ordinance on the formation of districts, the Regency ordinance (*Regentschaps ordonnantie*) in 1924 and two years later the Municipality Ordinance (*Stadsgemeente ordonnantie*) for Java and Madura (Niessen 1999:49).

2.2.2 British Interregnum

British colonial control lasted only five years (1811 – 1816) during the Napoleonic wars²⁰ in Europe. During the British interregnum, the Lieutenant-Governor Thomas Stamford Raffles had reorganized the administrative regions in Java and Madura by converting two areas into sixteen prefectures. These later, under Dutch rule, became residencies. Raffles appointed *Bupati* from local noble people as salaried employees of the colonial administration whose main task was to administer the cultivation of agricultural products and their subsequent sale to the colonial administration (Malo 1995).

Raffles also founded the position of assistant resident whose purpose was to control the rights and authority of the *Bupati*. Under Dutch rule, the relationship between *Bupati* and Dutch assistant resident (*controleur*) was “rather clientelistic than bureaucratic” (van Klinken, 2002:5). Despite this clientelistic relationship, the *Bupati* was the highest position in the local noble population at district level and became an important actor in local development. Together with other local noble people who had a strong educational background, the *Bupati* was part of the corps of aristocratic functionaries (*pangreh praja* or *pamong praja*) who served as cheap staff for the colonial bureaucracy (van Klinken 2002). The role of *Bupati* and *pamong praja* remained significant in the Indonesian local government system as they occupied key positions, established alliances with the army and continued to supervise the local bureaucracy (Magenda 1989).

²⁰ The Napoleonic Wars (1803–15), a series of wars fought against Napoleon's First French Empire. War was conducted by Napoleon I of France against an alliance of Britain, the German states, Spain, Portugal,

2.2.3 Japanese Occupation

Under the Japanese occupation (1942 – 1945), the administration was reshaped into the three military regions of Java, Sumatera and the Outer islands. The first two regions were under the control of the army commanders (*Guisenkanbu*). The third was under a naval commander (*Minseibu*). The Japanese still utilized the administration and government system set up by the Dutch, but renamed all structures and nomenclature for heads of government units in Japanese terminology.²¹ The Japanese also imposed a massive military command system.

There were two important laws on local government enacted during the Japanese occupation, namely the Law 27/1942 concerning Changes to the Organization of Regional Government (*Oendang-oendang No. 27 tentang Peroebahan Tata Pemerintahan Daerah*) that was enacted on 5 August 1942 and Law 28/1942 concerning the Regulation of Residency Government and Special Municipality Government (*Oendang-oendang No. 28 tentang Atoeran Pemerintahan Syuu dan Aturan Pemerintahan Tokubetu-si*) that was enacted on 7 August 1942.

Japanese occupation (1942 – 1945) in Indonesia heralded a radical renaming policy and imposed a military government, which was more concerned with command and maintaining a centralistic system. Japanese occupation left insignificant legacies on the pathway to decentralization except the renaming of the regional government.

and Russia, following the Revolutionary Wars, and aiming for French conquest of Europe. It took place mainly in Europe but also involved some other parts of the world (Asprey 2000).

²¹ For example, *Ken* for Regency (*kabupaten*), *Kentyoo* for Regent (*Bupati*), *Si* for Municipality and *Sityoo* for Mayor.

2.2.4 Independent Indonesia

Indonesia gained independence on 17 August 1945. In the early period of independence, two factors influenced decentralization: the need to establish and strengthen Indonesian sovereignty and the need to accommodate regional diversity. There was also debate over the choice of a suitable form of state and government within the Investigating Committee for Preparatory Work for Indonesian Independence (*Badan Penyelidik Usaha Persiapan Kemerdekaan Indonesia* or BPUPKI).²² Within the BPUPKI, the serious issues of the federal system and decentralization were discussed.²³ The main outcome of the committee related to decentralization was article 18 of the 1945 Indonesian Constitution on local diversity and traditional government structures. This article was the main reference point in central-local relationships and the main framework for the Law 1/1945 and the Law 22/1948, two key regulations in Indonesia's early independence period. At this time, the Dutch were attempting to reoccupy Indonesia and the nation was divided by the resulting civil war.

The concept of decentralization emerged with the change of government system from a unitary state to a federal system, which survived for less than a year, from 1949 to 1950. At this time, both the independent Federal Republic of Indonesia and several Dutch-created states existed. The legal basis of the federal system was Law 22/1948 that only remained in force in the regional governments in Java, Sumatera and Kalimantan (Mokhsen 2003). These areas formed the United States of Indonesia (*Republik Indonesia Serikat* or RIS).

²² BPUPKI formed in March 1945 following the Japanese promise of independence for Indonesia. This committee was composed of leaders from the main nationalist and socialist parties, religious leaders and bureaucrats (Mokhsen 2003).

²³ More detail on the BPUPKI's debate on decentralization can be seen in Mokhsen (2003:55-62).

There were two reasons why the Indonesian government did not adopt a federal system as a long-term solution. First, a federal system corresponded too closely to the legacy of Dutch occupation and, second, it was considered to be dominated by Javanese (Mokhsen 2003). The common perception among Indonesian nationalists was that the Dutch administration wished to regain its power by imposing a federal system.

After the RIS system, Indonesia entered the provisional constitution phase (1950 – 1956). During this phase, Law 22/1948 was reintroduced despite criticisms from central and local politicians relating to the position and power of regional heads (Mokhsen 2003:79). In 1956, a new government from the first general election in 1955 was formed which consisted of a coalition of three major parties; *Partai Nasional Indonesia* (PNI), *Masjumi*, and *Nadhatul Ulama* (NU). The first cabinet also was named according to the leadership of the three parties, and was called the cabinet of Ali-Roem-Idham.²⁴

One of the most important milestones for decentralization arising from the Ali-Roem-Idham cabinet was Law 1/1957. This law “was the only decentralization law [that] offered real autonomy to the regions” (Mokhsen 2003:81). The implementation of this law immediately ended when Presidential Decree (*Dekret Presiden*) 6/1959 was endorsed. This law was then replaced by Law 18/1965 that focused autonomy on the residencies at the first-level, and on sub-districts (*kecamatan*) at the second level, and also turned the provinces into administrative regions (Malo 1995). This division maintained the discourse on the function of governor as regional head and intensive debate occurrence on how to maintain central-local relationships in the context of a unitary republic. The main issues

²⁴ Cabinet Ali-Roem-Idham was the coalition cabinet of three winning parties in the 1955 General Election which was represented by Ali Sastroamidjojo of *PNI*, Mohammad Roem of *Masjumi* and K.H. Idham Chalid of *NU*. Ali was Prime Minister, Roem and Idham were appointed as Deputy Prime Ministers. This cabinet was established with reference to Presidential Decree No. 24/1965. There were six *PNI* cadres in the cabinet, five for *Masjumi* and six for *NU*.

related to the power of autonomous government units and the degree of central supervision over the regions. These issues were on the main agenda for 16 cabinets under former President Soekarno. Every cabinet put these issues as core agenda items in their manifesto. As Mokhsen (2003:97) argues, the “idea of decentralization [and regional autonomy] in the unitary republic seemed too difficult technically and politically to be translated into action”.

These issues were still not settled during the New Order (*Orde Baru*) government (1966 – 1998), despite the government having passed Law 5/1974 concerning the Principles of Governments in the Regions (*Undang-undang 5/1974 tentang Pokok-pokok Pemerintahan di Daerah*). This law was the main legal basis for central-local relationships. Law 5/1974 contained the concepts of territorial decentralization and deconcentration by dividing the country into autonomous regions (*daerah otonom*) and administrative territories (*wilayah administratif*). The law also introduced the concept of co-administration (*medebewijn*) for transferring power.

Territorial decentralization referred to two regional levels of government (*Daerah Tingkat I* and *Daerah Tingkat II*). Deconcentration referred to the delegation of administrative tasks to the lower level of government. This meant decentralization and autonomy were a combination of full and partial transfers of autonomous rights, but still under the close supervision of the central government. These concepts remained unclear in practice and in most cases: co-administration dominated the central-local relationship. The law was intended to promote the idea of decentralization; however, the *Orde Baru* government was never fully committed to its implementation (Ferrazzi 1998). Mokhsen (2003:168) argued that the failure to fulfil the ideal of decentralization and regional autonomy was related to the weakness of the legal framework that accommodated the establishment of semi-independent regional governments.

This weakness led to several biases in the interpretation of the law. The supervision and control, both proactive and reactive²⁵, of the central government over the regional and local governments dominated the *Orde Baru*. These approaches were related to the main theme of the Government, which was to establish a “remarkably united country with an impressive economic performance” (Devas 1997:354). It required uniformity and national stability in the central-local relationship. Thus, the law was “unsuccessful in establishing the nexus between administration deconcentration and territorial decentralization” (Malo 1995:23).

Another failure of Law 5/1974 was the lack of clarity in the central-local financial relationship and in issues relating to the sharing and distribution of natural resources revenue (Devas et al. 1989). These weak points caused a high financial dependency of local government on central government and stimulated jealousy and disillusionment among local governments especially in the resource-rich outer islands. Mechanisms such as Presidential Instruction (*Instruksi Presiden* or *Inpres*) and Subsidy for Local Autonomy (*Subsidi Daerah Otonom* or *SDO*) retained the high dependency of local government on grants from the central government. The result was an absence of proper legal frameworks and the creation of piecemeal administration arrangements (Devas et al. 1989).

In late 1997, Indonesia experienced economic hardship. The financial crisis in 1997 that led to the economic crisis in 1998 created a bad image of Soeharto’ presidency and caused a lack of trust on his leadership both domestically and internationally. His attempts to extract Indonesia from the crisis had no significant impact. There were many

²⁵ According to Malo (1995), a proactive control is manifested when a regional or lower level government is prevented by the central government from performing activities and functions contrary to national rules, regulations, or policies. Reactive control is done when a higher tier of government represses, annuls, or invalidates a lower tier's action or actions found to be illegitimate or regarded as unauthorized and disadvantageous in the pursuit of national or supra-regional goals, objectives, and general welfare.

protests and riots to urge the resignation of Soeharto from his more than three-decade presidency.

Pressure to reform the *Orde Baru* forced the authoritarian ruler, President Soeharto, to instigate the political transformation on 21 May 1998, which is known as the *reformasi* era. Soeharto stepped down from his presidency and handed power to his hand-picked vice president, B.J. Habibie. During the Habibie presidency, rapid reform emerged with more press freedom and decentralization as the basis of the central-local government relationship. The emergence of decentralization as a key element of national security and stability gained great prominence.²⁶

Reformasi brought with it the need to redefine central-local relationships, especially financial responsibilities. With eight months preparation following the mandates from the extraordinary session of the People's Consultative Assembly (MPR)²⁷ in October 1998, two laws on central-local relationships were passed to replace the antiquated Law 5/1974. The two laws, Law 22/1999 on Regional Governance and Law 25/1999 on Fiscal Balance between the Centre and the Regions, were passed without public consultation and debate (Resosudarmo 2007; McCarthy et al. 2006), but they brought the opportunities to transform the concept of decentralization and regional autonomy into reality (Sumaryadi 2006). In addition, the laws were required to be effectively implemented by 1 January 2001²⁸.

²⁶ See van Klinken, G. (1999). Is Indonesia breaking down?, *Far Eastern Economic Review*, March 18th, 1999: 33

²⁷ *Majelis Permusyawaratan Rakyat* (MPR) Decree No. XV/MPR/1998

²⁸ Both laws stipulated that the new decentralization framework would come into effect in May 2001 (giving a two-year time frame to allow for the necessary preparations), however, this date was later advanced to 1 January 2001 by the MPR Decree No. IV/MPR/2000. Thus, the beginning of decentralization would coincide with the new fiscal year.

A key feature of these two laws is the devolution of a wide range of public service delivery functions to local government. The laws also provide more balance in the central-local financial system. They stipulate the restructuring of the executive and legislative relationships at the local level through empowering elected regional councils (*Dewan Perwakilan Rakyat Daerah* or *DPRD*). These laws also led to a multitude of implementing regulations to support the implementation of both laws.

The purpose of these two laws was to reform the central-local government relationship and to ensure fiscal balance between the central government and regional governments (province, district and municipality). However, the reform was challenged by political resistance and the conservative views of most bureaucrats. In addition, Laws 22 and 25/1999 are sectoral laws enacted by the Ministry of Home Affairs instead of an umbrella law (Mawardi 2002). As a result, other ministries hindered the implementation of these two laws. Some scholars²⁹ identified eight issues that followed the implementation of these laws:

- unclear distribution of functions between the levels of government;
- ineffective system of supervision of regional governments by the central government;
- lack of clear responsibilities of the provinces;
- failure of the current intergovernmental fiscal system to ensure an equalization between resource-rich and resource-poor regions, and a mismatch between the assignment of expenditures and the assignment of revenues;
- lack of policy coordination with sectoral laws and regulations, leading to contradictory regulations for instance in the forestry and in the mining sector;
- strong role of "money politics" in the election of Head of Regions (*Kepala Daerah*) by the regional councils (*DPRD*);
- unsatisfactory accountability mechanism which focuses on the annual report of the Head of Region to the council; and

²⁹ See: Mokhsen (2003); DRSP (2006); McCarthy et al. (2006); Sumaryadi (2006); Sunarno (2006); Ratnawati (2006c); and Resosudarmo (2007)

- lack of capacity at the regional level to fully implement the new decentralization framework, and lack of programs of the central government to support capacity building in the regions.

These problematic issues, combined with the short period allowed for drafting the laws and political pressures, contributed to the need to revise the laws. Indeed, the proposal to revise these laws was made only a few months after their enactment. However, political resistance and lack of support from the legislature stalled the proposal for the revision. The introduction of direct elections for Heads of Regions (*Pemilihan Kepala Daerah* or *Pilkada*) was at the same time with the first direct election of the President and Vice-President. This escalated the need to revise the laws. Finally, in October 2004 Law No. 32/2004 on Regional Government and Law No. 33/2004 on Fiscal Balance between the Centre and the Regions were passed to replace the two previous laws governing the central-local relationship (Laws 22 and 25/1999).

In summary, the pathway of decentralization in Indonesia can be divided into ten time periods starting with the Dutch colonial era and ending with the *reformasi* era. Each period has legal bases for adopting and implementing its decentralization policy (Table 3).

Table 3. Periods and legal bases of decentralization in Indonesia.

Period	Legal Bases	Remarks
Dutch Occupation (1603 – 1811) (1816 – 1942)	• Regeringsreglement Wet 1854 • Decentralisatie Wet 1903 • De Inlandsche Gemeente Ordonantie 1906 • Bestuurshervorming 1922	• Introduction of modern public sector management in Indonesia • Introduction and formation of local councils (<i>Raads</i>) • Introduction of self-governing administrative units (<i>Zelfbestuur</i>) as part of its ethic policy for the NEI • <i>Ethik</i> policy as the stimulator for decentralized policy • <i>Zedelijk roeping</i> (Executive/King Order) was the policy. • Decentralization policy was led by the private sector and European entrepreneurs (<i>de Europeche burgerij</i>)
British occupation (1811 – 1816)		• Reorganization and conversion of the Dutch-created government administration in Java and Madura into sixteen prefectures • <i>Bupati</i> as colonial salaried employee • Creating the assistant resident (<i>Asisten Wedana/Bupati</i>) position to limit the Bupati power

Period	Legal Bases	Remarks
Japanese occupation (1942 – 1945)	- Osomu Seirei (Oendang-oendang) 27, 2602 (1942) - Osomu Seirei 28, 1942 - Osomu Seirei 30, 1942	- Recentralization of local government by imposing direct line military command - Enforcing a strong, simple government administration (<i>koekoeh, dan koeat serta sederhana</i>) - Java-centric style of military ruler as much of the reorganization was done in Java and Madura - Renaming all the Dutch nomenclature and the Dutch language was forbidden. - Introduction the local neighborhood system (<i>tonari gumi</i> or <i>Rukun Tetangga/RT</i>) as lower level of government.
Early Independence (1945 – 1948)	- Article 18 of the 1945 Constitution - Law No. 1, 1945 - Law No. 22, 1948	- Law No. 1, 1945 set down the principles of decentralization. First use of self-rule administration units, which classified provinces into three sections: residencies, <i>kabupatens</i> and municipalities. - Law No 22, 1948 defined the territory of the Republic of Indonesia into three (self-rule areas, namely: (1) provinces; (2) <i>kabupatens</i> and municipalities; and (3) cities, villages, and communities. - The law also designed the structure and functions of regional governments; the province governments were abolished and turned into administrative regions
Dutch reoccupation (1945 - 1949)	- Law No. 22, 1948 - Pre-war colonial system of decentralization for areas under the rule of the Netherlands Indies Civil Administration.	Broad division of governing the territory of Indonesia: the Provisional Government of the Republic of Indonesia (<i>Pemerintah Darurat Republik Indonesia</i> or <i>PDRl</i>) in Sumatera and the Republic of Indonesia in Yogyakarta
United Republic of Indonesia (1949 - 1950)	Article 47 of the constitution of the United Republic of Indonesia (the RIS)	- Changing the Indonesian state system from a unitary state into a federal system. - Each state within the federation had the authority to promulgate laws, policies, and rules for and on behalf of its own autonomous regions. - Introduction of the concept of self-ruling regions <i>swapradja</i> and three levels of autonomous regions in Eastern Indonesia. - Authority passed to regional government boards (<i>Dewan Pemerintah Daerah</i>) or governors in their capacity as the provincial head.

Period	Legal Bases	Remarks
Provisional Constitution of 1950 (1950 - 1959)	• Law 22/1948 • Government Regulation (<i>Peraturan Pemerintah</i>) 20/1952	• Reintroduction of Law No. 48, 1948 and enactment of a number of regulations on decentralization • Formation of seven (7) autonomous provinces in Java and Sumatera and transfer of a number of functions from the central government to the provinces • Formation of eighty one (81) <i>kabupaten</i>, eleven (11) municipalities and eight (8) administrative units within the provinces together with the delegation of research to these new autonomous regions • Formalization of the procedures for the election of members of the Regional People's Representative Council (<i>Dewan Perwakilan Rakyat Daerah</i>) • Adoption of the principles of equity and uniformity for regional finance principles to prevent interregional tax disparity • Introduction of deconcentration concept through the placement of representative offices of various branches of the national government (<i>jawatan</i>) in the regions
<i>Orde Lama</i> (Old Order) (1956 - 1965)	• Law 1/1957 concerning the principles of regional government based on the Provisional Constitution of 1950 • Law 18/1965 based on the 1945 Constitution. •	• Introduction of three broad concepts: (i) the real autonomy concept, (ii) the strata of regional government; and (iii) elected head of the region (<i>Kepala Daerah</i>) who represents the regional government and chairs of the regional government board (<i>Dewan Pemerintahan Daerah</i>). • Distinction made between self-governing regions (<i>daerah swatantra</i>) and special regions (<i>daerah istimewa</i>) • Introduction of three (3) strata of regional governments: region or province (<i>Daerah Tingkat I</i>), the regency (<i>Kabupaten</i>), municipalities and autonomous cities (<i>kotamadya</i>) as <i>Daerah Tingkat II</i>, and <i>kecamatan</i> and lower level municipality (<i>kotapraja</i>) as the third level. • Formation of eight (8) first level and 94 second level regional governments • Promoting the concept of harmonious relationships between the central and regional governments through appointing a representative of the central government as a Chair of the Regional Peoples' Representative Council (<i>Dewan Perwakilan Rakyat Daerah</i>)

Period	Legal Bases	Remarks
<i>Orde Baru</i> (New Order) (1966 - 1998)	• Law 5/1974 to replace Law 18/1965 • Government Regulation 6/1988	• The enactment of the concept of territorial decentralization and deconcentration by dividing the country into autonomous regions (<i>daerah otonom</i>) and administrative territories (<i>wilayah administratif</i>) • Each province composed of regencies (<i>kabupaten</i>) and municipalities was further divided into sub districts (<i>kecamatan</i>) • Promoting the principles of popular participation and equity was main principle. • Highlight the importance of the role of second level regional government (<i>Daerah Tingkat II</i>) • The central government maintained its right to limit the powers of autonomous regions if not totally withdrawing them in case regional governments fail to perform their mandated functions and responsibilities.
Reformasi (1999 – 2004)	• Law 22/1999 • Law 25/1999	• Introduction of five fundamental principles: (i) democracy, (ii) people's participation and empowerment, (iii) equity and justice, (iv) recognition of the potential and diversity of regions, and (v) the need to strengthen the regional legislatures. • The local level (<i>kabupaten/kota</i>) given broad wide-ranging autonomy ("<i>otonomi yang luas</i>"). • The local level has responsibility for all governmental matters (<i>kewenangan dalam seluruh bidang pemerintahan</i>) except in the five areas of (i) foreign affairs, (ii) defense and security, (iii) justice, monetary and fiscal affairs, (iv) religion and (v) other matters. • The "other matters" responsibility is a blurred responsibility and can create the conflict of interest.
Post-reformasi (2004 – now)	• Law 32/2004 • Law 33/2004	• Local governments are authorised and have the responsibility to provide wide ranging public services in almost all sectors of community life. • More flexible framework for fiscal management relationships under the General Allocation Fund (DAU) and Specific Allocation Fund (DAK). • Criteria for DAU and DAK are based on (i) general criteria based on the net fiscal index (NFI), (ii) specific criteria based on legislative regulation and regional characteristics, and (iii) technical criteria based on technical indexes in the relevant sector.

Source: Soehino (1991); ASEAN-USAID CRMP and DGF (1992); Malo (1995); Devas (1997); Alm and Bahl (1999); Koswara (2001); Yudoyono (2001); Kansil and Kansil (2002); Rasyid (2002); Azis (2003); Mokhsen (2003); Turner et al. (2003); Erb et al. (2005)

2.3 Dynamic and Enduring Fundamental Changes

In this section, I investigate the processes that have brought about change in decentralization in Indonesia in the context of central-local relationship. The historical background of decentralization, as discussed in the previous section, brings our attention to five important laws (Law 5/1974, Law 22/1999, Law 25/1999, Law 32/2004 and Law 33/2004) that changed local government structures. These five laws show the dynamic changes of local government structures, rights and responsibilities. Indeed, the significant changes in local government administration brought about by these laws can be divided into 13 important themes (Table 4).

To analyse dynamic and enduring fundamental changes in local governments' administrations, this research uses these five laws as its main reference but emphasises Law 32/2004 and Law 33/2004. Law 32/2004 on Regional Government focuses on administrative and political decentralization and includes the guiding references for the devolution of expenditure responsibilities. Law 33/2004 on Fiscal Balance concerns financial decentralization management and distribution of resources across regions.

Law 32/2004 and Law 33/2004 have led to significant changes in local government in Indonesia. These two laws changed central-local government relationships in political, fiscal, planning process and local administration arrangements. In political arrangements, the central government no longer has the rights to control the appointment of local government chief executives (*Bupati*, *Walikota* and *Gubernur*). Local parliaments (*DPRD*) have significantly upgraded rights and responsibilities that change power arrangement at local levels.

Table 4. Changes in decentralization from Law 5/1974, Law 22/1999 to Law 32/2004

Items Changed	Law 5/1974	Law 22/1999	Law 32/2004
Local government structure	DPRD is part of the Executive	DPRD is independent	DPRD is independent
Local Election for District Head	Prerogative of national government with the Ministry of Home Affairs as key agency	DPRD's prerogative	Direct elections in which independent candidates can nominate themselves
Oversight	Executive oversees DPRD	DPRD oversees the executive	DPRD and Executive can oversee each other with proper mechanisms
DPRD as the legislative body	The population elects 1 out of 3 parties; seats allocated based on proportional representation	Closed-list Proportional Representation; many parties (>100); seating according to party list	Open-list Proportional Representation; seating depending on the number of votes the party obtained and their order in the party list
DPRD Right	DPRD rights differentiated from DPRD members' rights	DPRD rights as well as DPRD members' rights	DPRD rights as well as DPRD members' rights
DPRD Budget	Determined and managed by the Executive	Determined and managed by DPRD	Determined and managed by DPRD
DPRD summons to officials or member of community	Delegated to subordinates of witness	DPRD could impose sanction on witnesses who did not respond	DPRD could impose sanction on witnesses who did not respond
Exploration of natural resources	DPRD had no knowledge of agreements related to exploitation of region's natural resources	DPRD has the authority to provide opinion and advice	DPRD has the authority to provide opinion and advice
DPRD's Rights of Investigation	Never used as there was no Law stipulating it	The right is stipulated by DPRD themselves in DPRD Standing Order	DPRD can establish an investigation committee which comprises representatives from all fractions
Implementation of people's aspirations	DPRD just accommodated and channelled them to the Executive	DPRD was given a task to accommodate and channel people's aspirations	DPRD has a task to accommodate and channel people's aspirations
DPRD factions	There were only three (3) factions	Could be more than 5 factions	Equal with number of commissions in DPRD (3 – 4 faction depends on number of DPRD members).

Items Changed	Law 5/1974	Law 22/1999	Law 32/2004
Role of military	- Territorial command system (<i>komando teritorial</i>) enables military self-financing - Reserved seats at DPRD as part of <i>Dwi Fungsi</i> policy - Military staff seconded to government positions	- No reserved seats at DPRD - Territorial command systems remains active	- No reserved seats at DPRD - Territorial command systems remains active
Civil society	Tight restrictions on press and NGOs	Free press and proliferation of NGOs	Free press and proliferation of NGOs

Sources: Government of Indonesia (1999a, 1999b, 2004a, 2004b); and World Bank (2006b)

In fiscal arrangements, balanced funds (*Dana Perimbangan*) have been initiated to support decentralization policy. These funds include the general allocation fund (DAU), the specific allocation fund (DAK) and the revenue sharing fund (DBH). Local government can borrow funding for its local development needs from national or international financial institutions with certain mechanisms. Local governments have the rights to pass their local regulations (*Peraturan Daerah/Perda*) to maximize their local area revenues (*PAD*)³⁰ as long as it is not contradictory to national policy and higher legal regulations. In planning process arrangements, minimum service standards (*Standar Pelayanan Minimum/SPM*) and transparent and performances-based budgeting (*Anggaran Berbasis Kinerja*) become important factors in district and provincial planning.

2.3.1 Central-local political relationship

The most fundamental change in the central-local political relationship is the direct election of local chief executives (*pemilihan langsung kepala daerah/pilkada*). The *pilkada* holds the implication that *Bupati* have to be accountable and responsible to their constituency. *Bupati* no longer serve as government employees who are appointed as representatives of the central government in the district. Law 32/2004 abolishes the direct

³⁰ There are numbers of studies on *Perda* that describe how *Perda* leads to poor business climate.

hierarchy, which placed the *Bupati* as a subordinate to the Governor. The *Bupati* now only have to submit a report about the local government administration under their leadership, provide an accountability report to *DPRD* and inform the public about the report on local government administration (Article 27 item 2 Law 32/2004).

The central government can dismiss a *Bupati* under several circumstances, including at their own request or by termination (Article 29 item 1 Law 32/2004). Central government can terminate *Bupati* if they meet one of the following conditions (Article 29 item 2 Law 32/2004):

- term of office has expired and yet they continue to hold the position;
- unable to continuously carry out duties for six months;
- no longer meet the requirements of a *Bupati*;
- declared as having breached their professional oath/pledge as *Bupati*;
- fail to carry out his or her obligations; and
- have violated prohibitions imposed upon the *Bupati*.

Law 32/2004 stipulates in detail the process for terminating a *Bupati* and the legal proceedings for termination (Article 29 – 36 Law 32/2004). Law 32/2004 also changes the local legislative's (*DPRD*) position at the local level, from being a part of local government administration to being an independent institution. Under this law, the *DPRD*'s rights and obligations give more balance to the local executive's power than was the case under the previous Law 5/1974. *DPRD* members are entitled to similar rights, under their obligation to the *DPRD* as the local legislative institution, which includes rights of investigation, making inquiries and expressing an opinion (Article 43 item 1 Law 32/2004).

In carrying out their duties, *DPRD* members have the right to propose drafts of Local Regulations (*Perda*), raise questions or make an inquiry, submit proposals and express opinions, and present draft financial and administration policies to the *DPRD*

(Article 44 Law 32/2004). Meanwhile, the duties of the *DPRD* as the local legislative institution include (i) proposing the appointment and dismissal of the *Bupati* and deputy *Bupati*; (ii) stipulating district regulations and determining the district budget together with the *Bupati*; and facilitating and following up the requests of localities and communities. In addition, the *DPRD* has supervisory tasks and responsibilities for the implementation of local regulations and other laws and regulations, the *Bupati*'s decisions and the district budget and district policies.

2.3.2 Central-local fiscal relationship

Under Law 32/3004 and Law 33/2004, local government has greater financial responsibilities in terms of the expenditure and revenue systems. These laws restructure the intergovernmental transfer and revenue systems, which have changed significantly. Previously, the intergovernmental transfer and revenue system for local government relied on the centralistic system and non-budgetary transfer (Alisjahbana 2005; Devas 1989). Transfer from central government constituted the greater part of local governments' budgets. By the mid-nineties, two-thirds of the local government budget was constituted by central government transfers (Table 5). This illustrates how local governments' financial capability was heavily dependent on the central government.

Table 5. Financial dependence of provincial and district governments on the central government.

Budget Item	Provinces				Districts/Municipalities			
	1980/81	1985/86	1989/90	1994/95	1980/81	1985/86	1989/90	1993/94
Own revenues as % of budget*	24.6%	18.34 %	23.94 %	31.01 %	13.04%	18.85 %	15.86 %	11.24 %
Central Transfers as % of budget*	69.30 %	69.46 %	62.54 %	54.69 %	79.66%	63.87 %	66.74 %	70.87 %

Source: Ferrazzi (1998:50)

* Columns do not add to 100% as other regional budget items are not incorporated.

Intergovernmental transfer from central government under Law 5/1974 consisted of three important sources, namely, the Subsidy for Autonomous Regions (*Subsidi Daerah Otonom/SDO*), the *Inpres* (*Instruksi Presiden*, Presidential Instruction), the grants program and shared revenues. *SDO* were central government grants, which were allocated to provincial and local governments to cover staff salaries and other routine administrative expenditures. Local government budgets consisted of a high proportion of *SDO*, which accounted for more than half of the total local government budget (Alisjahbana 2005; Ferrazzi 2005). *SDO* effectively functioned as the central government's instrument to control local governments (Lewis 2003). The source of *SDO* came from the central government's revenues, including royalties, taxes, levies and natural resource extraction revenues from permits and shared revenues. Oil and gas shared the highest proportion of central government revenues drawn from the lucrative natural resource extraction (Alisjahbana 2005; Devas 1989).

Unfair distribution, especially for the producer areas, combined with the high level of control of politics and economics were paradoxical phenomena during the New Order period. This unfair distribution became one of the central themes in the fiscal balance between central and local governments; it was addressed by Law 22/1999 that was superseded by Law 33/2004.

The second intergovernmental transfer during the New Order period was the *Inpres* grant program. *Inpres* is the block grant aid to local government for financing general purpose and specific-purpose development activities that gave some flexibility to local government to spend the budget for their own needs. *Inpres* constituted 25 to 28 per cent of most local governments' budgets (Alisjahbana 2005; Resosudarmo 2007).

There were eight *Inpres* grants during the New Order period that were distributed through various levels of government (*Inpres Umum*) and specific national sectoral

ministries (*Inpres Khusus*). The *Inpres* grants included (i) *Inpres Desa* (village), (ii) *Inpres Kabupaten* (district), (iii) *Inpres Provinsi* (province), (iv) *Inpres SD* (primary school), (v) *Inpres Kesehatan* (Health), (vi) *Inpres Penghijauan dan Reboisasi* (regreening/reforestation), (vii) *Inpres Jalan Propinsi* (provincial roads) and (viii) *Inpres Jalan Kabupaten* (district roads).

Among these eight *Inpres*, *Inpres Kabupaten* constituted a significant proportion of local governments' budgets. *Inpres Kabupaten* was allocated on a per capita basis for multipurpose programs contributing to selected local government projects (Devas 1989). Provincial government played a central role as an assessor of local government proposals, provider of guidelines and evaluator for the *Inpres Kabupaten*. This grant mechanism involved the local branch of the *Bank Rakyat Indonesia* (Indonesian Peoples Bank) in paying contractors' bills. This mechanism was intended to minimize the authorized payments or payment for unallocated projects (Booth 1989).

Other grants from the central government which were allocated to local government budgets included the 'on top fund' which served as matching funds and was usually required by aid-funded projects (Booth 1989). Proposals for these grants involved the sectoral central departments and *Bappeda*; approval was the right of *Bappenas* and the Ministry of Finance.

Beside these intergovernmental transfers, local government sometimes obtained contributions to its local development budget from central sectoral department expenditure that allocated *APBN* funds to provincial *dinas*. Then the funds were distributed to the local government's *dinas* under the control of provincial *dinas*. Local government could also obtain loans for its local development projects, such as from *Bank Rakyat Indonesia*, for market improvements. This local loan mechanism was also under the control of the central government.

On the revenue side, with reference to Law 18/1997 on Regional Taxes and Levies, local government had the authority to collect less attractive revenues from advertisement, hotels and restaurants, entertainment, street lighting, C-grade (sand and gravel) mining and surface and ground water. Mechanisms for collecting these revenues were subject to strict control by the central government. Thus, only small revenues could be collected by local government, and consequently they were highly dependent on the allotment of the central government's revenues (Ferrazzi 1998).

The Law 25/1999 restructured the previous intergovernmental transfer by providing more revenue for local governments. Local governments then received a higher percentage of revenue from natural resources, revenue which for more than three decades had fallen under the tight control of the central government. According to Alisjahbana (2005:114), this law “fundamentally altered the fiscal relationship between the central government and the [local] government”. This law was then superseded by Law 33/2004, which inaugurated several changes with regard to the percentage of natural resource revenue shared, with special allocations for Aceh and Papua as special autonomy areas (*otonomi khusus*). The divisions of intergovernmental transfer remained similar.

The structures of local government's budget consist of a balancing fund (*dana perimbangan*), local government revenues (*PAD*), local loans (*pinjaman daerah*) and other legal sources of income (Article 5 and 51 Law 33/2004). *Dana perimbangan* includes a general allocation fund (*dana lokasi umum/DAU*), a specific allocation fund (*dana alokasi khusus/DAK*) and shared revenues (*dana bagi hasil/DBH*) (Article 10 Law 33/2004). Sources of *PAD* are local taxes, levies, results of management of separate local assets and other legitimate income (Article 6 Law 33/2004). Loans to local government can come from central government, other local governments, bank financial institutions, non-banking

financial institutions and communities, whose mechanisms and processes are subject to central government guidelines and *DPRD* approval.

The general allocation fund (*DAU*) is a general-purpose grant to equalize fiscal capacity³¹ across sub-national governments. *DAU* allocations use a specified formula which refers to population, area, and the size of the fiscal gap between expenditure needs and fiscal capacities. *DAU* is the core of the new system of inter-governmental transfers, which has effectively replaced the *SDO* and *Inpres* block grants transferred during the pre-1999 period. Allocations of *DAU* are mostly to cover routine expenditure, especially public servants' salaries.

The special Allocation Fund (*DAK*) is a specific purpose matching grants fund, which is sourced from a relatively small pool of central government revenues. The objective of *DAK* allocation is to assist local government to finance special needs that cannot be covered through the *DAU* formulation. This grant addresses the specific needs of particular areas, are mostly for the provision of basic services (health, education and infrastructure) and other services (public administration infrastructure, marine and fisheries and the environment). The *DAK* allocation depends on the availability of central government resources. In order to receive *DAK*, local governments must provide a counterpart fund of at least 10 per cent of the total allocated *DAK*. The counterpart fund must be allocated on *APBD* (Article 41 item 1 and 2 Law 33/2004). However, there are exceptions made for those local governments with lack fiscal capacity (Article 41 item 3 Law 33/2004).

Revenue Sharing Funds (*DBH*) is a major breakthrough in the distribution of revenues from natural resource extraction (oil, gas, mining, forestry and fishery). *DBH*

³¹ Fiscal capacity is money available for local development programs.

modified the previously unfair or unclear revenue sharing mechanisms during the New Order period and divided the revenues into certain percentages for local governments, especially resource-producing local government. The subjects of shared revenues are more varied. The calculation of *DBH* percentage must allocate a special revenue sharing percentage for producing areas (Table 6). Central government still holds the largest percentage of royalties from oil (84.5 %) and gas (69.5 %).

Table 6. Tax and Natural Resource Revenue Sharing Scheme between Central and Sub-national Governments before and under Decentralisation (% of allocation)

Source	Pre-decentralization			Decentralization				
	CG	PG	LG	CG	PG	RPLG	OLGP	OLG
Land and Building tax	10	16	64	10	16.2	64.8	0	0
Land and building transfer fee	20	16	64	20	16	64	0	0
Income tax	100	0	0	0	40	60	0	0
Oil	100	0	0	84.5	0	15.5	0	0
LNG	100	0	0	69.5	0	30.5	0	0
Geothermal	0			20	0	80	0	0
Mining-land rent	20	16	64	20	16	64	0	0
Mining-royalty	20	16	64	20	16	32	32	0
Timber Concession Fee (IHPH)	30	56	14	20	16	64	0	0
Forest Resource Rent provision (PSDH)	55	30	15	20	16	32	32	0
Reforestation Fund	100	0	0	60		40		0
Fishery exploitation levy	0			20	0	0	0	80
Fisheries products levy	0			20	0	0	0	80

Note: CG: Central Government, PG: provincial governments; LG: local governments; RPLG: resources-producing local governments; OLGP: other local governments in the province; OLG: all other local governments.
Source: Articles 12- 18 Law 33/2004; Alisjabana (2005); Resosudarmo (2007)

The new revenue sharing arrangements increase local revenues, especially for *kabupaten* in resources-rich areas, such as Kutai Kertanegara in East Kalimantan and Siak Sriindrapura in Riau. These new arrangements also regulate the sharing of revenues from fisheries, which was unclear before 1999. Fisheries revenue consists of revenue from the

fishery exploitation levy (*pungutan pengusahaan Perikanan/PPP*) and fisheries product levy or output tax (*pungutan hasil Perikanan/PHP*). These revenues come out of the central government revenues and are shared in the same proportion to districts and municipalities throughout Indonesia (Article 18 Law 33/2004).

Local Area Revenues (*Pendapatan Asli Daerah/PAD*) are revenues that a local government can raise directly from within its own jurisdiction from three major sources: local taxes, local levies and revenues from local government assets, such as local government enterprises (*Badan Usaha Milik Daerah/BUMD*). Local governments can create their own taxes and levies through local by-laws (local regulations/*Perda*) following certain criteria, but with approval of central government. *PAD* constitutes a smaller portion of district revenues relative to balance funds.

Law 33/2004 authorized local governments to seek funding for their development needs through loans schemes with reference to conditions and predictions of national economic development (Article 49 Law 33/2004). Local government loans consist of short term (less one year), medium term (one to five years) and long term (more than five years) loans. The medium and long terms loans had to secure approval from the *DPRD* (Article 53 item 4 Law 33/2004). Total cumulation of local government loans should not exceed 60 per cent of the Gross Domestic Products of the ongoing fiscal year. Local government cannot raise loans directly from foreign parties unless through the central government.

The last category of local government revenue sources is derived from other legal sources of income, for example grant and emergency funds from domestic sources or overseas (Article 43 and 44 Law 33/2004). This miscellaneous income is related to emergencies.

Several laws and regulations frame all these local government revenue arrangements and implementation. There are four organic laws that administer local government planning and budgeting, accounting and financial reporting, treasury and audit. These laws are:

Law 17/2003 on State Finances as a legal framework for a unified budget;

Law 1/2004 on State Treasury as reference to a variety of financial management functions;

Law 15/2004 that provides for the audit of all governmental units; and

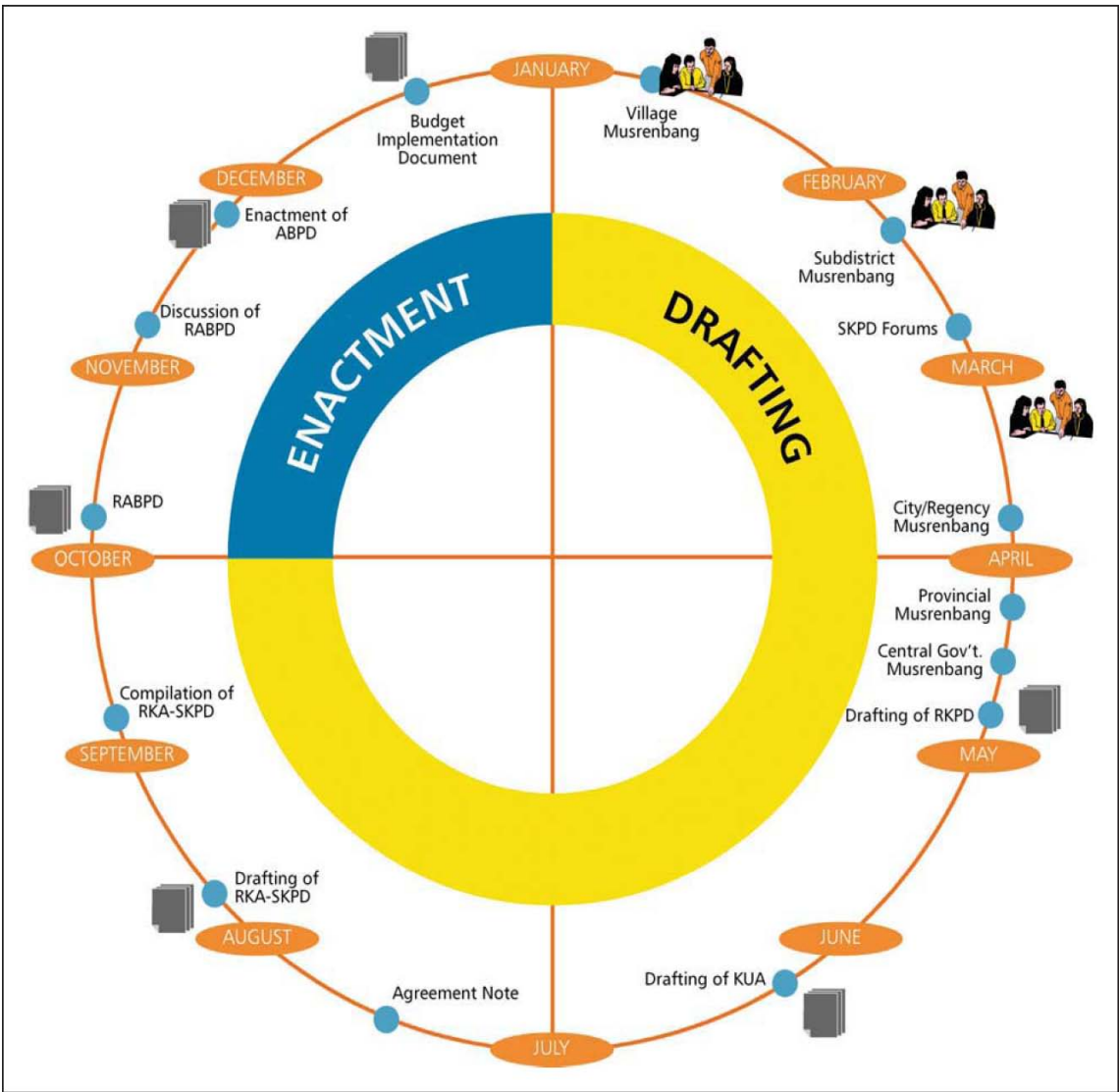
Law 25/2004 on developmental planning as a guideline for local government planning.

The guidelines for daily operations of local government finance is the Government Regulation (*Peraturan Pemerintah/PP*) 58/2005 concerning management of local government finance, which derives from Law 33/2004. The Ministries of Finance and Home Affairs jointly developed the *PP* 58/2005 that brought comprehensive changes to regional planning, budgeting, accounting and financial reporting.

2.3.3 Central-local planning process relationship

Changes in central-local political and financial relationships affect the central-local planning relationship. The main change is that local governments have more authority to draft and elaborate the needs and budgets required for their local development. The changes also emphasize two annual planning processes at the district level: the bureaucratic sectoral planning process carried out by Local Government Technical Departments (*Satuan Kerja Perangkat Daerah/SKPD*), and the participatory spatial planning process of the Development Planning Deliberative Meeting Forums (*Forum Musyawarah Perencanaan Pembangunan/Forum Musrenbang*). These two planning processes take a year, from drafting to enactment of the local budget document (*APBD*)

which runs according to Indonesia’s fiscal year from 1 January to 31 December (Figure 9 and Table 7).



APBD = annual budget; KUA = (*kebijakan umum anggaran*) General Budget Policy; RAPBD = draft annual budget; RKA = work and budget plan; RKPD = (*Rencana Kerja Pemerintah Daerah*) Local Government Work Plan; SKPD = (*satuan kerja perangkat daerah*) Local Government Technical Department; and musrenbang = bottom-up planning process.

Figure 9. Annual budget preparation cycle
Source Lewis (2003:15)

Table 7. Annual district planning cycle

Month	Activities
Jan	Fiscal year begins; The Planning Development Agency (<i>Bappeda</i>) formulates a document called the “Regional Economic Framework” (<i>Kerangka Ekonomi Daerah</i>), comprising a projection of revenues and expenditures based on the previous year’s budget, and a list of local government activities, referring to the Medium-Term Development Plan and the Strategic Plans of the Local Government Technical Departments (<i>SKPD</i>); All activities related to public services are discussed in public meetings called the Development Planning Deliberative Meeting Forums (<i>Forum Musrenbang</i>); and <i>Musrenbang</i> at the village level begins in January
Feb	<i>Musrenbang</i> at the subdistrict level
Mar	<i>Musrenbang</i> at the district level
Apr-May	All activities coming from the various technical departments. <i>SKPD</i> are coordinated and written out in the form of a document called annual regional development plan (<i>Rencana Kerja Pembangunan Daerah/RKPD</i>)
Jun-Aug	Drafting of <i>KUA of APBD</i> , prepared on the basis of <i>RKPD</i> ; Formulation of provisional priorities and budget ceilings for each work unit; and Drafting of the Local Government Technical Department Work Plans (<i>Rencana Kerja Satuan Kerja Perangkat Daerah, Renja SKPD</i>). Based on the priorities and ceilings that have been set, the technical departments prepare budget estimates for their work programs (<i>RKA-SKPD</i>) and submit these to the local government.
Sep	Compilation of <i>RKAs</i> submitted by the various technical departments.
Oct	Finalization of the draft budget (<i>RAPBD</i>), done by the Executive Budget Committee comprised of the <i>Bappeda</i> (for activity budget) and <i>BPKD</i> (for the personnel budget), coordinated by the regional secretary (<i>Sekda</i>); Local government prepares draft local regulation on the draft budget (<i>RAPBD</i>) to seek approval from <i>DPRD</i> ; Discussion meetings between the legislature and the executive branch; and Drafting of the <i>RAPBD</i> note.
Nov	Discussion of the budget by the <i>DPRD</i> Enactment of the budget by <i>DPRD</i> .
Dec	Drafting of Budget Implementation Document to be enacted through a decree by the <i>Bupati</i> .

Source: Lewis (2003: 16)

The output of *SKPD* planning (annual workplans) and *Musrenbang* (project lists) forms the basis for the draft annual regional development plan (*Rencana Kerja Pembangunan Daerah/RKPD*) with the draft of the estimated budget. *RKPD* is the output of district-level *Musrenbang*, which is attended mainly by district level government officials. Then, the Budget Team of *DPRD* and Regional Chief Finance Officer (*Pejabat Pengelola Keuangan Daerah/PPKD*) headed by the Regional Secretary (*Sekda*) under the

Bupati prepare the draft of the local budget regulation, (*APBD Perda/RAPBD*), which consists of the revenue budget, expenditure budget, and financing budget.

During the first week of October, *Bupati* submit the *RAPBD* to *DPRD* for approval. The approval process in the *DPRD* involves various plenary and commission meetings between *DPRD* members, heads of *SKPD* and executive budget committee members. During the process, *DPRD* members can organize meetings with their constituencies (*jaring aspirasi*) in order to identify priority projects. The approval process in *DPRD* may take up to two months but must be completed by the end of November (Beleli and Hoelman 2007).

After *DPRD* approval, the *Bupati* submits *RAPBD* to the Governor for evaluation within three days. If the Governor declares that the draft *APBD* conforms with public interest and laws, the *Bupati* announces the *RAPBD* is granted as Local Regulations (*Peraturan Daerah/Perda*). If the Governor declares that the *draft* contradicts public interest and laws, he or she returns it to the *Bupati* for amendment. The *Bupati* and *DPRD* must then jointly make the necessary changes before the *Bupati* turns the draft into a *Perda*. The Governor can terminate the *Perda* if the *Bupati* and *DPRD* still put forward a *RAPBD* without following the Governor's amendments. This termination leads to allocation of the previous year's budget as the maximum limit for the upcoming year's budget.

The enduring dynamic changes in political, financial and planning relationships under Law 32/2004 and Law 33/2004 has led to more equitable power distribution between the local executive and local legislature as well as between central and local governments. The changes also establish fairer revenue sharing arrangements especially those from natural resources.

2.4 Concluding remarks

This chapter has illustrated this dissertation's adopted definition of decentralization as authority and responsibility transfer in political, financial and planning from central government to local government, which is in line with the decentralization definition from Rondinelli and Cheema (1983). The pathways of these transfers in Indonesia's history were framed by national and local situations, such as the influence of colonial policies and the activities of local governments within the framework of a unitary state (*negara persatuan*). Under the current Indonesian decentralization policy, these transfers significantly change the relationship between political, financial and planning process arrangements. All these changed arrangements frame and influence the pathway and implementation of decentralized CZM in Indonesia, which will be discussed in the following chapters. Before discussing the history of decentralized CZM in Indonesia, it is important to look at the concept of CZM, decentralized CZM and the pathway of CZM, which are the topics of discussion for the next chapter.

3 DECENTRALIZED CZM IN INDONESIA: PATHWAY AND DEBATE

This chapter discusses the concept of decentralized CZM as a mechanism for the transfer of authority and responsibility to local governments to manage the coastal zone through a cooperative process, building trust and common understanding, strengthening local governments' capacity and enhancing upward and downward accountability mechanisms. In doing this, the chapter defines several important terms, including coastal zone, CZM, integrated CZM and decentralized CZM. The chapter then examines the policy of decentralized coastal zone management that is closely linked with the history of coastal zone management in Indonesia and the evolution of the decentralization policy as described in Chapter 2. This chapter is therefore divided into four sections.

3.1 Coastal Zone

The term, 'coastal zone' is associated with a variety of public programs, projects and activities at the local, national and international levels. Some scholars use the term "coastal area" refer to similar regions, although there is a distinction between the terms "coastal zone" and "coastal area" (Kay and Alder 2005). This study uses the term coastal zone.

The most accepted definition of coastal zone refers to the transitional region between terrestrial and marine zones. In a coastal zone, both terrestrial and marine environments influence each other (Carter 1988; Clark 1996; Kay and Alder 2005; Woodroffe 2002).

A coastal zone is a unique ecosystem that derives its dynamic influences from terrestrial and marine ecosystems. Each ecosystem has its specific characteristics and the

interactions between the two ecosystems are ever-changing due to natural fluctuations in biological, chemical and geological attributes. A coastal zone benefits from the interaction of three bio-ecological systems: land and sea, sea and air, and sea and sediments (Carter 1988; Clark 1996). These interactions make a coastal zone one of most productive ecosystems with abundant natural resources (Woodroffe 2002).

The physical features of a coastal zone include coast, beach or shore and near-shore zones (Carter 1988; Clark 1996; Kay and Alder 2005; Woodroffe 2002) (Figure 10). The coast is the area beyond the backshore in a landward direction. The seaward area beyond the coast is known as the offshore, where oceanic influence is predominant. A coastal zone extends seaward to the extreme low tide mark, and landward in several ways through the influences of tidal and salinity, including the area covered by extreme high tides and/or coastal flooding.

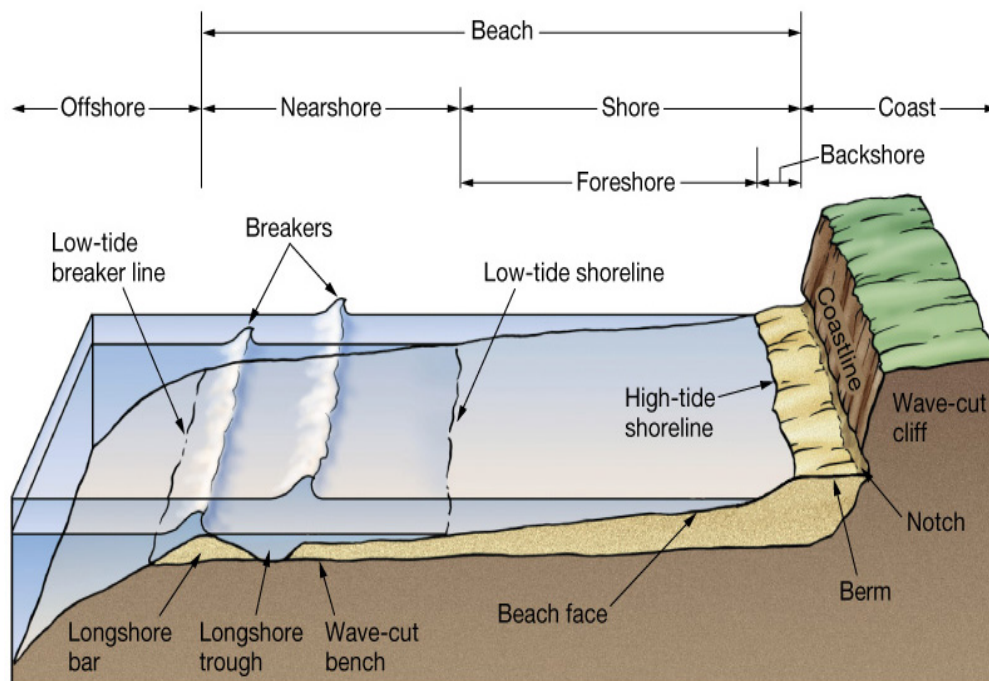


Figure 10. Geography of coastal zone
Source: Millersville University of Pennsylvania (2006)

A coastal zone can support many coastal communities and economies. A coastal zone also provides functions and services for different human purposes and activities such as tourism, fisheries, transportation, mining and communication³². These multiple uses make a coastal zone an area of highly intensive exploration and exploitation. These multiple uses combined with rapid economic and industrial growth in recent decades, have attracted an increasing number of people to live in coastal zones (UNEP RRCAP 2004). This increased population has led to significant impacts on coastal zones (Adeel and Pomeroy 2002; Burke and Spalding 2002; UNEP RRCAP 2004).

3.2 CZM and ICZM

Coastal Zone Management (CZM) involves the process of planning, managing and controlling the utilization of a coastal zone for various activities and purposes³³. Similarly in Indonesia, definition of CZM refers to managing and controlling the utilization of a coastal zone for various activities (BAPPENAS/CIDA 1987; Dahuri et al. 1995). CZM covers permitting, licensing, funding, and development activities in the coastal zone in line with government policies (Dahuri et al. 1995). Law 27/2007 on Coastal and Small Island Management provides a definition of CZM as follows:

Management of coastal zones and small islands is a process of inter-agency planning, exploitation, control and management of coastal zones and small islands resources, between central and local governments, between the land and marine ecosystems, as well as between science and management, to enhance people's prosperity. (Article 1 item 1 Law 27/2007)

In line with this definition, there are three important relationships in CZM (Cicin-Sain and Knecht 1998; Clark 1996). First is the relationship among people who live, use,

³² See also Pomeroy (1994); Dahuri et al. (1995); Dutton and Hotta (1995); Pomeroy (1995); Dahuri (1996); Dahuri and Dutton (2000); and UNEP (2001)

³³ See also Knecht (1993); Clark (1996); Dahuri (1996); Soegiarto (1996); Idris and Siry (1997); Cicin-Sain et al. (1998); Sorensen (1993a, 1993b, 2000); and Olsen (2003)

or otherwise are concerned (in their beliefs or behaviours) with the coastal zone. Then, there is the relationship between policy makers and managers whose decisions and actions affect the behaviour of coastal peoples. A relationship also exists among members of the scientific community: natural scientists who study the coastal environment and social scientists who study human behaviour in coastal zones. These three relationships are complex and often not limited to the administrative boundaries of a coastal zone.

For management purposes, the boundaries of a coastal zone are influenced by political context and by country specifics (Table 8). The boundaries of a coastal zone can be pragmatically defined by including the areas and activities that are related to management issues. For example, in Indonesia, according to Law 32/2004, the coastal zone boundaries of a *kabupaten* enclose one third of the provincial authority area (12 nautical miles) seaward, while the landward boundaries follow the administrative boundaries of the sub-district (*kecamatan*) of the *kabupaten/kota*³⁴.

The complexity of utilization and interaction in coastal zones requires an integrated approach to maintain the continuous benefit and productivity of the coastal zone (Clark 1996). The current integrated approach to CZM, known as integrated coastal zone management (ICZM), provides a conceptual framework for the ecologically sustainable use of coastal resources. This concept is associated with the effort to achieve the best long-term and sustainable use of coastal zones (Burke and Spalding 2002).

ICZM covers all aspects of a coastal zone such as existing economic activities, development planning, natural resource conservation and utilization (Cicin-Sain and Knecht 1998; Clark 1996; Olsen 2003; Sorensen 1993a). It addresses multi-stakeholder

³⁴ Law 27/2007 on Coastal Zone and Small Islands Management clearly defines the landward boundaries, which follow the *kecamatan* (sub-district) boundaries.

conflicts of interest through the utilization of an inter-disciplinary approach that engages effectively with the complexity of coastal zones (Westmacott 2002).

Table 8. Selected examples of coastal zone and its boundaries.

Country (Source)	Landward Boundary	Seaward boundary
Indonesia (Law 32/2004)	Sub-district (<i>kecamatan</i>) boundaries	12 nautical miles for provincial waters, and one third of provincial waters for regency or municipality.
Brunei (ASEAN/US CRMP)	All land and water areas 1 km inland from MHW and areas inundated by tides any time of the year.	From MHW to 200 m isobaths
Costa Rica (Law of the Marine and Terrestrial Zone 6043)	200 m from MHW	Not available
Ecuador (URI/CRMP)	Variable line depending on issues in five special management areas.	Not available
Malaysia (ASEAN/US CRMP)	District boundaries	Up to 20 km off shore to include islets off Mersing
ICZM Sarawak	Edge of tidal boundary	EEZ
ICZM Sabah	60 meters contour line	12 Nautical miles
ICZM Penang	Entire island and mainland	12 Nautical miles
TWG-1	5 km	EEZ
Singapore (ASEAN/US CRMP)	Entire island	Territorial waters and offshore islands
Philippines (ASEAN/US CRMP)	Boundaries of coastal municipalities and inland municipalities with brackish water aquaculture	100 fathom isobaths
(ADB)	Inner regions in marine dependant systems or 1 km whichever is the greatest	Outer reaches of fisheries resource systems which are associated with or influenced by the coast
Sri Lanka (Coast Cons. Act 1981)	300 m from MHW	2 km from MLWM
Thailand (ASEAN/US CRMP)	District boundaries	Shallow continental shelf
United States		
New Jersey	30 m - 30 km depending on urban conditions	Tidal, bay and ocean state waters
Rhode Island	200 feet from shoreward boundaries of coastal features and specified actions likely to damage coastal environments	Territorial sea (3 mile) excluding fishery
Hawaii (State Coastal Program)	All land except state forest reserves	State waters

Note: MLWM is Mean Low Water Mark. MHW is Mean High Water Mark. EEZ is Economic Exclusive Zone
Sources: Cicin-Sain and Knecht (1998) and Law 32/2004 Republic of Indonesia

ICZM incorporates modern principles of planning and resource management, the intensive use of information bases and interdisciplinary processes to deal with conflicts arising from the interactions of the various users and stakeholders in a coastal zone (Christie 2005a, 2005b; Clark 1996; Thia-Eng 2002; Westmacott 2002). ICZM also depends upon cooperation among level of governments in the preparation ICZM guidelines to maintain the biodiversity and productivity of marine species and habitats (Cicin-Sain and Knecht 1998).

Several definitions exist for ICZM³⁵, but perhaps the most accepted one is the following definition from Westmacott (2002:69), which includes the main elements of ICZM:

ICZM is a continuous, dynamic, iterative, adaptive and participatory process in which an integrated strategy is developed and implemented for the allocation of environmental, socio-cultural, and institutional resources to achieve the conservation and sustained multiple use of the coastal zone while taking into account traditional cultural and historical perspectives and conflicting interests and uses.

Two United Nations Conventions, the 1982 Law of the Sea Convention and Chapter 17 of Agenda 21 provide the milestones for the foundation of an ICM definition³⁶. These two conventions give the necessary prescriptions for ICM as the way forward in addressing the increasing pressures on the coastal zones (Cicin-Sain and Knecht 1998). Specifically, Chapter 17 of Agenda 21 presents a series of suggested actions that coordinating institutions should consider by undertaking the following steps:

³⁵ See: (Christie 2005a, 2005b; Cicin-Sain and Knecht 1998; Clark 1996; Courtney and White 2000; EPU and DANCED 1999; Mokhtar and Aziz. 2002; Patlis et al. 2001; Sorensen 1993a, 1993b; Vallega 2005; White et al. 2005; White et al. 2006)

³⁶ This chapter is a part of the United Nations Convention for Environment and Development (UNCED), which entitled "Protection of the Oceans, All Kinds of Seas, Including Enclosed and Semi-Enclosed Seas, and Coastal Areas and the Protection, Rational Use and Development of Their Living Resources".

- preparation of coastal and marine use plans, including profiles of coastal ecosystems and of user groups;
- environmental impact assessment and monitoring;
- contingency planning for both human-induced and natural disasters, improvement of coastal human settlements, particularly in terms of drinking water and sewage disposal;
- conservation and restoration of critical habitats; and
- integration of sectoral programs (such as fishing and tourism) into an integrated framework.

Surveys conducted in 1993 and 2000 indicated a significant increase in the number of ICZM programs and countries participating in implementing ICZM within a seven-year period (Figure 11). This increase has accelerated the rise in interdisciplinary research and CZM integration into management, as well as the use of traditional knowledge and management systems and local participation in the ICZM efforts (Christie and White 1997).

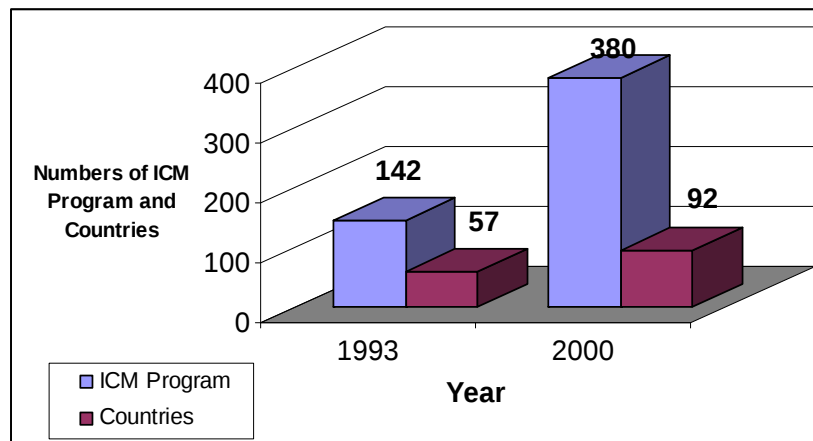


Figure 11. Increase in ICZM programs from 1993 to 2000
Source: Adopted from (Sorensen 1993b, 2000)

The theory of ICZM is sound but its implementation remains challenging. ICZM implementation often faces complex interagency relationships, stakeholder conflicts of interest and gaps in knowledge (Christie 2005a, 2005b; Clark 1996; Thia-Eng 2002; Westmacott 2002). These challenges have resulted in only a few examples of successful

implementation of ICZM (Westmacott 2002). For example, an evaluation of eight ICZM programs in Southeast Asia found that only one program had achieved most of the implementation objectives due to the complexity of the interrelationships in the implementation of ICZM (Thia-Eng 1998).

Furthermore, the success of ICZM program implementation has become the subject of considerable debate due to the lack of common evaluation criteria and inadequate measurable objectives (Thia-Eng 1998). Assessment of the effectiveness and success of ICZM must rely on a defined set of objectives and measurable criteria (Thia-Eng 1998). In the absence of such objectives and measurable criteria, evaluation of ICZM programs only refers to the number of project components implemented rather than the impact success of each component. Therefore, assessment of the effectiveness and successes of ICZM requires the establishment of a common vision and consensus (Thia-Eng 1998; Thia-Eng and Garces 1993).

ICZM program implementation faces further challenges such as poor communication among agencies responsible for managing the coastal zone and this can also lead to conflicts of interest. Obstacles exist at the local level when local governments overestimate their effectiveness in managing resources (Thia-Eng 1998; Thia-Eng and Garces 1993).

3.3 Decentralized CZM, CBM and Co-management

As a combination of decentralization and CZM concepts, decentralized CZM is an approach intended to maximize performance of delegated authority and responsibility for managing coastal zones. It operates through a cooperative process, building trust and common understanding with strong political will, strengthening local government capacity and enhancing upward and downward accountability mechanisms in handling multiple

users, interests and stakeholders in coastal zones. This means decentralized CZM deals with the design of intergovernmental relationships, evolving civil society in governance, management capacity, accountability issues and commitments (see also Lowry 2000).

Lowry (2000) divides decentralized CZM into five categories with reference to levels of relationships and the flow of power (Table 9). The types of decentralized CZM are: (i) classic deconcentration, (ii) coercive devolution, (iii) cooperation devolution, (iv) devolved experimentation, and (v) local entrepreneurship (Lowry 2000).

Table 9. Types of decentralized CZM

Type	Level of relationship	Flow of power	Remarks
Classic deconcentration	One way; top-down	Direct from upper level to lower level of government	- Needs high knowledge and skill of upper level. - Top-down review
Coercive devolution	One way; treats the lower level as the regulating agents	Direct from upper level to lower level, but more diverse	- Higher understanding among the levels of government is essential - Requires sufficient knowledge from lower level, and sophisticated design from upper level
Cooperative devolution	Two way; bottom up and top down	Two ways with the partnership treatment	- Lower level must have management capacities, and upper level must have power to assure legal devolution. - Two-way accountability mechanisms. - Building lower level commitment by on-going interaction.
Devolved experimentation	Two way; bottom up and top down	- Two-way with more concern to local capacities, resources and solutions. - Special treatments apply for experimentation.	- Required strong leadership from lower level and community. - Accountable upward to upper level. - Needs collective self management
Local entrepreneurship	One way; bottom-up	- Less power influences from upper level. - Rely on the initiative and capacity of lower level to manage	- Needs strong local knowledge, leadership and readiness from community and lower level of Government to implement the programs. - Accountable applies to lower level by local resource users and community residents.

Source: Adopted from Lowry (2000).

Implementing decentralized CZM faces several challenges (Lowry 2000). These challenges are related to the implementation and maintenance of interrelationships resulting from the balancing of power and responsibilities between central governments and other levels of government and NGO actors (Christie et al. 2005c; Courtney and White 2000; Courtney, White, and Deguit 2002; Lowry, White, and Courtney 2005; White 1986; White et al. 2005; White and Cruz-Trinidad 1998; White et al. 2006).

Implementing decentralized CZM requires a shift in management regimes from conventional management (top-down management) to more participative decision-making management. To carry out this shift, appropriate rules and regulations must be exercised in order to accommodate the multiple interests and participative aspects of decentralized CZM. There are two approaches available to accommodate different interests and participative aspects in decentralized CZM, namely, community-based management (CBM) and co-management. Each approach has its own distinct characteristics (Table 10).

CBM is people-centred, community-focused resource management where the local community takes primary responsibility for major decision-making (Israel 2001). This approach has become popular since the 1990s due to the previous absence of community and other stakeholders in the planning, implementation and management of the coastal zone (Israel 2001) and the fact that such an approach was not allowed by the government. The community-based approach has been an important innovation because it encourages greater community responsibilities over activities to sustain the use and management of valuable resources in the coastal zone (Berkes 2003; Israel 2001). In this scheme, communities share a certain level of management responsibility, including the ability to regulate and control access and use of the resources (Berkes 2003; Israel 2001).

Co-management refers to the sharing of responsibility between government, local community, non-governmental organizations (NGOs) and other stakeholders in CZM

(Pomeroy and Williams 1994). Co-management has also been called collaborative, joint, mixed, multi-party or round-table management (Borrini-Feyerabend et al. 2000). As a sharing arrangement, co-management aims to achieve joint responsibility and authority for resource management through cooperation between government and local resource users. Co-management emphasizes community involvement and capacity building in the management process (Israel 2001).

Table 10. The variable characteristics of community-based and co- management

Characteristic	Community based management	Co-management
Spatial Application	Site-specific (small)	Multiple networked sites
Primary Authority	Local decision making structure and residents	Shared; national government with ultimate authority
Responsible Parties	Communal; local decision making bodies	Multiple stakeholders at local and national levels
Participation Level	High at a local level	High at multiple levels
Timing of Efforts	Rapid initiation; required broad buy-in, slows decision making process	Moderate initiation; slow decision making process with all stakeholders
Management Flexibility	Highly adaptive; sensitive and responsive to changes in natural surroundings	Moderately adaptive; responsive to changes in natural surroundings with adequate time
Human and Financial Investment	Uses existing human resources; moderate to low financial costs	Builds human resources at multiple levels; moderate to high financial costs
Sustainability of Efforts	Short time frame without ongoing external support	Ongoing if effective, equitable coalitions built
Procedural Orientation	Impact oriented over the short term; designed for local site conditions only	Impact oriented over the long term, process oriented over the short term; designed for multiple sites
Legal Orientation	<i>De facto</i> resource control; <i>res communes</i> or private property rights	<i>De jure</i> resource control; communal, private, or public property rights

Source: (Berkes et al. 2001)

3.4 Pathway of decentralized CZM in Indonesia

The time frame of decentralized coastal zone management can be divided into five periods, the pre-colonial, pre-independence or colonial, post-independence (1945 – 1950), Old Order (1950 – 1966), New Order (1966 – 1998), and *reformasi* (1999 – present) periods. Each period encompasses of legal, political and management frameworks in utilizing coastal resources within this time frame, decentralized CZM has been an ‘on and off’ policy.

3.4.1 Pre-colonial

In the pre-colonial period, customary rights were the most common and fundamental tools in managing coastal resources. The coastal resources belonged to a particular clan or local group or were recognized as common resources by two or three neighbouring clans/groups (Putra 2003). The division and use of resources followed the clan/local group rules with proportional rights for clan members (family) and often a greater portion for clan leaders (Adhuri 2002, 2003). The primary resource utilization was for subsistence (daily food and material consumption) and extractive exchange (harvested for barter and trade).

The clan/local group recognized, revitalized, transferred and adapted rights through intergenerational succession (Putra 2003). The clan/local group applied legal and social sanctions to non-members or non-assigned clan members in using the recognized coastal resources (Adhuri 2002, 2003, 2004). This system existed as the only means of managing coastal resources until the colonial period.

3.4.2 Colonial period

The Dutch left a significant legacy of coastal management. The Dutch colonial administration passed four related laws and regulations on coastal management (Table 11). Some laws and regulations acknowledged and recognized the customary rights of fishermen. However, no case studies have been produced that demonstrate the effectiveness of the Dutch-imposed laws that acknowledged customary rights (Yusran 2002:115). The Dutch colonization fostered a centralistic approach rather than truly acknowledging and implementing the *de jure* recognition of customary rights in its laws and regulations.

Table 11. Related laws and regulations on coastal management under the Dutch colonial regime.

Laws and regulations	Main stipulation	Remarks
Statblad 1916/157	- To regulate pearl oyster, pearl snail and coral reef fisheries that were allowed to operate within three miles of coastline. - Minister of Agriculture had the strongest position in decision-making in fisheries management - Local people who lived on the coast or in a beach area for long or short period had full rights over the marine-coastal area to approximately 9 meters depth, and this right was not transferable (Article 2)	- This law was part of a centralistic Dutch colonial management regime to regulate coastal resources. - Legal recognition of the territorial use rights, as part of common property rights - Lack of recognition of management rights of the local people - Put the local people and fishermen as authorized users instead of any "claimant" or "proprietor" of the fisheries resources.
Visscherij Ordonantie 1920/396	To regulate traditional fishery rights and customary law.	Legal recognition of the customary law in coastal fisheries
Kustvisserij Ordonantie 1927/144	- To regulate whaling exploration by prohibiting catch whaling within three nautical miles of the coast. - Exceptions for traditional fishers who had engaged in whaling for generations.	The law adapted the principle of recognition of customary law on coastal fishery.
Territoriale Zoen en Maritime Kringen Ordonantie 1939/442	- Declares that territorial water existed three nautical miles seaward from the low watermark of each island. - Fishers had free access to catch fish within territorial waters.	Local communities strongly embrace common rules on inshore waters in front of their village, such as <i>sasi</i> in Maluku or <i>seke</i> in Sangihe Talaud, North Sulawesi

Source: Yusran (2002); Putra (2003); and Satria (2006)

3.4.3 Post-independence (1945 – 1950)

The post-independence period was the period of nationalisation and naturalisation of all the identified assets under the Dutch colonial administration. During that period, the newly independent Indonesian nation took over control of all coastal resource utilization and management (Putra 2003; Satria 2006; Yusran 2002). The philosophy was that government was the primary actor in ensuring the benefits from resource utilization and management were available to all Indonesian people. Central government had the responsibility and obligation to “plan, organize and control the utilization of natural resources” (Rudiyanto 2002:113). Stipulations in the Preamble and article 33 (3)³⁷ of the 1945 Constitution (*Undang-undang Dasar 1945*) confirmed this philosophy and intention.

This centralistic approach was seen as a “fair [system to] distribute the wealth of the [coastal and] fishery to Indonesian people, as well as for the nation’ (Yusran 2002:116). A combination of a centralistic approach and strict control was seen as the most appropriate approach to realize this philosophy and for utilizing and managing the resources. Yusran (2002:116) has argued that the post-independence period was “the beginning of the centralized system of [coastal and] fisheries management” which remained strongly centralized until the end of the New Order government.

The post-independence period was a period of struggle for national sovereignty, and coastal management was not a significant issue during this time. There were no coastal or marine related decrees or regulations passed during this period (Rudiyanto 2002).

³⁷ Article 33 (3) of the 1945 Constitution states that “Land and water and natural resources therein should be controlled by the State and should be utilized for the utmost welfare of the Indonesian people”.

3.4.4 Old Order period (1950 – 1966)

During the Old Order period, national sovereignty over coastal and marine waters was the major issue in coastal management. Prime Minister Ali Sastroamidjojo established the Inter-departmental Committee on 17 October 1956 for preparing the Indonesian political and legal declaration on expanded territories and boundaries in marine waters. The most important outcome of this committee was a draft of the Law on Indonesian Territorial Waters and Marine Environment (Danusaputro 1980). Prime Minister Djuanda Kartawidjaja, who replaced Prime Minister Ali Sastroamidjojo, signed his name to the draft and declared it in 1957 as a political declaration, known as the Djuanda Declaration. This monumental and fundamental political affirmation expanded the old marine boundaries and territories (Danusaputro 1980).

Three years later, parliament ratified the Djuanda Declaration and passed it as the Indonesian Marine Water Act (*Peraturan Pemerintah Pengganti Undang-undang Perairan No. 4/1960*). This passage expanded Indonesian territory approximately two and a half times³⁸ by declaring an extension to Indonesian territorial waters of 12 nautical miles from the baseline, thereby connecting the outermost points of all Indonesia's islands.

The Djuanda Declaration clearly states that the entire Indonesia archipelago and its water in between must be considered as a unitary entity. This declaration later became one of the pillars for the Archipelagic Principles (*Wawasan Nusantara*) (Djalal 2007). It became the foundation for the Indonesian diplomatic effort in recognizing Indonesia as an

³⁸ Total Indonesian territory expanded from 2,027,087 square kilometres to 5,193,250 square kilometres (Rudiyanto 2002: 134).

archipelagic state³⁹ and the expansion of the Indonesian Exclusive Economic Zone (EEZ) at the third United Nations Conference on the Law of the Sea (Gaynor 2007).

The Old Order government also passed the Basic Agrarian Law (*Undang-undang No. 5/1960*)⁴⁰ which recognized waters and fishery rights as agrarian domains (Saad 2000a, 2000b, 2003). However, how these water and fishery rights were implemented remained unclear. The law contained little guidance on the rights and ownership over waters and fishery resources.

The primary interest of the Old Order government in marine waters focussed on the efforts to assert territorial control over those waters, to regulate activities therein, and to create some kind of national political identification (Djalal 1995). Natural resources played only a minor role in establishing the new boundaries until the end of the Old Order in 1966. The government had not recognised the significance of oil in these waters yet, and fisheries remained small-scale traditional operations.

3.4.5 New Order period (1966 – 1999)

Under the New Order government, marine and coastal resources, mainly in the form of oil and offshore mining exploration, became one of the biggest potential assets for development. Tangible economic benefits were the primary motives of the New Order government's awareness of marine and coastal issues. A combination of high revenue and high risks from on-shore and offshore oil and gas exploration led the government to liberalize regulations, in order to attract foreign investment to stimulate economic production.

³⁹The concept of archipelagic states was adopted in Part IV of United Nations Convention on the Law of the Sea (UNCLOS) Articles 46 – 54.

The New Order government applied production-sharing mechanisms⁴¹ in petroleum exploration and production, whereby foreign investment took on part of the responsibility for capital-supply, high risks and using advanced technology (Rudiyanto 2002). As a consequence of this concept, oil and gas exploration in marine and coastal areas became massive and were dominated by petroleum exploration activities (Dahuri 1992). Oil and gas exploration in marine and coastal areas accounted for 60 per cent of total petroleum exploration in Indonesia during this period (Rudiyanto 2002).

Aside from economic benefits, management of marine and coastal areas under the New Order government was influenced by international and regional geopolitical situations (Putra 2003; Rudiyanto 2002; Saad 2003). Indonesia played an active role in the initiation and formulation of various international and regional conventions. National sovereignty and jurisdiction issues were reflected in Indonesian policy relating to international concerns, and in this regard, Indonesia ratified a number of international conventions (Table 12). However, these collective actions were also a reflection of “a single purpose, sector by sector approach to national marine and coastal policy “(Rudiyanto 2002:135).

Table 12. List of ratifications of international conventions or multilateral documents.

No.	Convention	Ratified	Main Provision or Related to
1.	UNCLOS (United Nation Convention Law of the Sea) 1982	Law 5/1983	Extending jurisdiction to the edge of EEZ from 12 to 200 nautical miles from base line
2	United Nation Convention on Biological Biodiversity	Law 5/1994	Obligation to protect, conserve and sustainably use biological biodiversity
3.	RAMSAR Convention 1971	Keppres 48/1991	Wetland management and protection primarily for wetland areas used by migratory birds
4.	MARPOL Convention 1973/78	Keppres 46/1986	Safety and prevention of marine pollution from shipping and tankers on the sea

Source: Putra (2003)

⁴⁰ The law regulates the rights of land ownership, the right of ownership (*hak milik*), the right of exploitation or leasehold (*hak guna usaha*); the right of building (*hak guna bangunan*); and the right of use (*hak pakai*)

⁴¹ This concept is still in use in some oil and gas exploration endeavours.

One important policy of relevance to marine and coastal zone during the New Order period was *Wawasan Nusantara*⁴² (Archipelagic Principles) that was declared in 1973. *Wawasan Nusantara* was one of the key doctrines of national development. This doctrine aimed to unite Indonesia as one political, social, cultural, economic, defence and security entity. The doctrine viewed marine waters as the connector for thousand of islands. The doctrine also made the state the distributor of benefits and revenues from extraction and exploration activities, which in many cases the state failed to fulfil.

The centralistic approach, which undermined the plurality of local, traditional and informal existences, was the main cause of the failures. Most of the laws, regulations and their enforcement during the New Order government proved to be failures. Yusran (2002) argues that most government regulations on coastal and fishery resources under the New Order government (Table 13) were centralistic and showed the hegemonic approach of the central government. Most regulations aimed to gain maximum benefits for the nation and to make loan repayments to international donor agencies (Yusran 2002:118). The regulations did not address small-scale and traditional stakeholders' interests and needs in extracting and utilizing coastal resources. Indeed, the regulations caused social conflicts and the marginalization of small-scale and traditional fishermen due to the unbalanced allocation of fishing resource rights and unhealthy competition for resource use (Satria and Matsuda 2004; Yusran 2002).

⁴² According to Anwar (2003:6) *Wawasan Nusantara*, or "Archipelagic Outlook" is "another key aspect of Indonesia's foreign policy". The root of this outlook is the efforts of Indonesia government to "win international recognition for the archipelagic principle, whereby the waters connecting the islands in archipelagic countries should be recognised as territorial waters, instead of being treated as international seas as had been the case in the past" (Anwar 2003).

Table 13. List of coastal and fishery related regulations.

No.	Regulations	Main Provision or Related to
1.	Ministry of Agriculture Decree No. 561/Kpts/UM/11/1973	Utilization of post-harvest fishery
2.	Ministry of Agriculture Decree No. 01/Kpts/UM/1/1975	Guidance for sustainable use of fishery resources
3.	Ministry of Agriculture Decree No. 123/Kpts/UM/3/1975	Determination of mesh size of purse seine for scad, mackerel, yellow strip, herring and other pelagic fish species
4.	Ministry of Agriculture Decree No. 607/Kpts/UM/9/1976	Type of fishing grounds
5.	Ministry of Agriculture Decree No. 609/Kpts/UM/9/1976	Fishing grounds for trawlers
6.	Ministry of Agriculture Decree No. 503/Kpts/UM/1980	Step for removal of the trawl at the first stage
7.	Presidential Decree No. 39/1980	Removal of trawl
8.	Presidential Decree No. 85/1984	Use of fish traps
9.	Ordinance No. 9/1985	Indonesian fishery
10.	Ministry of Agriculture Decree No. 769/Kpts/HK.210/10/1988	Guidelines for the use of bottom gill nets

Source: Yusran (2002).

During the New Order period, many conflicts also arose from the mismanagement of the marine and coastal resources (Down to Earth 2000; Purwaka and Sunoto 1997). Conflicts occurred due to the absence of community property rights and the lack of acknowledgement of the linkages between rural communities' needs and livelihood issues (Down to Earth 2000). Conflict existed because of competition among central government ministries that focussed on implementing only their own development sector, which in most cases contradicted each other.

Each ministry set its own objectives, a variety of targets and operational plans for utilizing the coastal zone and maximizing coastal resource extraction. However, most of these actions were uncoordinated, overlapping and mismatched (Dahuri 1996; Purwaka and Sunoto 1997). For example, the specific target for fisheries to expand fish and prawn cultivation for an additional 355,000 hectares required mangrove land to be cleared for ponds and supporting facilities and access. The fisheries sector made its own projection, that 1,733,000 ha mangrove forests and other wetland areas could be converted into fish and prawn ponds in the future (Putra 2003). This specific target and the projection from the

fisheries sector failed to match the target of marine conservation, which required an additional 10 million hectares by 2003 (Table 14). The target of marine conservation then became too ambitious to achieve. This mismatch exemplified how most of these sectors locked common goals and objectives and locked any understanding of the concept of environmental sustainability.

Table 14. List of general objectives and specific targets of selected sectoral agencies relating to the coastal zone

Sector	Objectives	Specific Targets
Fishery	To increase prawn and fish culture as well as fish capture in the EEZ, to increase fishery export	To increase area of fish ponds and prawn pond (mariculture) by 355,000 ha and boost foreign exchange earning by US\$10 billion by 2003
Agriculture	To increase food crop production & maintain food self-sufficiency	To produce rice, corn, soy, coconut, oil palm, rubber
Tourism	To develop tourist objects & resorts, improve tourist facilities, promote tourism	To increase foreign tourism by US\$15 billion by 2005
Mining	To explore and produce oil, gas, gold, tin & other minerals	To produce 3.2 million barrels of oil per year
Marine conservation	To protect and conserve marine reserves, mangroves, coral reefs, and endangered species	To conserve around 10 million ha of marine ecosystems by 2003
Marine transportation	To develop ports, boats, ships, improve service quality and shipping safety	To develop ships & marine transportation facilities in eastern Indonesia
Public works	To develop shoreline protection	To construct physical beach protection, manage irrigation systems, road development
Urban Development	To boost economic growth and generate local revenue.	To develop infrastructure, public housing, water supply, and health services.
Environment	Sustainable use of coastal resources	To control environmental impact and marine pollution, provision of environmental impact assessment (EIA)
Industry and trade	To develop basic industry, multi-industry, and strategic industry	To promote marine tourism
Agrarian	To develop a land tenure system and foster land management	To register land rights and land certification
Defence and security	To defend Indonesian sovereignty and jurisdiction	To maintain security on the sea
Government affairs	To develop government systems	To promote autonomy and decentralization
Finance	To manage fiscal and monetary policies	To facilitate coastal development

Source: Putra (2003: 83)

Meanwhile, local governments, which were supposed to be the prime movers of these development targets, did not have the clear authority to manage the coastal resources in their regions. Local policies and strategies were ambiguous and conflicting and there was little attempt at elaborating clear objectives. Local government also had limited direct revenue-raising mechanisms. Local government budgets for coastal management programs depended on allocations from the central government (Section 2.3.2). This financial tie was also a mechanism used by the central government to keep regional areas under direct financial and political control. All the major areas of decision-making were either in the hands of central government or, to a far lesser extent, provincial government. Local government had almost no decision-making power. This situation continued with little change until the end of 2000 (Ferrazzi 1998).⁴³

The legal framework for local government with regard to CZM during the New Order period refers to two local government laws: the Basic Local Government Law No. 5/1974 and the Village Government Law No 5 1979. The Local Government Law implicitly restricted local government jurisdiction only to the land area down to the low water mark. Since 1974, most local governments have not had a program for managing coastal resources, and they no longer manage their shipping ports or fishing ports, which are managed by the central government (Putra 2003; Rudiyanto 2002). Meanwhile, the Village Government Law, intended to make the rural governance system uniform and certain, actually led to the neglect of customary systems of resource governance (Siry 2006).

⁴³ One good example of the challenges of local governments in setting up their legal framework on managing coastal resources is the experience of North Sulawesi province to enact the local regulation on coastal and fisheries management. For more discussions see Dutton, I.M. (2005) *If Only Fish Could Vote: the Enduring Challenges of Coastal and Marine Resources Management in Post-reformasi Indonesia*, in B. Resosudarmo (Ed.) *The Politics and Economics of Indonesia's Natural Resources*, 'SEAS, Singapore, 162-178.

There was no single specific law passed on CZM during the New Order period. The legacy of the New Order period on CZM regulations was 21 laws, four ratifications of international conventions, eight government regulations, and four presidential decrees (Appendices 3 and 4). Most of the regulations related to the CZM during the New Order period were identical in encouraging competition among development sectors; they are maintained less integrated notions, which led to legal ambiguities (Idris, Ginting, and Budiman 2007; Putra 2003; Rudiyanto 2002). Indeed, a lack of law enforcement was common, which led to ineffective management, conflict, redundancy and gaps among the development sectors. The combination of these factors led to an increase in conflicts of interest among different users and became a threat to Indonesia's coastal zone.

During the New Order period, CZM in Indonesia was only a small part of the national development plans (*Rencana Pembangunan Lima Tahun/REPELITA*). In the first long-term 25-year development plan (1969–1993), the main concern of the New Order regime was economic development, which was to be based on the intensive extraction of natural resources such as timber, oil, gas, gold and coal (Dahuri 1996; Dahuri and Dutton 2000; Pratikto 2001; Rudiyanto 2002). The implementation of such a development plan led to large-scale detrimental environmental impacts, especially the biophysical degradation of marine and coastal regions in the heavily populated areas of Java and Sumatra (Dahuri 1996).

Starting in 1987, the national government began to consider the importance of coastal resources within both economic and political frameworks. A study funded by the Canadian International Development Agency (CIDA) in 1987 estimated the contribution of coastal resources to the national economy. This study confirmed that more than 22 per cent of the Indonesian Gross Domestic Product (GDP) came from marine coastal resource

production, such as oil and gas, marine transportation, marine related industries, fisheries and marine tourism (BAPPENAS/CIDA, 1987).

The results of the CIDA study triggered the National Development Planning Board (*Bappenas*) to take into account marine and coastal resources within the structure of long-term development policy. Dahuri and Dutton (2000) argued that the CIDA report encouraged policy makers to change their views so that for the first time, policy makers in Indonesia could declare that marine and coastal resource management should become a sub-sector in the sixth national development strategy (*Repelita*) for 1993-1998. The CIDA study stimulated a change in CZM policy at the national level and was a major milestone in CZM in Indonesia (Dahuri and Dutton 2000). The change in CZM policy called for integrated CZM and the need to involve various stakeholders in coastal zones, including local governments.

Several international donors through their CZM project initiatives specified the need to acknowledge an integrated CZM and emphasized the importance of local government involvement in CZM as part of their support packages (Idris and Siry, 1997). Total investment for coastal and marine management projects from 1987 to 1998 was approximately USD 400 million (Sofa 2000). The main donors were the Asian Development Bank (ADB), the United Nations Development Programs (UNDP), the United States Agency for International Development (USAID), the World Bank-IBRD, the Global Environmental Facilities (GEF) and the Australian Agency for International Development (AusAID).

The ADB initiative through the Marine Resources Evaluation and Planning (MREP) and Segara Anakan Conservation and Development (SACD) Projects contributed to improved national policy. It did this by strengthening the capability and capacity of government institutions and developing a strategic plan for integrated coastal management.

The most recent ADB project whose focus is on marine and coastal management is the Marine and Coastal Resources Management Project (MCRMP), which was begun in 2002 (ADB 2000).

The UNDP initiative was based on the urgent need for a strategy and action plan to optimally manage the coastal resources of Riau using an issue-based approach. The USAID initiative provided a model for integrated coastal management from the local (village) level to the district and up to the provincial and national level through a “two track”⁴⁴ approach. The World Bank and AusAID initiatives focused on institutional capacity to develop integrated coral reef management systems (Siry 2005).

Most CZM initiatives and projects during the New Order period (during the mid-to late 1990s) were too advanced and ahead of their time in that they proposed to devolve the managing authority for the coastal zone to local governments. Such proposals were not in accord with the centralistic approach at the time with its uneven decentralization. Implementing CZM in an integrated and decentralized manner was not possible during the New Order period.

Although some initiatives were carried out on an ad-hoc and piece-meal basis (Dahuri and Dutton 2000), the initiatives have positively influenced CZM policy in Indonesia. Decentralized CZM in Indonesia has benefited from the feedback, learning and the progressive accumulation of knowledge occasioned by both the successes and failures of these initiatives.

⁴⁴ A two tracks approach consists of a local and national approach. The local track approach received outstanding and unparalleled support from provincial and local governments, research and community groups. For the national track approach, many of the activities emphasized developing the institutional awareness, understanding and capacity necessary to improve coastal resource governance and in defining governance options which are workable and sustainable. Considerable attention has been given to acquiring and sharing information of relevance with central government agencies and in encouraging links (both formal and informal) between government and non-government stakeholders in coastal resources to ensure that they have a common perception of issues and access to information relevant to addressing those issues.

3.4.6 *Reformasi period (1999 – 2004) and post-reformasi period (2004 – present)*

Commencing in 2000, CZM in Indonesia entered a new phase. Fundamental changes to the Indonesian political situation, following the fall of the Soeharto regime in 1998, led to improvements in the system of governance and in the administration of coastal resources. The enactment of the two new laws (Law 22/1999 and Law 25/1999) on administrative and fiscal decentralization provided opportunities for a shift in CZM (Patlis 2005; Patlis et al. 2001). The establishment of the Ministry of Marine Affairs and Fisheries (MMAF) (*Departemen Kelautan dan Perikanan/Dep.KP*) in 1999 proved the political will and innovation from the central government on marine, coastal and fisheries affairs. The establishment of MMAF has been the most significant move so far in national policy relating to the development of CZM (Dahuri and Dutton 2000; Dutton 2005).

Law 22/1999, which was superseded by Law 32/2004, provided for administrative decentralization of CZM to provincial, district and municipality governments (Article 3 and 9, Law 22/1999).⁴⁵ Provincial governments have jurisdiction over the marine and coastal zone up to 12 nautical miles from the coastline. Local governments have the authority to manage over one third of the provincial management areas (up to four nautical

⁴⁵ Law 22/1999 was a part of the decentralization law package (Law 22/1999 on Regional Governance and Law 25/1999 on the Financial Balance between Central and Regional Government). These two laws were revised into Law 32 and 33/2004 that were concerned with the current political setting, such as direct election for local leaders (*Bupati* and City Mayor). There were no changes made to the titles of these two laws. However, articles concerning coastal issues in the previous law (Law 22/1999), Articles 3 and 9 were merged as a single article (Article 18). Article 18 of Law 32/2004 establishes a decentralized coastal zone, under provincial administration that extends up to 12 nautical miles from the coastal shoreline and over one-third of the provincial waters, seaward from the island shoreline, or 4 nautical miles from the coastal shoreline under district and municipality administration. Under this law, central government has authority and jurisdiction to explore, conserve, process and exploit the resources beyond the 12 nautical mile mark out to 200 nautical mile maritime areas, including the Exclusive Economic Zone (EEZ). The central government also has the right in to enforce the laws and regulations of waterways. The law also clearly notes that traditional fishing rights are not restricted by this decentralized coastal zone delimitation. This means that traditional fisherman can access fishing grounds beyond the decentralized coastal zone.

miles in most cases). Provincial, district and municipality governments are also required to enforce the related regulations on CZM within their designated areas.

In order to demarcate accurately administrative boundaries for provincial and local government management areas, the MMAF, in cooperation with the National Survey and Mapping Coordinating Board (*Bakosurtanal*) and the Navy's Hydrographic Service (*Dishidros*), have issued new guidelines and maps. The map was officially launched in 2004 as the Territory Map of the Republic of Indonesia/*Peta Batas Negara Kesatuan Republik Indonesia* (Departemen Kelautan dan Perikanan 2004)

Law 32/2004 allowed local government to initiate and pass its locally-based regulations on CZM. Local government can adopt and integrate traditional and local values, norms and knowledge, as well as customary law and local property rights, into its local policy. Some provincial and local governments have already passed their CZM local regulation (Appendix 5). For example, the North Sulawesi provincial government enacted the Provincial Law (*Perda*) 4/2000 to manage the Bunaken Marine National Park and Manado Bay through the setting up of an integrated management coordination body. This *Perda* also administers the collection and distribution allocation of entrance fees from these two areas. The *Perda* stipulates that 80 per cent of the collected entrance fees are used exclusively for monitoring, managing and conservation activities, such as joint surveillance, enforcement and conservation programs within the Bunaken Marine National Park (Pratikto 2001).

At the district level, the Minahasa District in North Sulawesi and the Bengkayang District in West Kalimantan have issued their local regulations (*Perda*) on CZM. The *Perda* provide guidelines for development of village-based marine sanctuaries and for the empowerment of coastal communities. The *Perda* makes provision for local government revenue to finance the implementation of decentralized CZM (Crawford et al. 2003).

To implement the mandates of Law 32/2004, the central government issued the Government Regulation 38/2007 concerning the Division of Governmental Affairs between Central, Provincial and Local Government (*Peraturan Pemerintah No. 38 Tahun 2007 tentang Pembagian Urusan Pemerintah Antara Pemerintah, Pemerintahan Daerah Provinsi dan Pemerintahan Daerah Kabupaten/Kota* or *PP 38/2007*)⁴⁶. *PP 38/2007* sets out 108 items of government responsibility on marine, coastal and fisheries⁴⁷ that are divided into seven sub-divisions. These are marine and coastal affairs (30 items; Table 15); general affairs (13 items); capture fisheries (24 items); aquaculture (22 items); monitoring and surveillance (8 items); processing and marketing (8 items); and extension, training and education (3 items). However, this division still lacks clarity in terms of the technical aspects of these matters at each level of government (Appendix 6). It contains considerable repetition and an overlap of some items, such as zoning plans and land use arrangements.

⁴⁶ This government regulation is an updated version of the *Peraturan Pemerintah Republik Indonesia Nomor 25 Tahun 2000 Tentang Kewenangan Pemerintah Daerah dan Kewenangan Pemerintah Propinsi Sebagai Daerah Otonom* (Central Government Regulation No. 25/2000 on the Authority of the District and the Provincial Government as the Autonomy Region). This PP also refers to the *Peraturan Pemerintah Republik Indonesia Nomor 106 Tahun 2000 Tentang Pengelolaan dan Pertanggungjawaban Keuangan dalam Pelaksanaan Dekonsentrasi dan Tugas Pembantuan* (Central Government Regulation No. 106/2000 Concerning Financial Responsibility in the Implementation of Deconcentration and Coadministration) for government administration division. The PP 25/2000 is intended to provide detailed provision for government administration between the central, provincial and local governments (Brodjonegoro 2004). However as Brodjonegoro (2004:2-3) has noted the PP 25/2000 “fails to close the gap between the central government obligatory functions and the local government, and the inconsistency between functions for the central government and sectors of local governments [because] of a lack of political willingness on the central government side to manage and control the formation of new local governments”.

⁴⁷PP 38/2007 Appendix cc.: *Urusan Kelautan dan Perikanan, Sub-Bidang Kelautan*.

Table 15. Division of marine and coastal affairs according to PP 38/2007

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
Marine affairs			
1. Coastal and fisheries resources	✓	✓	✓
2. Spatial planning and resource mapping	✓	✓	✓
3. Coastal zone and small island management	✓	✓	✓
4. Monitoring and law enforcement	✓	✓	✓
5. Integrated resource management	✓ including inter-provincial areas	✓ including inter-district/municipality areas	✓
6. Integrated permit system for resource extraction	✓	✓	✓
7. Coastal community empowerment	✓	✓	✓
8. Research, exploration survey on resources, technology development	✓	✓ including to coordinate and harmonize	✓ including planning, system and mapping
9. Management, utilization and protection of marine and coastal resources including shipwrecks	✓	✓ including to implement monitoring	✓ including to implement coordination monitoring
10. Management and conservation of marine and coastal resources	✓	✓ including to establish policy and arrangement	✓ including to provide technical guidance in implementation
11. Human resources and capacity building	✓	✓	✓
12. Coastal reclamation and mitigation of natural disasters in coastal zone and marine areas	✓	✓	✓
13. Maritime and authority boundaries	✓ including with neighboring countries	✓ including to coordinate national boundaries	✓
14. Ratification of international treaties	✓		
15. Mapping of resources and potentiality	✓	✓	✓
16. Harmonization of laws and regulations on coastal zone	✓	✓	✓
17. Management assigned to authority areas	✓	✓	✓

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
18. Prevention of pollution and degradation of marine, coastal and fisheries resources	✓	✓	✓
19. Rehabilitation and restoration of marine, coastal and fisheries resources	✓	✓	✓
20. Fisheries trading (allowable and excluded tradable fishes within Indonesian jurisdiction)	✓	✓	✓
21. Types of protected fish	✓	✓	✓
22. Mitigation of environmental damage in coastal zone and marine areas	✓	✓	✓
23. Maritime and marine environmental services	✓	✓	✓
24. Management and utilization of specific genetic plasma	✓	✓	✓
25. Exploration, exploitation, conservation and management of biodiversity in marine and inland waters	✓	✓	✓
26. Zoning and spatial plan	✓	✓	✓
27. Management of conservation areas and rehabilitation resources	✓	✓	✓
28. Planning, utilization, monitoring and control of spatial plan in coastal and marine areas	✓	✓	✓
29. Conservation management of fisheries and environmental resources	✓	✓	✓
30. Rehabilitation of coastal zone, small islands and marine resources	✓	✓	✓

Source: Government of Indonesia (2007)

In order to follow up the mandate arrangements for decentralized CZM, the MMAF proposed the enactment of a Coastal Zone and Small Island Management Act (*RUU Pesisir*). Following a seven year preparation and discussion process, the *RUU Pesisir* finally was enacted in July 2007 as Law 27/2007 concerning Management of Coastal Zones and Small Islands (*Undang-undang No 27 tahun 2007 tentang Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil/UU-PWPPK*). The *UU-PWPPK* enactment was a major step forward in managing coastal resources and small islands in Indonesia.

Law 27/2007 recognizes the necessity for a framework for coordination, integration and consistency in decision-making as the basis for decentralized CZM. In order to achieve the goal of setting up such a framework, the law provides voluntary, incentive-based program mechanisms that encourage the implementation of decentralized CZM. The law also provides general provisions relating to administration and implementation, such as monitoring and evaluation, conflict resolution and funding (Idris, Ginting, and Budiman 2007).

The Ministry of Marine Affairs and Fisheries has passed six (6) Ministerial Regulations (*Peraturan Menteri Kelautan dan Perikanan*) to implement the technical regulations of the Law 27/2007 as follows:

1. Ministerial Regulation Number 16/MEN/2008 on Coastal and Small Island Planning Management (*Peraturan Menteri Kelautan dan Perikanan Nomor PER.16/MEN/2008 tentang Perencanaan Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil*);
2. Ministerial Regulation Number 17/MEN/2008 on Conservation Areas in Coastal and Small Island (*Peraturan Menteri Kelautan dan Perikanan Nomor PER.17/MEN/2008 tentang Kawasan Konservasi di Wilayah Pesisir dan Pulau-pulau Kecil*);
3. Ministerial Regulation Number 18/MEN/2008 on Accreditation for Coastal and Small Island Planning Management Programmes (*Peraturan Menteri Kelautan dan Perikanan Nomor PER.18/MEN/2008 tentang Akreditasi terhadap Program Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil*);
4. Ministerial Regulation Number 20/MEN/2008 on Utilization of Small Islands and Surrounding Water (*Peraturan Menteri Kelautan dan Perikanan Nomor*

PER.20/MEN/2008 tentang Pemanfaatan Pulau-pulau Kecil dan Perairan di Sekitarnya);

5. Ministerial Regulation Number 08/MEN/2009 on Community Participation and Empowerment in Coastal and Small Island Planning Management (*Peraturan Menteri Kelautan dan Perikanan Nomor PER.08/MEN/2009 tentang Peran Serta dan Pemberdayaan Masyarakat dalam Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil*);
6. Ministerial Regulation Number 14/MEN/2009 on Sea Partnership (*Peraturan Menteri Kelautan dan Perikanan Nomor PER.14/MEN/2009 tentang Mitra Bahari*).

Starting in 2004, MMAF through its Coral Reef Rehabilitation and Management Program Phase II (COREMAP II)⁴⁸, promoted community-based marine sanctuaries and Marine Management Areas (MMAs) with two important mutual objectives: (i) to conserve biodiversity and (ii) to provide long-term economic benefit to coastal communities (Putra 2006). MMAF also supported the establishment Fisheries Reserves (*Suaka Perikanan*) and Community-based Marine Sanctuaries (*Daerah Perlindungan Laut/DPL*)⁴⁹. This strategy is a part of the COREMAP II target to establish 10 per cent of coral reef and related ecosystems as no-take-zones by 2010. In order to achieve this target, MMAF has applied a policy that coastal communities are the main promoters and players in the process of formulating and establishing management plan (Putra 2006)

⁴⁸ COREMAP is Indonesia's largest investment in coral reef management (Putra 2006). The project is a 15 year program with support from the Asian Development Bank (ADB), the World Bank (WB), Global Environment Facility (GEF), and Australian Assistance (AusAid). COREMAP II Project (2004 – 2009) is continuing implementation of COREMAP I that was initiated in 1997 as a pilot program. There are three objectives of COREMAP II; (i) to ensure biodiversity conservation and sustainable management of coral reefs and related ecosystems, (ii) to strengthen the capacity of communities and local institutions to manage coral reef and related ecosystems, and (iii) to reduce the poverty of coastal communities.

3.5 Concluding remarks

This chapter has examined and offered definitions of coastal zone, CZM, integrated CZM, CBM and co-management, particularly in the Indonesian context. It followed chapter illustrated the development of CZM policy in Indonesia, which importantly included a sectoral overlap with CZM by central ministries during the New Order period.

The chapter also illustrated the current shifting political will on CZM, which is still in transition with the enactment of Law 27/2007. The law plays a strategic role in promoting decentralized CZM by providing for the devolution of authority and responsibility to manage the coastal zone and its resources to provincial and local governments. As a new policy shift, the policy of devolution and its implementation is challenging. Shifting from centralized to decentralized settings requires adjustment and rearrangement in many aspects of central–local relationships. Dynamic local socio-political contexts strongly influence these relationships. This is the focus of the next chapters' analysis, which is illustrated in two cases studies in Konawe and Pangkep (Chapters 4 and 5).

⁴⁹ By 2007, MMAF facilitated 60 Community-based Marine Sanctuaries (DPL) in 52 villages under COREMAP II Project (Ditjen KP3K DKP 2007).

4 KABUPATEN KONAWE

This chapter presents a case study of *Kabupaten* Konawe and provides an analysis of the relationship between the dynamic local socio-political contexts and decentralized CZM implementation that led to a proliferation of administrative units (*pemekaran*) and the emergence of local elites to influence the local administration processes. The chapter is divided into eight sections. Section 4.1 introduces *Kabupaten* Konawe in general. Section 4.2 provides geographic perspectives on *Kabupaten* Konawe. Section 4.3 describes the history of Konawe. Section 4.4 presents the demographic profile and ethnographic setting of Konawe. In Section 4.5, I analyse the administrative development and proliferation (*pemekaran*) processes of Konawe. In Section 4.6, I review the Konawe economy that concerns coastal areas, fisheries and other related economic activities. Section 4.7 examines coastal and fisheries management in Konawe. The concluding section 4.8 summarizes the key points of Chapter 4.

4.1 Introduction



Kabupaten Konawe (the new name for *Kabupaten* Kendari, hereafter called Konawe),⁵⁰ one of ten districts in Southeast Sulawesi province, was named after the pre-colonial Tolaki chiefdom⁵¹. Unaaha, the capital of Konawe is about 75 kilometres from Kendari, the capital of Southeast Sulawesi. Administratively,

⁵⁰ The legal basis for this name change is the Government Regulation (*Peraturan Pemerintah*) 26/2004 concerning Changing Nomenclature *Kabupaten* Kendari to *Kabupaten* Konawe (*Perubahan Nama Kabupaten Kendari menjadi Kabupaten Konawe*), which refers to the Local Parliament Decree (*Keputusan Dewan Perwakilan Rakyat Daerah*) *Kabupaten* Kendari 37/2003.

⁵¹ See Velthoen (2001) who discussed the name change in the context of the struggle between Tolaki and ToMekongga.

there are 30 sub-districts (*kecamatan*), that are divided into 45 *kelurahan* and 359 villages (*desa*) (Appendix 7) (BPS Sultra 2007).

At the time of my fieldwork the area of Konawe was 11,669.91 square kilometres or about 42.43 per cent⁵² of the total area of Southeast Sulawesi province (BPS Sultra 2007). Konawe had 495 kilometres of coastline and 2,592 square kilometres of coastal and marine area. There are seven coastal *kecamatan*⁵³ with 84 coastal villages (Pemda Kabupaten Konawe 2005a). Current Konawe administration areas consist of 22 islands,⁵⁴ only nine of which are inhabited (BPS Sultra 2007).

4.2 Geographic and Climatic Setting

Konawe is located between longitudes 121° 15' to 123° 30' East and latitudes 2° 45' to 4° 15' South (Figure 12) (BPS Sultra 2007). Konawe district shares administrative boundaries with Central and South Sulawesi Provinces to the north, with Tiworo Strait, *Kabupaten* Muna and Buton to the south, the Banda and the Maluku Seas to the east and with *Kabupaten* Kolaka to the west (BPS Sultra 2007).

There are two seasons in Konawe, the dry season from May to October and the rainy season from November to April. Humidity in Konawe is relatively high (averaging 85%). The average rainfall, in the range of 1,500 to 1,900 millimetres annually, is distributed evenly throughout most of the district. However, the pattern can vary and in 2002, rainfall in Konawe was 2,173 millimetres with 150 rainy days. The average

⁵² This data was gathered from the presentation of the Head of Regional Planning and Development Agency (*Bappeda*) Konawe at the National workshop on Marine and Coastal Management on 2 February 2005 in Jakarta. The area of Konawe is now 10,404.62 square kilometres, after the establishment of *Kabupaten* Konawe Selatan which takes in some former parts of Konawe. The new coastal line 415 kilometres long and takes in marine areas of 2,592 square kilometres. Konawe still has 22 islands.

⁵³ *Kecamatan* Wawonii Timur, Wawonii Selatan, Wawonii Barat, Soropia, Bondoala, Sawa and Lasolo.

⁵⁴ The largest inhabited islands are *Pulau* Wawonii, Karama, Bokori, Saponda Laut, Campada, Labengki, Bawulu, Saponda Darat and Hari (BPS Sultra 2007).

temperature is 27° Celcius with temperatures range of 21° - 31° Celcius (BPS Konawe 2006).

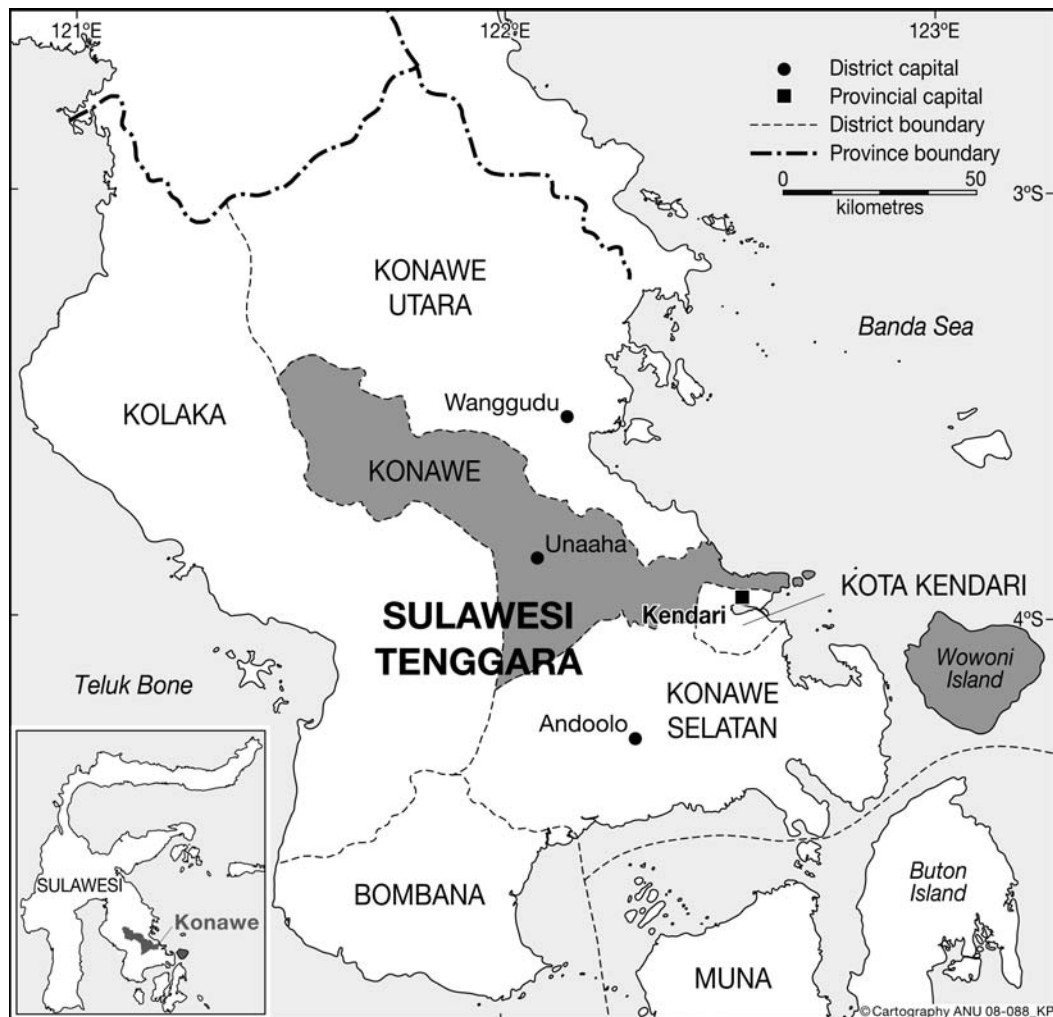


Figure 12. Map of Kabupaten Konawe, Southeast Sulawesi.

Landscapes in Konawe are generally suitable for most agriculture activities (BPS Kendari 2003). Nearly 80 per cent of the land is less than 500 metres above sea level, and most land ranges between 25 – 100 meters (31.62% of the total land mass) and 100 – 500 meters (39.98%) above sea level. Land types in Konawe are latosol (23.35%), padzolic (28.15%) and mixed textures (35.39%) (BPS Kendari 2003). Alluvial and organosol respectively account for only 4.8 per cent and 4.71 per cent of land.

4.3 Historical Perspective

Konawe was formerly part of the former kingdom of Konawe. A history of this kingdom was published as *the History of National Awakening in Southeast Sulawesi* (*Sejarah Kebangkitan Nasional Daerah Sulawesi Tenggara*) (Proyek Penelitian dan Pencatatan Kebudayaan Daerah 1979).⁵⁵ For Konawe's current local government, the symbols and legacy of the Konawe kingdom are being used for different political reasons. Understanding something of the historical background of Konawe will be of benefit in analysing local government patterns in Konawe and its challenges in implementing good governance.

Konawe mythology states that at the beginning of humankind *Sangia Ndudu*⁵⁶ came down to earth accompanied by *To Lahiang*. These two mythic figures formed the Kingdom of Konawe, and later divided the kingdom into three autonomous empires (Padangguni, Wawosela and Besilutu). Each empire had a *Mokole* (Ruler). This situation continued until *Mokole Padangguni* and *To Tongano Wanua*⁵⁷ rejoined the three empires. In that period a reincarnation of *Sangia Ndudu*, by the name of *Weikola*, was believed to have been sent to Konawe to join up the Kingdom once again. According to local folklore, *Weikola* came from Kediri, East Java, and she was associated with the Luwu Kingdom. *Weikola* married *Ramandalangi*, son of *To Tongano Wanua*, and became *Mokole More I Konawe* (Royal Queen of Konawe). This moment symbolizes the rebirth of the Kingdom of Konawe.

⁵⁵ This report contains a concise history of Southeast Sulawesi including a history of Konawe and other former kingdoms in Southeast Sulawesi such as Buton, Muna, Mekongga and Lauwui.

⁵⁶ Literally, *Sangia* means God and *Ndudu* means down to earth.

⁵⁷ Literally, *To* means man, *Tongano* means middle and *Wonua* refers to state.

In the 16th century, *Mokole Melamba* became King of Konawe. He was a brother of Halu Oleo, the first Sultan of Buton. Under *Mokole Melamba* rule, the Kingdom of Konawe reached its golden period, and most of the current mainland of Southeast Sulawesi came under Konawe control, except for Mekongga near Kolaka. In the mid 17th century, King Tebawo of Konawe, successor of the late *Sangia Inato*, restructured the government system and made it more decentralized. He divided the Konawe territory into four autonomous areas (*Siwole Mbatohuu*), appointed a cabinet (*Pitu Dulabatu*), established the Crown Prince's governing area (*Inea Sinumo Wuta Mbinosito*) and established a special area called *Andoolo*. There was also a government agency that dealt with naval security (*Kapitalau/Naval Security Chief*).

Konawe Kingdom in the 17th century consisted of 30 *Tobu*, each *Tobu* headed by a *Puu Tobu*. At the lowest level of governance structure, there were 300 smaller government units governed by *Toono Motuo* or Elders (Figure 13).

This restructured government system later disintegrated because of a lack of control and poor leadership. Indeed, the Dutch colonial government maintained an effective policy to force the division of states into small units and this made them easy to subdue and occupy. Velthoen (2001:7) has stated that “[a]round 1830 and in 1903 the polity of Konawe was no more than a loose federation of smaller units each ruled by aristocrats”. The death of *Lakidende*, the last ruler of Konawe elected by the Royal Council⁵⁸ at the end of the 18th century, led to a leadership vacuum in Konawe, since the Royal Council was unable to appoint a new king. When the Konawe Kingdom weakened, the Dutch administration found it easy to expand its power and influence into Konawe.

⁵⁸ The Royal Council consisted of four leaders of *Siwole Mbatohu*, seven cabinet *Pitu Dalu Batu* members, 30 *Puu Tobu*, and 300 *Toono Motuo*. The council was chaired by *Sulemandara*.

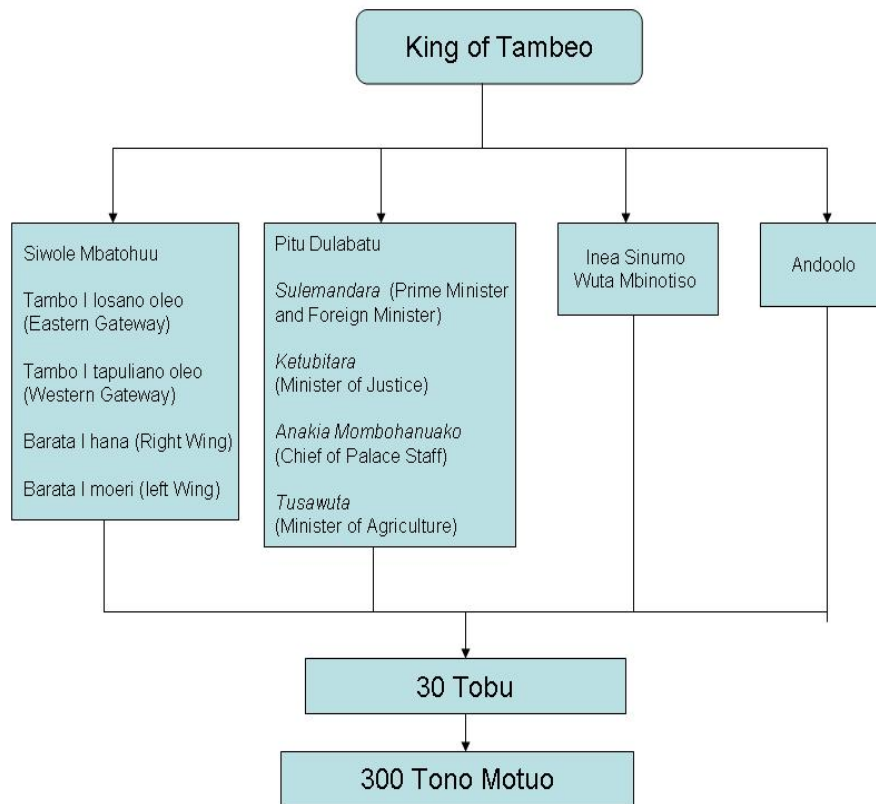


Figure 13. Structure of Kingdom of Konawe in 17th century.

Source: (Proyek Penelitian dan Pencatatan Kebudayaan Daerah 1978)

During the Dutch period Konawe was a minor kingdom compared to the powerful Sultanates of Buton and Muna. Its geographic location, situated in a remote area and away from the main waterways, was the main reason that the Dutch neglected Konawe. At this time, Konawe became separated into small autonomous units. One of the units was Laiwui, which became the strongest unit with privileged access to external trade and arms. Laiwui overtook Konawe in influence by the beginning of 19th century and Laiwui governed its kingdom by separating government administration based on geographic boundaries. Thus, Queen Maho of Laiwui appointed a *Sulemandara* (Prime Minister) to administer Pondidaha, one of the Kingdom's remoter areas.

During the same period, the Dutch appointed Assistant Resident Vosmaer, based in Kendari, to prevent Kendari Bay from being attacked by sea pirates and to ensure security for colonial trading ships in the east. Appointing a Dutch administrator in Kendari also led to a massive migration of people from Muna and other coastal islands of Southeast Sulawesi to Kendari Bay (Velthoen 2001). The stability and security of Dutch control were responsible for the region becoming a centre for inter-island commerce. To protect its interests, the Dutch government forced King La Mangu⁵⁹ of Laiwui to sign the Long Contract (*Perjanjian Panjang*) on 13 April 1858, which forced Laiwui to accept the Dutch administration. This contract became the first treaty to be signed between the local kingdoms and the colonial regime in Southeast Sulawesi.⁶⁰

Dutch occupation during the early 20th century discouraged the formation of local states and changed the internal structure of the traditional kingdoms. The Dutch appointed *district* and *onderdistrict* officers to govern Southeast Sulawesi. Later on, this system was upgraded to the *Afdeling* system. The current areas of Konawe became part of *Afdeling Buton en Laiwui*, which was formed to bring together the areas of the Sultanate of Buton (including Muna) and the Laiwui Kingdom.

During World War II (1942-1945), the Japanese forces occupied and ruled the current areas of Konawe. A military governor was based in Kendari and the Japanese created a single administrative unit combining the Kolaka, Luwu, and Mekongga areas, including the current areas of Konawe. People lived in fear of the brutality of the Japanese

⁵⁹ La Mangu was the son of Queen Mahon and King La Sambawa, the late first royal couple of the Kingdom of Laiwui.

⁶⁰ Sultan of Buton signed a similar treaty on 13 April 1860, and the Sultan of Luwu on 16 September 1861.

occupying forces. They were forced to be miners and *romusha* (forced labourers),⁶¹ at nickel mines in Pomalaa and in the asphalt pits of Buton.

The Japanese occupiers also controlled the crop harvests. The military applied the *catuh* system that forced an unequal distribution of the harvest. The military took most of the harvest and left only a small portion for the people. There was no serious local resistance to the Japanese forces except for the attacks on the *Gunco* (District Head) led by La Ode Maniru and La Ode Abdulu in Wanci. Japanese forces executed both men. The Japanese cut off the current areas of Konawe from the outside world. This period was one of extreme hardship for all the people.

After independence, the current areas of Konawe came under the jurisdiction of transitional governments. Between 1945 and 1950, the current areas of Konawe were part of the State of Eastern Indonesia (*Negara Indonesia Timur/NIT*). When this was disbanded along with the South Sulawesi government (*Hadat Tinggi*), Konawe became part of *Daerah* Sulawesi Tenggara, a sub-grouping from the old *Afdeling Buton en Laiwui* areas with the exception of North Kolaka. *Daerah* Sulawesi Tenggara was part of the Province of South and Southeast Sulawesi. In 1960, following the enactment of Government Regulation (PP) 29/1959, *Daerah* Sulawesi Tenggara was divided into four *kabupaten* (Kendari, Kolaka, Buton and Muna). Four years later, the central government declared Southeast Sulawesi as a province with the four *kabupaten* under its administration. Konawe also experienced a tightening of control over its politics with the formation of a highly centralized administration when Law 5/1974, was passed defining the regional government structure. This was followed by Law 5/1979, which decreed that all village

⁶¹ *Romusha* worked under poor condition and were treated as slaves, without food and on rests. Most of them died from starvation and disease.

governments had to be redesigned to follow a ruling that did not accommodate traditional (*adat*) institutions (Siry 2005).

The New Order period (1966 – 1998) was characterised by a highly centralized government and the dominance of party majority. The *Golongan Karya* (*Golkar* Party) has been the dominant political party in both previous and present Kendari and Konawe governments. About 60 per cent of Konawe members of parliament are *Golkar* cadres (BPS Kendari 2003) and in the 1997 election, *Golkar* obtained 98.8 percent of the votes: this trend continued for the five elections under the New Order regime (Simanungkalit, Nainggolan, and Santoso 2004). In the Post-*reformasi* period, *Golkar* continues to be the majority party in the local parliamentary elections although there was a reduction in votes in the 1999 election. *Golkar* received 68.7 per cent of votes in the 1999 general election (Simanungkalit, Nainggolan, and Santoso 2004). This situation is very similar across Southeast Sulawesi province.

In the 2004 election, *Golkar* popularity dropped to 36.67 per cent (BPS Kendari 2003). However, *Golkar* still won 11 of the 30 seats in the local parliament (*DPRD*). The existence of new parties such as *Partai Keadilan Sejahtera* (The Justice and Welfare Party), *Partai Amanat Nasional* (The National Mandate Party) and *Partai Bulan Bintang* (The Crescent and Star Party) contributed significantly to the reduction in *Golkar*'s voting majority, but *Golkar* remains the biggest single party in the region. This has allowed them to establish their own faction in the *DPRD* without forming a coalition with other minor parties.

4.4 Demographic profile and ethnographic setting

The population of Konawe in 2005 was 263,189 people with 62,876 households and a population density of 22.6 people per square kilometre (BPS Konawe 2006). Konawe population figures changed significantly in 2005 as a result of the *pemekaran* process whereby districts and subdistricts were merged or separated. Several heavily populated *kecamatan* were previously under Konawe administration but now are under Konawe Selatan administration. In 2002, before the split of Konawe Selatan, the population in Konawe was 469,767 people with a population density of 29 people per square kilometre (BPS Kendari 2003). The *kecamatan* with the highest population density in 2005 were Wawotobi and Unaaha, while those with the lowest density were new *kecamatan* such as Latoma, Langgikima, Wiwirano and Routa (BPS Konawe 2006).

The annual population growth rate in Konawe for the decade 1993-2002 was 2.67 per cent (BPS Kendari 2003). Successful family planning programs have contributed to the reduced population growth. The highest population growth in Konawe occurred during an intensive transmigration phase at the beginning of the 1970s. This program contributed to increasing population growth for the two decades 1970–1990 (BPS Kendari 2003) when the current area of Konawe was the main focus of the transmigration program from Java and Bali into Southeast Sulawesi.⁶²

The Tolaki people are the main ethnic group in Konawe and they account for almost two thirds of the total population (BPS Kendari 2003). The Tolaki are also the main ethnic group in the central and eastern part of the south-eastern Sulawesi peninsula (Tarimana 1989; Velthoen 2001). There are a number of sub-groups of Tolaki, such as the Bingkokak (Joshua Project 1999), and the Tolaki language and dialects are spread right

across the region. The other ethnic groups in Konawe are Jawa (21 %), Bugis (17.16 %), Bali (6.49 %), and Bajo (2.96 %) (BPS Kendari 2003). Members of ethnic groups from Muna, Buton and Madura are in the minority in Konawe and they account for only 2.37 per cent, 2.02 per cent and 0.14 per cent, respectively, of the total population. Other ethnic groups in Konawe in 2002 totalled 48,881 people or 14.33 percent of the population; this was comprised of representatives from most of eastern Indonesia's myriad ethno-linguistic groups.

Ethnic conflict in Konawe is rare⁶³, and any conflict that has occurred has been caused by economic disparities and land disputes between local groups (Tolaki) and migrants (Kasim and Taewa 2003). Other factors contributing to the ethnic conflict in Konawe are the politicisation of the local bureaucracy and socio-cultural differences such as appointment particular ethnic group to fullfill upper echelon (Kasim and Taewa 2003). The first two factors, economic disparities and land disputes, are attributed by migrants to the lack of work ethos and cultural values of the Tolaki people (Moita, Sabarudin, and Tawulo 2002). Meanwhile, as Syahrir and Iskandar (2003) reported, migrants have more endurance and are committed to hard work: their economic conditions are relatively better than local groups. However, Tolaki people are the dominant ethnic group in the local bureaucracy, which remains a big issue after *reformasi* and has led to downplaying ethnic-based awakenings (Eko 2008).

The Bajo are the dominant ethnic group in almost all coastal *kecamatan* in Konawe. Bajo people are mostly concentrated on the islands of Konawe and along the coast of Wawonii Island. They make up practically 100 per cent of the total population in

⁶² During 1985-1995, 59,000 formal transmigrants were relocated to Southeast Sulawesi (BPS Sultra 1996).

⁶³ One of major ethnic conflicts in Konawe occurred on 16 February 2002 when 500 Tolaki people from five villages attacked migrants and burned at least three migrants' houses (Kasim and Taewa 2003).

the villages of Bajo Indah and Saponda in *kecamatan* Soropia and Langgara Laut on Wawonii Island (Mead and Lee 2007). They also make up the highest percentage of the population (more than 75 %) in the villages of Mekar and Bokori in *kecamatan* Soropia (Mead and Lee 2007).

Tolaki coastal groups are mainly distributed along the coastal villages close to Kendari, such as Toli-toli village. A distinction can be made between Tolaki and Bugis or Bajo people in coastal areas on the basis of their different ways of life. Tolaki are likely to treat coastal resources more casually; they tend to fish in the morning and return in the afternoon (Informant C-Gen-Kon, 2005). This reflects the nature of their fishing gear and vessels, which are designed for short periods of fishing. My informants agreed that Tolaki people treat coastal resources more casually than Bugis or Bajo people who are a more enterprising group using expanded, advanced fishing gear, methods, and tend to fish for longer periods.

More than half of the Konawe population lives below the poverty line (Departemen Kelautan dan Perikanan 2007). The proportion of poor communities is greater in coastal areas. Unskilled and poorly educated people constitute the dominant profiles in Konawe coastal areas. Figures on education level reached for Konawe coastal communities show that half the people have only primary education, with only a small proportion attaining higher education (Bappeda Konawe and FT Universitas Lakidende 2004).

Islam is the major religion of the Konawe people. About 93 per cent of the population follow the Sunni tradition of Shafii scholarship (*mazhab*) (BPS Konawe 2006). The Christian Protestant population is very small, accounting for only 1.6 per cent, and Catholics form 0.5 per cent. Large sections of Balinese voluntary transmigrants in Konawe

are adherents of the Hindu religion, and they comprise 4.6 per cent of the Konawe population.

Islam was introduced into Konawe through the Kingdom of Buton and it became the state religion of Buton in the 17th century. By the end of the 18th century large parts of Konawe, Wawonii and Tinnagea were known as centres of Islamic education (Proyek Penelitian dan Pencatatan Kebudayaan Daerah 1978). Islam reached Konawe's more remote areas towards the end of the 19th century. However, Veltoen (2001:7) has suggested a different pattern of religious development in Konawe when she stated that:

Formal ties between the Tolaki aristocracy and the Bugis kingdom of Bone resulted in the introduction of Islam, but its influence remained very limited until the 1920s and 1930s when Islamic religious teachers started to proselytise in the interior, often supported by the local aristocracy.

4.5 Administrative developments

In Konawe administrative developments, administrative proliferation or *pemekaran wilayah* (literally 'blooming of districts') have been the key feature in local socio-political contexts and interaction among local stakeholders. *Pemekaran wilayah* (hereafter called *pemekaran*) is a process of administrative proliferation whereby new administrative units are created by dividing existing ones. In many ways, the *pemekaran* process contains untold stories that need further investigation to obtain a detailed view of the *pemekaran*. In order to gain in-depth insights and discourses on the *pemekaran* process in Konawe, this study used semi-structure interviews with several key informants who could present and provide updated data and information on the 'behind the scenes' reasons for *pemekaran* in Konawe.

Pemekaran in Konawe has influenced the implementation of decentralized CZM. One immediate effect is the reduction in coastal area, which requires a refocus of programs and the scope of their activities. Konawe has been divided three times for the purposes of *pemekaran*. First, in 1996 *Kabupaten* Kendari was divided into *Kabupaten* Kendari and *Kotamadya* (now *Kota*) Kendari⁶⁴ with the enactment of Law 6/1995 concerning the establishment of *Kotamadya* Kendari. This first *pemekaran* reduced the area of *Kabupaten* Kendari by 1.8 per cent (295.89 square kilometres). Urban growth in *Kota* Kendari then absorbed some parts of *Kabupaten* Konawe.

In 2003, *Kabupaten* Kendari was subdivided into *Kabupaten* Konawe and *Kabupaten* Konawe Selatan following the passage of Law 4/2003.⁶⁵ The new *kabupaten* was a combination of 11 *kecamatan* and resulted in a loss of almost one-third (4,514.20 square kilometres) of the Konawe administrative area. This *pemekaran* also placed Rawa Aopa Watumohai (RAW),⁶⁶ the largest tropical swamp in Sulawesi (Astuti 2001a), located in *Kecamatan* Tinanggea, under the control of *Kabupaten* Konawe Selatan.

Finally, four years later in 2007, *Kabupaten* Konawe Utara was formed through the next *pemekaran* process with the enactment of Law 13/2007. Again, this latest

⁶⁴ Law 13/1964 confirmed *Kota* Kendari as the capital of Southeast Sulawesi province. At that time, the *Kota* Kendari area covered two *kecamatan*, Kendari and Mandonga, with total areas 75.76 square kilometres. Then in 1978, the status of Kendari was upgraded into *Kota Administratif* according to Government Regulation (*Peraturan Pemerintah*) 19/1978, with additional *kecamatan*, Poasia. Kendari's status was elevated into *Kota Madya Daerah Tingkat II* Kendari by the enactment of Law 6/1995 with the total area increased to 295.89 square kilometres.

⁶⁵ Law 4/2003 concerning the Establishment of *Kabupaten* Konawe Selatan, Southeast Sulawesi (*Undang-undang No 4/2003 tentang Pembentukan Kabupaten Konawe Selatan di Provinsi Sulawesi Tenggara*). This law was followed up by Government Regulation (*Peraturan Pemerintah/PP*) 26/2004 on 28 September 2004.

⁶⁶ Rawa Aopa Watumohai (RAW) is about 120 kilometres from Kendari and covers an area of 105,000 hectares including the swampy area Aopa and the mountain Gunung Watumoha. RAW biodiversity is perhaps the second richest in the world after Madagascar, Africa (Astuti 2001a). In 1990, RAW was established as a national park, becoming Sulawesi's fourth national park (Colijn 2005). The key ecosystems in RAW are savanna with palm trees, alang-alang, mangrove swamp forest, hilly terrain covered by tropical rainforest. The swamp land Rawa Aopa serves as an important habitat for water-birds, which can be watched from Pulau Harapan, a small island with a hut for bird-watchers in the middle of the swamp (Colijn 2005).

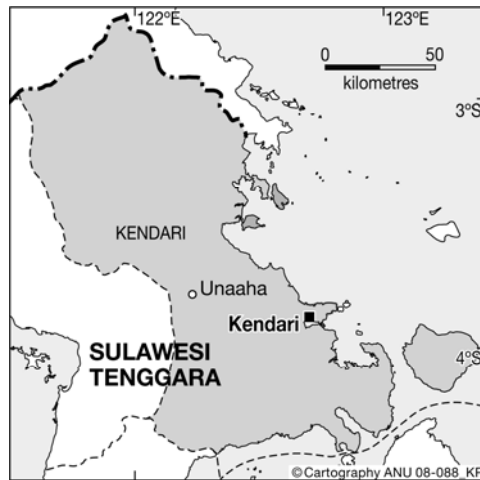
pemekaran significantly reduced the area of several coastal *kecamatan* such as Lasolo and Tapunggaya that have important marine resources (Informant D-Gov-Kon, 2007).

Because of patterns of ethnic grouping, the *pemekaran* process can also be seen as a statement of local ethnic awareness. *Pemekaran* remains an ongoing discussion within Konawe political circles. The ongoing discussion is about establishing a new separate administrative unit on Wawonii Island. Regrouping five new coastal *kecamatan* as the outcome of the *pemekaran* process of previous *kecamatan* Wawonii will allow for establishing a new *kabupaten*. There is now a move to combine five *kecamatan*s on Wawonii Island into a new *kabupaten* to be called *Kabupaten Wawonii* (Informant C-Gov-Kon, 2005). If this occurs, it will significantly reduce the coastal areas within Konawe district.

Pemekaran is also a process occurring at the *kecamatan* and village levels. In 2001, *Kabupaten Kendari* established four new *kecamatan*. Andoloo was created from *kecamatan* Tinanggea, Laonti from Maromo, Anggata from Lambuya, and Sawa from Lasolo⁶⁷. Three of them (Andoloo, Laonti and Anggata) together with Tinanggea and Maromo now come under the administration of *Kabupaten Konawe Selatan*. Andoloo is also proposed as the future capital of *Kabupaten Konawe Selatan*. In 2004, the number of *kecamatan* in Konawe increased by one third as part of continuing *pemekaran*⁶⁸ developments at the *kecamatan* level (Figure 14). These dynamic changes within the local administration are expected to continue.

⁶⁷ Peraturan Daerah Kabupaten Kendari Nomor 15 tahun 2002 tentang Pembentukan Enam Kecamatan dalam Wilayah Kabupaten Kendari (Lembaran Daerah Kabupaten Kendari Tahun 2002 Nomor 17).

⁶⁸ Peraturan Daerah Kabupaten Kendari Nomor 06 tahun 2005 tentang Pembentukan Kecamatan Anggaberu, Meluhu, Amonggedo, Lembo, Molawe, Langikimma, Rota dan Kecamatan Wawonii Tengah Kabupaten Kendari (Lembaran Daerah Kabupaten Kendari Tahun 2005 Seri D Nomor 06)



■ Provincial capital - - - - Province boundary
○ District capital - - - - District boundary

1959-1996, *Kabupaten* Kendari was formed which includes Kendari as capital of SE Sulawesi. There were *kecamatan*, *kelurahan/desa* and one *Kota Administratif* Kendari



■ Provincial capital - - - - Province boundary
○ District capital - - - - District boundary

1996, *Kabupaten* Kendari split into *Kabupaten* Kendari and *Kota* Kendari with 19 *kecamatan* and 334 *kelurahan/desa*.



■ Provincial capital - - - - Province boundary
○ District capital - - - - District boundary

2004, *Kabupaten* Kendari change its name into Konawe and divided some areas as *Kabupaten* Konawe Selatan. Number of *kecamatan* in Konawe 23 and *kelurahan/desa* 631.



■ Provincial capital - - - - Province boundary
○ District capital - - - - District boundary

2007, northern part of *Kabupaten* Konawe became new administrative units, *Kabupaten* Konawe Utara. Number of *kecamatan* in Konawe increased to 30 with 405 *kelurahan/desa*.

Figure 14. *Pemekaran* and changes in administrative units in Konawe.

The legal basis for the *pemekaran* process was Government Decree 129/2000 that provided easy, simply-applied parameters for the administrative regrouping process (Ratnawati 2006b). The decree only required that three administrative units be grouped to form a new unit (Government of Indonesia 1999a). This parameter was then revised so that

at least five districts or cities were needed to be regrouped to form a province, or at least five sub-districts (*kecamatan*) were needed to form a new district. Four *kecamatan* were needed to establish a city as clearly stated at Article 5.5 Law 32/2004.

Previously, during the New Order government, the *pemekaran* process at the *kabupaten* level was rare and could only be considered based on population numbers. Only three new *kabupaten* were established up to 1996 and these were all in Lampung Province in Sumatera (Fitriani, Hofman, and Kaiser 2005). However, during the first ten years of the post-*reformasi* period there have been 173 new administrative units formed. This includes seven new provinces, 135 new *kabupaten* and 31 new *kota* (GATRA 2008). In a study undertaken by the Ministry of Home Affairs, almost 80 per cent of 148 new *kabupaten* and *kota* failed to meet requirements especially in terms of a self-financing system to run local government and perform public services (GATRA 2008).

Another study by the MoHA of 65 *kabupaten* and *kota* indicated that 87 per cent of new *pemekaran* units had not finished their basic financial, personnel, infrastructure and documentation arrangements (*pembiayaan, personil, peralatan termasuk dokumennya/P3D*) (GATRA 2008). Therefore, Ryas Rasyid, the former Minister for Regional Autonomy, in 2008 suggested stopping the *pemekaran* process nationally and conducting an evaluation of the process in action as well as determining new parameters that are more stringent (GATRA 2008). However, the *pemekaran* processes continue.

Despite the ideal of *pemekaran* being to expand lower level administration and bring government services closer to the rural communities, the largely negative view of *pemekaran* remains an outstanding issue (TEMPO Interaktif 2006c). Informant K-Exp-Kdi (2005) stated that *pemekaran* in Konawe and in Southeast Sulawesi in general is “far from the aim to provide closer government services to the community and to make an effective bureaucratic system”. Indeed, he stated that:

“much of [*pemekaran* efforts in Konawe] can be seen as part of tricky ways to accommodate the political loser in a local election or a local parliament member who has ambitions to be a *Bupati* or *Camat* and push his own agenda to control local bureaucrats and take advantages for personal gain.”⁶⁹

The *pemekaran* process in Konawe has been a legally acceptable way to combine bureaucratic and political rent seeking⁷⁰. In many cases, if not all, staffing of the bureaucracy is highly politicized, lacks appropriate capacity and exhibits poor forward planning. New administrative entities, new *kabupaten* or *kecamatan* require competent bureaucrats to fill management and administrative positions, however, qualified personnel to fill these positions are scarce. In fact, the establishment of new administrative units creates opportunities for local bureaucrats and politicians to install their own associates and candidates and impose personal agendas (Fitriani, Hofman, and Kaiser 2005).

The problem of ‘putting the wrong man in the wrong position’ is a common feature of the *pemekaran* process. The additional fiscal revenue required for new administration units leads to further conflicts of interest. The principal conflicts arise when those who can benefit from putting their own candidates in new administration units, do so, allowing them to gain access to new positions at higher levels. Motives for this political movement include gaining access to lucrative resources through new construction projects, appointing members of their extended family, associates or colleagues as new civil servants, and the wish to support the agendas of a local political party (Fitriani, Hofman, and Kaiser 2005).

⁶⁹ Interview on 16 October 2005.

⁷⁰ As Fitriani et al. (2005) proposed, there are four motives of *pemekaran*: (i) administrative dispersion due to large jurisdictions areas, (ii) preference for homogeneity in terms of ethnicity, language, religion, urban–rural character or even income level, (iii) fiscal spoils through incentive for splitting and (iv) bureaucratic and political rent-seeking. *Pemekaran* can be a combination of two or more motives.

Appointing a caretaker *Bupati* (*pejabat sementara Bupati*) and creating upper echelon positions in new *pemekaran* areas in many cases also exposes hidden agendas and conflicts of interest⁷¹. For example, the acting Southeast Sulawesi Governor, Yusran A Silondae, proposed to the Ministry of Home Affairs (MoHA) that his uncle, Djafar Silondae, be appointed acting *Bupati* of Kabupaten Konawe Utara (Sinar Harapan 2007; Harian Umum PELITA 2007). In doing so, Yusran ignored three candidates proposed by the *Bupati* of Konawe and the Speaker of the Konawe House of Representatives (*DPRD* Konawe) (Sinar Harapan 2007).

The proposal of Konawe District included Aswad Sulaiman (Local Secretary/*Sekda* of Konawe), Ridaman Abunawas (Head of Local Revenue Office/*Kadis Pendapatan Konawe*) and Nur Sinapoy (Head of Konawe Employment and Transmigration Services/*Kadisnakertrans*)⁷² (Harian Umum PELITA 2007). Yusran then changed the Konawe proposal by recommending Djafar Silondae (his uncle and Head of Kendari Municipality Environmental Impact Agency) and Thamrin Pattoro (a senior bureaucrat at the Southeast Sulawesi Provincial Secretariat) to the Ministry of Home Affairs (MoHA) without consultation with the Konawe government (Koran Tempo 2007).

Yusran's political manoeuvre was strongly criticised by the *Bupati* of Konawe who stated that Yusran had flouted government ethics (Koran Tempo 2007). His manoeuvre also led to protests from the *Forum Solidaritas Masyarakat Konawe* (FSMK) (Sinar Harapan 2007) that demanded Yusran retract the letter of appointment from the MoHA.

⁷¹ Interviews with Informant A-Exp-Kdi (2005) on 6 September 2005, Informant K-Exp-Kdi (2005) on 16 October 2005 and Informant E-NGO-Kdi (2007) on 9 July 2007.

⁷² Other candidates proposed as caretaker for the *Bupati* Konawe Utara were Aswad Sulaiman (Local Secretary/*Sekda* of Konawe), Mustari (Head of Bappeda Konawe) and Nur Sinapoy (Head of Konawe Employment and Transmigration Services) (Koran Tempo 2007).

Yusran Silondae finally approved the Konawe proposal that had recommended Aswad Sulaiman as caretaker *Bupati* for Konawe Utara. The interim Minister of Home Affairs, Widodo AS, inaugurated Aswad Sulaiman as caretaker *Bupati* for one year, from 2 July 2007 to 2 June 2008⁷³ (Kendari Ekspres 2007). His primary role was to run the new administrative units and to facilitate the direct local election for a definitive *Bupati*. Within two weeks after his inauguration, Aswad Sulaiman formed his cabinet by appointing 20 new Heads of Services (*Kepala Dinas*) and five Heads of Agencies (*Kepala Badan dan Lembaga*).

Despite some provocative campaigning Aswad Sulaiman was seen as an ideal and professional figure for the definitive *Bupati* of Konawe Utara (Indonesia Timur News 2008; Kendari Pos 2008b), although his performance as caretaker *Bupati* generated some criticism. In mid May 2008, more than 500 protesters urged Aswad to hand over his position. Aswad was accused of corruption, collusion and nepotism (KKN) (MetroNews.com 2008).

In July 2008 as his term finished, Governor Nur Alam did not extend Aswad's caretaker term (Kompas 2008a). Nur Alam then appointed H Sudiro, *Sekda* Konawe Utara as interim caretaker *Bupati* responsible for day to day management and sent a radiogram⁷⁴ to the Ministry of Home Affairs (Kendari Ekspres 2008a). Aswad refused to accept the governor's appointment of Sudiro and declared that he held an extension of Minister of Home Affairs decree and had a legal base to continue his term as caretaker *Bupati* (Kendari Ekspres 2008a). All these political movements can be seen as part of a new local political division (Tolaki-based) struggle between Nur Alam and his associates in the new

⁷³ Decree of Minister of Home Affairs (*Keputusan Mendagri*) No. 131.74-305 2007 on 21 June 2007.

⁷⁴ Radiogram of Southeast Sulawesi Governor No. 131-3458 on 2 July 2008

pemekaran kabupaten. It also showed the fragile nature of new administrative units caused by political intervention from local elites.

4.6 Economy of Konawe

The economy of Konawe relies heavily on a large government sector. Central government grants make up a large percentage of local expenditure. The secondary and tertiary sectors play very little part in the local Konawe economy. The agriculture sector that consists mainly of subsistence-oriented smallholder activities contributed only a quarter (26 %) of district domestic revenue. A part of that, fisheries constituted 74.02 per cent of this contribution. That is, fisheries contributed only about 19 per cent of the domestic revenue. Konawe is known as the “rice bowl” (*lumbung beras*) of Southeast Sulawesi province and there are more than 60,000 hectares of potential paddy rice in the district⁷⁵ (Astuti 2001b), but only 20,000 hectares are productive due to the irrigation problems (Kompas 2004).

Marine and fishery products have the potential to be significant contributors to the development of Konawe (Centre for Political Studies 2001). In 2000, tuna provided USD 3,270,829 from both export and domestic trade. Other fishery products also contributed significant income to the local economy. Frozen squid (USD2,029,860), fish fillet (USD 302,962), crab (USD 233,582), mackerel (USD 154,854), calamari (USD 151,712), white prawn (USD 120,431) and tiger prawn (USD 72,873) were all important market products that added to the fishery resources of the region (Centre for Political Studies 2001). These contributions are from the abundant coastal and fisheries resources of Konawe.

⁷⁵ Annual rice production is estimated at 70,000 tons with more than 60,000 ha of paddy field (Astuti 2001b). Some staple of non-rice foods are also available in Konawe, such as sago.

The estimated maximum sustainable yield (MSY) of the marine fishery in Konawe is 70,000 tons per year, but only 49.49 percent (34,641.3 tons) was being utilized in 2002 (Diskanlut Kabupaten Kendari 2003). Key commercial species include tuna, skipjack, prawn, squid and a variety of small pelagic fish (anchovies, mackerel and sardines). However, these marine fisheries resources are exploited not only by the local population but also by boats based in the city of Kendari as well as boats from other parts of Indonesia and foreign fishing vessels. Konawe remains the main area for total fish landing within the Kendari Fishing Port⁷⁶ (Informant D-Gen-Kon, 2005).

Only three percent of the population of Konawe were directly engaged in the fishery sector in 2002 (Diskanlut Kabupaten Kendari 2003). The majority of these fishers were marine fishers, followed by inland capture fishers, pond breeders and *tambak* (brackish water ponds) breeders. There was a small proportion of marine fisheries breeders and fishers engaged in *mina padi* (combined paddy and fish) cultivation.

The total catch of fish landed in Konawe in 2005 was 16,819.4 tons and was valued at IDR 118.45 billion or USD 13.61 million from all coastal *kecamatan* (BPS Konawe 2006). This catch was landed at five local fish landing points (*tempat pendaratan ikan/TPI*), namely *TPI* Mekar and *TPI* Lalonggasumeeto in *Kecamatan* Soropia, *TPI* Laimeo in *Kecamatan* Sawa, and *TPI* Torobulu and *TPI* Pamadanti in *Kecamatan* Lainea.

There are 135 units of motorized and 3,197 non-motorized fishing vessels (*jukung* and wooden *perahu*) in Konawe. Small motorized fishing vessels (*motor tempel/katinting*) accounted for 628 units and are fairly evenly distributed across coastal *kecamatan*s (BPS Konawe 2006).

⁷⁶ Kendari Fishing Port (*Pelabuhan Perikanan Samudera/PPS Kendari*) is one of five Indonesian fishing ports. Other fishing ports are *PPS* Belawan, *PPS* Bungus, *PPS* Nizam Zahman Jakarta and *PPS* Cilacap. Further information about *PPS* can be accessed through <http://www.pelabuhanperikanan.or.id>.

Beach seine (*pukat pantai*) and hook and line (*pancing tonda*) are the two main fishing methods used by fishers operating within a few miles from shore (BPS Konawe 2006). These two fishing methods account, respectively, for 1,441 units and 1,484 units, (BPS Konawe 2006) which are distributed mostly in *kecamatan* Wawonii (578), Lasolo (533) and Sawa (160) (Diskanlut Kabupaten Kendari 2003).

Other dominant fishing methods are gillnet, *rawai*, trammel net and troll line. There are three types of gillnet commonly used in Konawe, namely driftnet, encircling gillnet and shrimp gillnet. Fishing ground distance and type of fishing vessels determined the types of fishing gear to be used on board (Diskanlut Kabupaten Kendari 2003).

Fisheries post-harvest and processing technology in Konawe primarily rely on traditional post-harvest technology. Drying, salting and freezing fish products are the most common processing methods. These methods, respectively, earned IDR 45.56 million (USD 5,236) for 3,658.3 tonnes salted/dried products, and IDR 16 million (USD 1,840) for 1,000 tonnes frozen products (BPS Konawe 2006). Shrimp/fish paste (*terasi*) was still not a popular technique for adding value to fisheries products. Smoked fish contributes 13 per cent of total fisheries revenue from fish processing. Per capita fish consumption in Konawe also increased as a result of the availability of fisheries products in the domestic market and increasing purchasing power (Diskanlut Kabupaten Kendari 2003).

Mariculture was not optimally utilized in Konawe. Total production of mariculture in 2005 reached only 469 tons and the value of this was only IDR 16.358 billion or USD 1,877,555 (BPS Konawe 2006). Mariculture activities are spread across *kecamatan* Wawonii Barat, Wawonii Selatan and Soropia although almost all of the coastal *kecamatan* in Konawe have the potential for mariculture development. The only exceptions are Wawonii Timur and Wawonii Utara due to the steep, unsuitable coastal conditions. Key

commercial commodities from mariculture include pearl shell, seaweed farming, snapper and mud crabs.

Tambak are concentrated in two *kecamatan* Sampara (BPS Konawe 2006) and Bondoala (Bappeda Konawe and FT Universitas Lakidende 2004), which produced 764.7 tons of fishes and earned IDR 13.309 billion or USD 1,529,770 (BPS Konawe 2006). Potential land for *tambak* development in Konawe accounted for 5,540 hectares. Tiger prawn and milkfish are two important *tambak* commodities (Diskanlut Kabupaten Kendari 2003).

Technically, Konawe district has a number of suitable areas for *tambak* development because it has many bays and capes with calm oceanographic conditions especially in areas with strong diurnal tides (two high tides per day), and water levels that fluctuate between two and four meters. However, many *tambak* are in poor condition due to a lack of financial and technical skills as well as technological support, such as 200 hectares of *tambak* in *Kecamatan* Bondoala that remains unproductive (Bappeda Konawe and FT Universitas Lakidende 2004).

4.7 Coastal management in Konawe

Coastal morphology in Konawe varies from cliffs in the eastern part of Wawonii Island to sandy and muddy coastal areas in Soropia, Lasolo and the western part of Wawonii (Bappeda Konawe and LKPP Unhalu 2004). Konawe coastal areas cover seven *kecamatan* and seven small islands (Departemen Kelautan dan Perikanan 2007). Two *kecamatan* are on the Sulawesi mainland (Soropia and Bondoala) and five are on Wawonii Island (Wawonii Barat, Wawonii Timur, Wawonii Tengah, Wawonii Selatan and Wawonii Utara). Infrastructure along the Konawe coast is mostly unreliable and local government

services to the current areas are poor. *Kecamatan* Soropia and Bondoala have relatively better roads and bridges to Unaaha and Kendari than in five *kecamatan* in Wawonii Island.

The infrastructure in five *kecamatan* in Wawonii Island remains poor in standard when compared with the coastal *kecamatan* in mainland Sulawesi. Most roads and bridges on Wawonii Island are in poor condition. Transportation along the coast of Wawonii Island is not regularly available. *Ojek* (motorcycle taxis) provide services in some of these areas, but at extra cost. Using waterways transportation such as *bodi batang* (small boat) is more expensive and time-consuming (Bappeda Konawe and FT Universitas Lakidende 2004). These geographic challenges continue to be a problem due to less attention being paid by the Konawe district government to developing disadvantaged areas. My informants confirmed that most government offices are reluctant to provide services to these disadvantaged areas.

There are nine issues besetting the coastal area of Konawe. These are: (i) marine and coastal resource degradation, (ii) low income of fishermen and coastal community, (iii) low rate of regional economic growth for marine and fisheries sector, (iv) lack of qualified human resources to staff marine and coastal management, (v) poor sanitation conditions in the fishing villages, (vi) downgraded role and function of social and cultural aspects in marine and coastal management, (vii) lack of law enforcement, (viii) less optimal role and function of related institutions, and (ix) lack of accurate and reliable information on marine and coastal resources (Pemda Kabupaten Kendari 2004). This section discusses coastal resource issues, stakeholders' involvement and the local government response in CZM that link these above issues.

4.7.1 Coastal resources and issues

Konawe has various coastal resources. These include coral reefs, mangrove and seagrass beds; these are discussed in detail in the following sub-sections. However, coastal degradation⁷⁷ has increased significantly during the last decade and this is also a major concern in Konawe (Pemda Kabupaten Konawe 2005a).

4.7.1.1 Mangroves

Mangrove ecosystems exist along the coastal areas of Wawonii Island, *Kecamatan* Bondoala and Soropia. On Wawonii Island, mangroves are found in most coastal villages which cover an area of 2,158.24 hectares (Departemen Kelautan dan Perikanan 2007). Mangroves ecosystems on Wawonii Island are mostly in good condition with a thickness of 20 to 700 meters and density of one to seven trees per square meter. The dominant genera of mangrove vegetation are *Bruguiera*, *Rhizophora* and *Xylocarpus* (Table 16). Degraded mangroves ecosystems exist in two villages on Wawonii Island, Dimba in Wawonii Timur and Langara Iwawo in Wawonii Barat. Degradation is also beginning to occur in Langara Laut in Wawonii Barat (Departemen Kelautan dan Perikanan 2007).

Mangroves ecosystems in Soropia cover an area of 167.38 hectares and 59 hectares in Bondoala. The mangroves in these two *kecamatan* are mostly in poor condition. The only mangroves in good condition are in the two *kecamatan* on Bokori Island.

About 60 to 70 per cent of mangrove ecosystems in Konawe are heavily degraded (Pemprov Sultra 2004) as result of lack of concern for the green belt policy (*sempadan*

⁷⁷ Coastal resources degradations are one of serious major problems in managing coastal zone in Indonesia. The driving for the degradations include changing settlement and demographic pattern in coastal areas, high population growth, a shift of coastal communities from subsistence to cash economies and poor land practices that lead to pollution and siltation (Dahuri et al. 1995; Departemen Kelautan dan Perikanan 2007; Idris, Ginting, and Budiman 2007). These cause to reduction of mangrove coverages and mangrove conversion, legal and illegal sand mining, over-exploitation of coastal and marine resources and destructive harvesting practices such as destructive fishing.

pantai) in *tambak* development (Pemda Kabupaten Konawe 2005a). *Kecamatan* Soropia has the most degraded mangrove habitat. Settlement and logging activities are other primary contributors to mangrove degradation.

Among the degraded mangroves, 102 highly critical hectares⁷⁸ in Konawe need to be rehabilitated immediately (Departemen Kelautan dan Perikanan 2007). These areas include Langgara Iwawo (11 hectares), Batumea (6 hectares) in Wawonii Barat, Wawouso to Lawei (25 hectares) in Wawonii Selatan, Lebo (20 hectares) in Wawonii Timur, Tapulaga (25 hectares) and Toli-toli (15 hectares) in Soropia, and along the coast of Muara Sampara, Lalimbue Jaya and Tani Indah.

⁷⁸ There is no further explanation from the report on this figure. The report referred to data from Konawe Forestry Services without further justification.

Table 16. Mangroves ecosystems in Konawe District.

No.	Kecamatan/ Village/ Areas	Type of mangroves	Dominant diameter	Density (Number of trees/ 10 m2)	Condi-tions	Thickness to seaward (metres)
1	Bondoala (59 hectares)					
	Muara Sampara	Bruguera, sp. Avicennia, sp. Rhizophora, sp. Nipa, sp.	20-35	3	Poor - Moderate	10-50
	Lolimbue Jaya	Bruguera, sp. Avicennia, sp. Rhizophora, sp. Nipa, sp.	20-30	2	Poor - Moderate	5-50
2.	Soropia (167.38 hectares)					
	Sorue Jaya	Sonneratia, Avicennia Rhizophora	35	3	Poor	20
	Tapulaga	Sonneratia, Bruguera	40	2	Poor	15
	Bajo Indah	Sonneratia, Bruguera	50	1	Poor	10
	Bokori (P.Bokori)	Sonneratia, Avicennia Rhizophora	20-50	3	Poor	10
	Toronipa	Sonneratia, Bruguera Avicennia, Rhizophora	40	2	Poor	30
	Atowatu	Sonneratia, Bruguera Avicennia, Rhizophora	35	3	Moderate	75
	Sawapudo	Sonneratia, Bruguera Rhizophora	40	2	Moderate	50
	Soropia	Sonneratia, Bruguera	30	2	Moderate	25
	Waworaha	Bruguera, Rhizophora	35	2	Moderate	25
	Toli-Toli	Sonneratia, Rhizophora Avicennia	50	1	Poor	25
	Lalombonda	Sonneratia	50	1	Poor	15
	Watunggarandu	Bruguera, Rhizophora	40	1	Poor	10
3.	Wawoni Barat dan Wawonii Selatan (1,313.17 hectares)					
	Wawouso	B.gymnorhiza, R. apiculata, S. alba, X. granatum	40	6	Good	150
	Lamongupa	B.gymnorhiza,. R. apiculata, R. mucronata; R. stylosa, S. alba, X. granatum,	50	7	Good	700
	Langara lwawo	B. gymnorhiza R. apiculata, S. alba	25	6	Poor	50
	Langara laut	B gymnorhiza, R. apiculata, S. alba	30	1	Start to poor	20
4.	Wawonii Timur (845.07 hectares)					
	Lebo	R. apiculata, R. mucronata, R.	50	2	Good	200
		Stylosa, S. alba, X. granatum				
	Dimba	R. apiculata, R. mucronata, R. stylosa, S. alba, X. granatum	40	6	Poor	100
	Ladiana	R. apiculata, R. mucronata, R. Stylosa, S. alba, X. granatum	55	7	Good	300

Source: Departemen Kelautan dan Perikanan (2007)

4.7.1.2 Coral reefs

Konawe has 3,511.67 hectares of coral reef ecosystems concentrated in Lasolo Bay and the western part of Wawonii Island (Table 17). Other areas of coral reefs distributed in Konawe include Soropia, Wawonii Selatan, Wawonii Barat and Wawonii Timur. Live coverage of coral reefs in Soropia is 35 to 85 per cent, in categories of mostly moderate to good condition. Similarly, in Wawonii Island live coverage of coral reefs varies from 35 to 80 per cent with most in moderate condition. Poor coral reefs conditions are found in Nambo Jaya (Wawonii Selatan), Lampeapi and Batumea (Wawonii Barat) and Masolo (Wawonii Timur).

There is no accurate data on coral reef degradation in Konawe. However, a general estimation regarding the level of degradation is that it is now very serious (Pemda Kabupaten Konawe 2005a). The growing use of destructive dynamite fishing is the major contributor to coral reef degradation. This degradation weakens the wave-reduction capacity of coral reefs, which leads to abrasion of the shoreline along the Konawe coasts. Critical coastal erosion is already taking place in *Kecamatan* Soropia. There are four kilometres of eroded coastline near the villages of Bajo Indah, Mekar, Bokori and Saponda (Pemda Kabupaten Konawe 2005a).

Table 17. Coral reefs ecosystems in Konawe District.

No	Kecamatan/ Desa	Area (hectares) Type of coral	Cover percentage (%)	Conditions
1.	Soropia (2.608.36)			
	Toronipa	Laminar, Encrushing, Foliaceous, Acropora	35-75	Moderate - Good
	Atowatu	Branching, Foliaceous Acropora,	40-80	Moderate - Good
	Soropia	Laminar, Encrushing Foliaceous, Acropora	40-85	Moderate - Good
	Waworaha	Encrushing, Foliaceous Acropora	60-85	Moderate - Good
2.	Wawonii Selatan (903,31)			
	Wawouso	Encrushing; Foliaceous Acropora	50-60	Moderate
	Nambo jaya	Encrushing, Foliaceous Acropora, Soft coral	30-40	Poor - Moderate
3.	Wawonii Barat			
	Lampeapi	Encrushing; Foliaceous	60-65	Poor - Moderate
	Lamongupa	Acropora	56-70	Moderate
	Batumea	Encrushing; Foliaceous	60-69	Poor - Moderate
	Langara iwawo	Acropora	59-78	Moderate - Good
	Langara laut	Encrushing; Foliaceous	65-70	Moderate - Good
4.	Wawonii Timur			
	Mosolo	Encrushing, Foliaceous Acropora, Soft coral	60-80	Poor - Moderate
	Takonea	Encrushing, Foliaceous Acropora, Soft coral	56-70	Moderate
	Munse	Encrushing, Foliaceous Acropora, Soft coral	50-67	Moderate
	Lebo	Encrushing, Foliaceous Acropora, Soft coral	59-60	Moderate
	Dimba	Encrushing, Foliaceous Acropora, Soft coral	47-67	Moderate

Source: Departemen Kelautan dan Perikanan (2007)

4.7.1.3 Seagrass beds

Seagrass beds (*padang lamun*) are not seen as economically valuable resources by Konawe coastal communities. While there are no direct, obvious benefits of seagrass beds, the ecosystems can provide raw materials for mats, compost, fertilizer, baskets, roofs and

cigar wrapping (Departemen Kelautan dan Perikanan 2007). Most of the seagrass beds are in moderate to good condition (Table 18) because of less intensive utilization of these ecosystems. Seagrass beds in Konawe are mostly part of the spawning and nursery grounds for several highly valued species of fish (Departemen Kelautan dan Perikanan 2007). Seagrass beds in *Kecamatan* Soropia and Wawonii Island cover an area of 228.5 hectares (Bappeda Konawe and LKPP Unhalu 2004).

Table 18. Seagrass bed ecosystems in Konawe District.

No.	Kecamatan/ Desa	Type of dominant seagrass beds	Cover percentage (%)	Conditions	Utilization
1.	Soropia				
	Toronipa	E. acoroides; T. hemprichii, H. ovalis	40-50	Moderate - Good	No direct utilization.
	Atowatu	E. acoroides; T. hemprichii, H. ovalis	35-45	Moderate	No direct utilization.
	Soropia	E. acoroides; T. hemprichii, H. ovalis	25-50	Moderate	No direct utilization.
	Tapulaga	E. acoroides; T. hemprichii, H. ovalis	30-50	Moderate	Utilized as locatios for fish cages (<i>karamba tancap</i>)
2.	Wawonii Barat				
	Tumbu-Tumbu Jaya	E. acoroides; T. hemprichii, H. ovalis	60 – 80	Good	No direct utilization.
	Langara Laut	E. acoroides; T. hemprichii, H. ovalis	50-70	Good	No direct utilization.
3.	Wawonii Selatan				
	Bobolio	E. acoroides; T. hemprichii, H. ovalis	50-60	Moderate	No direct utilization.
4.	Wawonii Timur				
	Takonea	E. acoroides; T. hemprichii, H. ovalis	80	Good	No direct utilization.
	Munse	E. acoroides; T. hemprichii, H. ovalis	80	Good	No direct utilization.
	Dimba	E. acoroides; T. hemprichii, H. ovalis	90	Good	No direct utilization.
	Ladiana	E. acoroides; T. hemprichii, H. ovalis	80	Good	No direct utilization.

Remarks: E = Enhalus, T = Thalaessia, H = Holophilla.

Source: Departemen Kelautan dan Perikanan (2007)

4.7.1.4 Monsoon

In Konawe coastal villages, the monsoon season is the major factor in determining fisheries activities (Bappeda Konawe and FT Universitas Lakidende 2004). During the west monsoon (*musim barat*), the weather and sea conditions are relatively calm. This allows fishermen access to a range of fishing activities. However, this changes during the east monsoon (*musim timur*). The high waves and strong winds force fishermen to stay at home and find alternative income at this time. In Sorue Jaya village in *Kecamatan Soropia* for example, most fishermen utilize their skills as clove and cashew farmers or as carpenters and builders' labourers in order to earn alternative incomes for their households (Bappeda Konawe and FT Universitas Lakidende 2004).

Another alternative income during the east monsoon season is tourism. This activity is mostly based in coastal tourist destinations such as Bokori Island. Tourism in Bokori Island is an alternative source of income generation during the east monsoon for Bajo people and fishermen from the village of Bajo Indah. Bokori Island was designated as a marine tourism hub for Kendari and surrounding areas. My informants explained that a special intention was to establish a retreat area for La Ode Kaimuddin (previous Southeast Sulawesi governor) and his family on this island.

Compulsory and forced relocation of Bajo people to Bajo Indah village was a main part of the strategy in setting up this island as a tourist resort. Wood style cottages were then built in place of the Bajo' community settlement along the coast of Bokori Island. However, as Kaimuddin's term finished, the tourism facilities started to erode due to a lack of maintenance and professional management. During my visit to this island in 2005, it was clear that the island was dirty, poorly maintained and rundown.

4.7.1.5 Poverty

Poverty is widespread in Konawe coastal communities and the majority of people live below the poverty line⁷⁹. Household expenses in Konawe coastal communities commonly appear to be greater than incomes. Bappeda Konawe and FT Universitas Lakidende (2004) formulated the following monthly household cash flow in Konawe coastal areas:

$$\text{Expense} = 315139.7 + 0.453 \times \text{Income}$$

In the formula, monthly household expenses are IDR 315,139.7 (USD 36.2) regardless of income available and on top of those expenses. On top of these baseline expenses, every IDR 1 of incomes contains another IDR 0.453 of definitive spending. The average monthly income of Konawe coastal communities is IDR 567,416.7 (USD 68.3) while their monthly expenditure is IDR 572,307.4 (USD 70) (Bappeda Konawe and FT Universitas Lakidende 2004). This situation means that saving is difficult for people from coastal communities because their average monthly expenditure IDR 4,890.7 (USD 0.6) is apparently always greater than their monthly income. Socio-economic studies by the Konawe government have found that only 0.9 percent of the respondents had any savings (Bappeda Konawe and FT Universitas Lakidende 2004). This low percentage indicates that almost all Konawe coastal communities live below the poverty line.

In order to survive and fulfil their basic consumption needs, many coastal communities have developed supportive social networks among themselves. The networks are based on the extended family (Bappeda Konawe and FT Universitas Lakidende 2004). If a household is in need, the network will help by providing services, spare goods, or by lending money or goods.

There are many causes of poverty in Konawe coastal communities. Most of the fishing areas are within one to two kilometres of the coastline and fishing methods are mostly beach seine, and hook and line. These methods, the types of vessels and gear used by Konawe fishers do not support expansion into other fishing areas. The poor quality and low quantity of fish catches result from these limitations. Only some of the fishermen have access to wider fishing areas, which are regularly fished by non-Konawe based fishermen.

Because of the low level of knowledge and skills related to on-handling and processing, catches are mostly sold directly to local middlemen (*paballong*) who tend to monopolize prices. These conditions, together with the lack of access to information and marketing, mean small-scale Konawe fishermen have little or no profit margin in trading fish sales. Empowerment programs, fair access to capital and adequate support systems would be important factors in improving the living conditions of Konawe coastal communities.

4.7.2 Stakeholders in Konawe CZM

4.7.2.1 Local government institutions

There are several local government agencies involved in coastal management in Konawe. These may be classified into two major groups according to the extent and emphasis of their involvement on CZM. The first group consists of institutions directly working in coastal and fisheries activities and dealing with providing resources (staff, planning, funding and infrastructure) for the various coastal zone management programs. This group includes the Konawe Marine Affairs and Fisheries Service (*Dinas Kelautan dan Perikanan Konawe/DKP Konawe*), the Konawe Planning and Development Agency

⁷⁹ The poverty line in Indonesia based on National Socio Economic Survey Panel on March 2008 IDR 182,636 per capita per month (BPS 2008).

(*Bappeda Konawe*), the Konawe Transportation Service (*Dinas Perhubungan Konawe*), the Konawe Forestry Service (*Dinas Kehutanan Konawe*) and the Konawe Agency for Environmental Impact Management (*Badan Pengendalian Dampak Lingkungan Daerah/Bapedalda Konawe*).

DKP Konawe and *Bappeda* Konawe are the most important local government institutions for decentralized CZM and these two agencies are the primary institutions for administering CZM. *DKP* Konawe has the mandate for the implementation of programmes involving marine and fisheries affairs in Konawe. *DKP* Konawe is also responsible for the encouragement and provision of technical services in developing coastal and fisheries activities. *DKP* Konawe also has the rights to issue permits for marine and fisheries-related business activities within four nautical miles seaward.

Bappeda Konawe is a coordinating body for all planning and development at district level and reports directly to the *Bupati*. This coordinating agency plays important roles in the coordination, planning and budget allocation of all marine, coastal zone and fisheries development activities. *Bappeda* Konawe is the executing agency for the Marine and Coastal Resources Management Project (MCRMP),⁸⁰ an Asian Development Bank funded project that assists in the production of planning documentation on coastal zone management (strategic, zoning, management and action plans) which are fundamental planning documents for decentralized CZM.

⁸⁰ The Marine and Coastal Resources Management Project (MCRMP) is a loan-funded project (2002-2006) to the government of Indonesia from the Asian Development Bank (ADB) and has a two-year extension (2007-2008) to the effective loan period for project implementation. MCRMP promotes sustainable management of marine and coastal resources for environment protection and socioeconomic development under a decentralized framework of government in 46 Districts in 16 Provinces of North/West Sumatra, Riau, Bengkulu, Jambi, East/West Nusa Tenggara, West/Central/East Kalimantan, Gorontalo, North/Central/Southeast/South Sulawesi, and Nanggroe Aceh Darussalam. MCRMP provides capacity building for local governments to strengthen their capacity in sustainable planning and management of marine and coastal resources. It also intends to improve the availability of and access to quality spatial and biodiversity information and data useful for resource planning, as well as the legal and regulatory framework in resource management and compliance (ADB 2000).

The MCRMP focuses on planning and management of marine and coastal resources, while provincial and district planning development agencies (*Bappedas*) operate as executing agencies at the provincial and district levels. This arrangement is also linked to the decision makers' process in the Ministry of Marine Affairs and Fisheries (MMAF), the national executing agency. In fact, the Directorate of Coastal Management (*Direktorat Bina Pesisir*) is a project management office run by many ex-Ministry of Home Affairs personnel who have had experience in a similar project, the Marine Resource Evaluation and Planning (MREP) program, which was structured around *Bappeda*. For them, macro and sectoral planning activities in provincial and local governments should be linked to the *Bappedas*. As regional coordinator of sector development initiatives, *Bappeda* can deal with intra and inter-sectoral conflict and its orientation is aligned regionally instead of sectorally. In such ways, *Direktorat Bina Pesisir* argued that *Bappeda* are appropriate partners in implementing the MCRMP (Informant A-Gov-Nat, 2005).

Dinas Perhubungan Konawe, *Dinas Kehutanan* Konawe and *Bapedalda* Konawe are technical offices within the Konawe local government and directly report to the *Bupati*. These offices have some programs related to fisheries and coastal zone management. *Dinas Perhubungan* Konawe has responsibility for providing infrastructure such as sea-lanes and inter-island transportation. *Dinas Kehutanan* Konawe has responsibilities to conserve and implement sustainable mangrove protection and management. *Bapedalda* Konawe has the authority to set water quality standards in coastal and marine areas.

A second group of local government agencies involved in coastal management includes the institutions indirectly involved in coastal zone management issues. This group includes the Spatial Planning Service Office (*Dinas Tata Ruang* Konawe), the Energy and Mining Service (*Dinas Pertambangan dan Energi* Konawe), the Tourism Service (*Dinas Pariwisata* Konawe) and the Education Service (*Dinas Pendidikan* Konawe).

Dinas Tata Ruang Konawe is a regulatory body for construction and building permits, including coastal land use spatial planning, monitoring and evaluation of space utilization in coastal zones. *Dinas Pertambangan dan Energi* Konawe is a technical office designed to assess and issue permits for mining and energy activities within the coastal zone. *Dinas Pariwisata* Konawe has a mandate to manage tourism programs and activities in Konawe coastal areas and *Dinas Pendidikan* Konawe has the responsibility of enhancing access and improving the quality of education for Konawe coastal communities.

There is a proposal to establish an Agency for Marine and Coastal Management (*Badan Pengelola Pesisir dan Laut*) under the direction of the *Bupati* of Konawe (Pemda Kabupaten Konawe 2005a). The proposed agency will have a Steering Committee and Task Force comprising high-ranking officers of the Konawe local government. There will be five supporting units: a (i) Secretariat, (ii) Project Evaluation Group (*Pengkajian Proyek*), (iii) Economic Planning and Development Group (*Perencanaan Pembangunan Ekonomi*), (iv) Zoning Plan and Management Group (*Pemanfaatan dan Perencanaan Zonasi Sumberdaya*), and (v) Marine and Coastal Resource Information Unit (*Perencana dan Pengelola Data dan Informasi Pengelolaan Wilayah Pesisir dan Laut*) (Figure 15).

Membership of this agency will consist of representatives from local government agencies, universities, NGOs, as well as professional and community leaders. The BPPL is expected to be a self-funded agency, sourcing its revenue from permits, study assessments and application process fees. In the medium term, the proposed agency will rely on local government funding. This means that the proposed agency must be provided with personnel, financial and institutional resources that unfortunately are not available in Konawe. Consequently, at present there is no progress towards the establishment of this proposed agency.

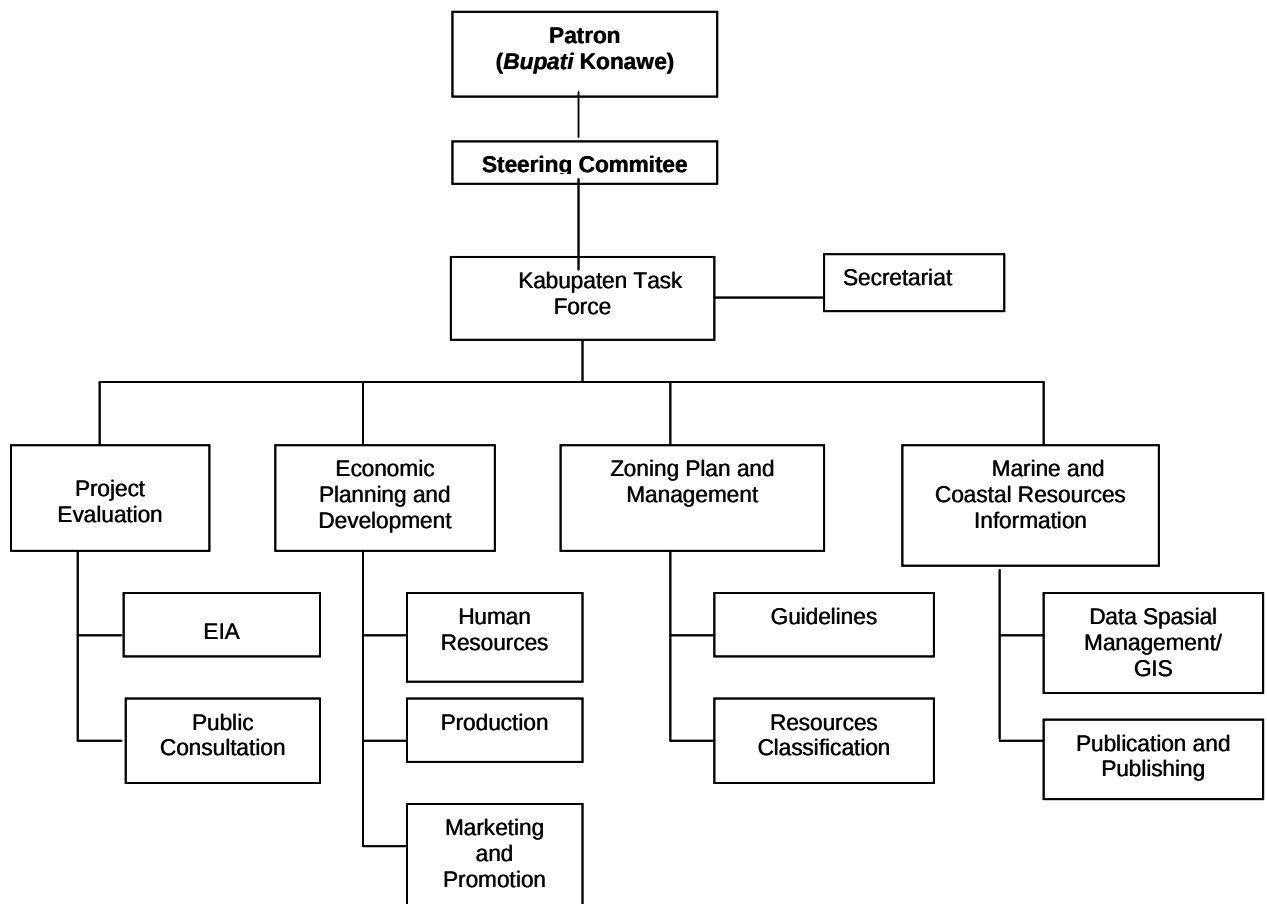


Figure 15. Proposed structure of Badan Pengelola Pesisir dan Laut.
Source: Pemda Kabupaten Konawe (2005a)

4.7.2.2 Non- Governmental Organizations

Most non-governmental organizations (NGOs) in Konawe are active in local politics, operating as democracy watchdogs, advocacy providers and even as promoters for the various local political leaders in the post-*reformasi* phase. Most of these NGOs are manifesto organizations that were established in the bloom of local democracy (Informant K-NGO-Kdi, 2005). A few Konawe-based NGOs are active in Konawe environmental management, but only one, *Yayasan Hijau Sejahtera* (Green Welfare Foundation), is active in CZM.

This NGO may be considered a leading player in issues of local CZM. However, it only recently put coastal and fisheries issues on its agenda after it was granted a contract from *Bappeda* Konawe for the implementation of integrated management at the village level in 2004. Previously, this NGO focused on forestry related issues and has had seven years of experience.

Yayasan Hijau Sejahtera was formerly a partner with *Bappeda* Konawe on the implementation of small-scale natural resource management (SNSRM) activities in *Desa* Toli-toli, *Kecamatan* Soropia (*Yayasan Hijau Sejahtera* 2004). This program is one of the core activities of MCRMP. The program has provided a learning process and experience to *Yayasan Hijau Sejahtera* on dealing with CZM issues. *Yayasan Hijau Sejahtera* facilitated several community meetings on the establishment of the Village Coastal Zone Management Agency (*Badan Pengelola Pesisir/BPP*) formed in November 2003. *BPP* is expected to promote five main functions (mediation, conflict prevention and conflict resolution, planning assistance, monitoring and evaluation, and coastal community empowerment) (*Yayasan Hijau Sejahtera* 2004). *BPP* has a permanent community centre (*pos komando/posko*) where it is possible to facilitate community meetings and training as well as day-to-day management of coastal resources in Toli-toli.

Yayasan Hijau Sejahtera assisted *BPP* to promote community mapping of its coastal and marine resources in a project to record and assess the potential of Toli-toli coastal resources. *BPP* also assisted in the establishment of Village Marine Protected Areas (*Daerah Perlindungan Laut Desa*). The process involved focus group discussions and community consultations that finally resulted in agreement on the creation of three management zones (core, buffer and utilization zones) in Toli-toli village. There are three

protected coral reefs and five hectares of mangroves areas within the core zone.⁸¹ The Village Regulations (*Peraturan Desa/Perdes*) legally established the three zones and designated three types of violations (Table 19).

Table 19. Types of violations and fines regulated by Toli-toli Villages Regulations.

Category of violations	Type of violations	Type of punishment/fines
Heavy	- Using poison (potassium) - Using fish bombs - Breaking up coral reefs	- Penalty of IDR 3 million - Confiscation of fishing gear - Social isolation - Arrest by police
Medium	- Taking coral and sand from reefs - Cutting mangroves illegally - Using <i>bubu</i> (fish traps) - Hunting specific protected marine biota	- Penalty of IDR 1 million - Confiscation of fishing gear
Low	Throwing trashes into coastal water	Penalty of IDR 100,000

Source: BPP Toli-toli Konawe (2004)

Kendari-based NGOs, such as *Yayasan Bahari* (Maritime Foundation/YARI), LEPPMIL and Walhi Sultra (Friends of the Earth Southeast Sulawesi Chapter), dominate coastal zone management programs in Konawe. These NGOs have sufficient financial and human resources to operate effectively. They have good access to donor and national organizations. Some of them are active in several coastal villages and islands, all of which are handicapped by long distances from Unaaha, the capital of Konawe. CZM in those remote areas is poorly understood and inadequately resourced. The absence of local government engagement in those areas provides opportunities for NGOs to implement and organize programs on marine and coastal. Saponda Island has been a target area for *Yayasan Bahari* (YARI), a leading marine and coastal management NGO in Southeast Sulawesi (Box 1).

⁸¹ The three reefs are Reef Tomba (100 meters x 200 meters), Reef Toli-toli (50 meters x 50 meters) and Mehau-hau (40 meters X 200 meters) (BPP Toli-toli Konawe 2004). Mangrove areas are located near the border of *Desa* Toli-toli and Waworaha.



Box 1. Saponda Island and Yayasan Bahari

Saponda is an island of 7.5 hectares (RANESI 2007), located two nautical miles or about one to two hours sailing time from Kendari, depending on the type of boat. If using a small boat with a 40 horsepower engine, a *perahu batang* (*bodi*), it takes one hour to sail from Kendari, but it will be more than an hour if using a normal *perahu* (*katinting*). There are no regular transportation services to and from Saponda, except these fishing boats. Saponda islanders feel closer to Kendari than Konawe although administratively this island comes under Kabupaten Konawe.

Saponda borders with Menui Strait in the north, Wawonii Strait in the east, Moramo Strait in the south and Kendari Strait in the west (Ashmarita and Nasir 2004). Most of Saponda islanders (1,030 people with 227 households) are Bajo (YARI 2005).

Yayasan Bahari (YARI), a leading NGO on marine and coastal conservation, has been active in Saponda since 2003. With a UNDP-Global Environmental Facility-Small Grant Programme (UNDP GEF-SGP), YARI implemented coral reef community based management in the Hari Island area. Hari Island has been a fishing ground for two YARI targeted villages, Saponda in Konawe and Labuan Beropa in Laonti, Konawe Selatan. These two villages are also known for the use of destructive fishing activities (YARI 2005).

YARI was awarded a USD 41,000 grant by the UNDP GEF-SGP for 18 months (May 2003 – November 2004) to develop a community assistance program in these two villages. YARI then started to initiate community meetings for the implementation of programs but faced many challenges to its work. Their first meeting was to establish a conservation group, but only 29 people joined. Villagers were disinterested due to the failure of previous programs without preparation for post-program or post-project strategies (Informant D-NGO-Kdi, 2005; Informant G-NGO-Kdi, 2007). They were also sceptical about community officers who villagers thought would be part of state surveillance on preventing destructive fishing. The most important reason for villagers rejecting YARI was that they were still engaged with destructive fishing.

To work with these challenges, YARI arranged for its Community Officer to live in the village and persuasively explain its programs. It took more than three months just to inform the community of the benefits of the program (Informant D-NGO-Kdi, 2005; Informant G-NGO-Kdi, 2007). YARI then successfully implemented participatory community mapping, coral reef rehabilitation and restoring coral reefs with artificial reefs.

In order to achieve a higher level of community awareness, YARI together with conservation groups established a community radio station (see side picture). Youth and conservation groups run this station using the Bajo language for its programs. The radio station has a special program on community education about coral reefs. However, having run for two years, conflict arose triggered by a lack of communication among the management of the station (YARI 2007). This issue was solved when YARI obtained another extension grant for its program.

In 2006, the UNDP GEF-SGP provided another grant IDR 465 million (or USD 53,450) for continuity of the YARI program in these two villages for two more years (November 2006 – November 2008) (YARI 2007). Under this grant, YARI expanded its target areas by adding Tanjung Tiram village in Konawe Selatan district. YARI also implemented a fund scheme to enable local fishers to access the live fish trade chain in Makassar, South Sulawesi.



In 2005, YARI assisted Saponda village to pass its Village Regulation (*Peraturan Desa/Perdes*) concerning the establishment of a marine and coastal management area (*kawasan kelola laut/KKL*) in Saponda. This regulation set up three zones of KKL: core,

tourism and limited utilization zones. It also stipulated the types of activities prohibited in the three zones and the types of fines for infringement (Table 20) (Pemdes Saponda 2005).

Table 20. Scope of *Perdes KKL Saponda* regulation

Zone	Type of prohibited activities
Core zone	- All fishing activities, including using hook fishing (<i>pancing</i>), arrow, fishnet, trawl and lamps. - Taking <i>meti-meti</i> or other biota even at low tide - Conducting mariculture - Hunting and catching protected marine animals
Tourism zone	- Throwing trash into the coastal water and coastal areas - Hunting and catching protected marine animals
Limited utilization zone	- Fishing by using not approved fishing gears (hook, <i>bubu</i>, fishnet and <i>sero</i>) - Bomb and cyanide fishing - Using <i>gae</i> (mini purse seine)

Source: Pemdes Saponda (2005)

Perdes Saponda on KKL stipulates three tiers of punishment for illegal activities. In the first tier, the offender will be warned and made to sign a promissory stating that he or she will not repeat the violation. If the offence is repeated, then the offender will be charged a fine of IDR 25,000 (USD 3) and issued with a serious warning. The highest tier is to pay a fine of IDR 50,000 (USD 6) and the offender will be handed over to the police or law enforcement office.

There is a common theme in the passage of the *Perdes* Toli-toli and Saponda. Village administration and communities become strategic partners in implementing coastal resource protection and management as well as carrying out law enforcement. These two *Perdes* share some distinctions. The enactment process of *Perdes* Saponda took longer than *Perdes* Toli-toli. *Perdes* Saponda required wide consensus among village members, which did not exist at the beginning of the *Perdes*-making process due to the existence of opposing views on the ways to fish (destructive and non-destructive). Meanwhile, *Perdes* Toli-toli was driven by government support for project activities with assistance from academics and NGOs. The way to pursue consensus on the *Perdes* Toli-toli was different to

Perdes Saponda. The fines for violations in *Perdes* Toli-toli are much higher than in *Perdes* Saponda. For Saponda, the scale of the fines for violations is appropriate to the current conditions of its coastal communities, most of which are poor.

By way of an example of the enforcement of these regulations, there was a dynamite bombing violation in the Saponda *KKL* area at the beginning of January 2007 that involved the extended family of the Village Leader (Informant G-NGO-Kdi, 2007). The conservation group and villagers urged the Saponda village government to charge the offender.

On 4 January 2007, a trial was held, which almost half the Saponda villagers attended. The Village Leader actually chaired the trial and there was much discussion on the type of fine appropriate for the violator (YARI 2007). Eventually, the violator was given two fines; one of IDR 1 million (USD 115) to be paid within a month, and the second fine was the signing of a promise not to repeat the violation. The impacts of his repeated violations caused the violator be charged 20 times the maximum penalty (Informant G-NGO-Kdi, 2007). The trial was a warning that this case should be the first and last case of violation *KKL* (YARI 2007). This case was intended as a test case for deterring destructive fishing activities on Saponda Island (Informant G-NGO-Kdi, 2007). While the actual amount of the fine may seem insignificant to outsiders, to poor a Bajo fisherman it would be a considerable financial cost. There is also a certain amount of public shaming involved in the process and this is an additional deterrent.

The trial was powerful enough to reduce the number of violations of the destructive fishing rules in *KKL* areas (YARI 2007), for it acted as shock therapy for other villagers as well. My in-depth interviews with several key informants in Saponda Island confirmed that they became more conscious of reducing their own destructive fishing activities because they feared such punishment. The trial also led to the villagers to become

more aware of the importance of protecting nursery and feeding grounds in order to ensure a supply for their fishing (RANESI 2007; YARI 2007). They can now expect the direct impact of protecting the core zone to be an increase in their catches (RANESI 2007).

4.7.2.3 Academic institutions

The Konawe case is closely followed by academics interested in the policy formulation process for coastal zones. Most of these academics are from the Kendari-based University of Halu Oleo (*Unhalu*) as there is no higher education institution in Konawe that focuses on fisheries or coastal zone management. Several of the academic staff and researchers are engaged as consultants or research workers in the study of coastal zone management to provide technical input for planning documents. Despite having limited expertise and experience in coastal zone management, their involvement has influenced the coastal zone management process in Konawe, especially at the provincial level.

The appointment of academics to implement scientific studies of the coastal zone and to formulate planning documents is primarily decided through personal networking. For example, my informants stated that a senior *Unhalu* lecturer is always preferred for MCRMP Project consultancies by the Provincial *Bappeda* because of his good relationship with the project manager and the high-ranking officers in *Bappeda* (Informant K-Exp-Kdi, 2005). His educational background and training in fisheries, with a specialization in crab culture, as well his position as part of *Unhalu* management, also account for his continued employment in these positions.

In choosing his team and commencing the projects, he selects most of his team members from the Fisheries Department of the Faculty of Agriculture of *Unhalu*,⁸² who are again part of his personal network. For some jobs, he acted as lobbyist and negotiator for

⁸² *Unhalu*' Fisheries Department has now become the Faculty of Marine Science and Fisheries.

Bappeda instead of team leader. There have also been criticisms of his role within the university (Informant K-Exp-Kdi, 2005; Informant M-Exp-Kdi, 2007). His critic state that his work is of poor quality because of his heavy workload and that much of the material produced is repetitious and negatively affects the image of *Unhalu* (Informant M-Exp-Kdi, 2007).

Despite some negative views on *Unhalu* academics' involvement in CZM studies, collaboration between *Unhalu* with local and provincial governments provides promising signs of more opportunities in policy-based and policy-oriented research. These opportunities will be the proper medium for *Unhalu* academics to take and amplify their roles in CZM decision-making process. To take full advantage of these academics' contributions to local decision-making policy, *Unhalu* needs to encourage potential researchers to contribute to the collaborations and make the process of involvement more transparent. *Unhalu* also needs to act as “more than just a rubber stamp” stakeholder in CZM policy.

4.7.3 Administering the coastal zone

Obtaining a complete and accurate picture of spending related to coastal and fishery management in Konawe is not a simple task, although budget documents such as *APBD* do provide some data on local government spending. Coastal management and fishery programs in Konawe are highly dependent on external funding sources, mostly transfers from the central government in Jakarta. Konawe district's own revenues from marine and fisheries are too small to fund any significant coastal management and fisheries programs. Consequently, without any funding transfer from the central government, there are no effective programs on coastal zone management in the region.

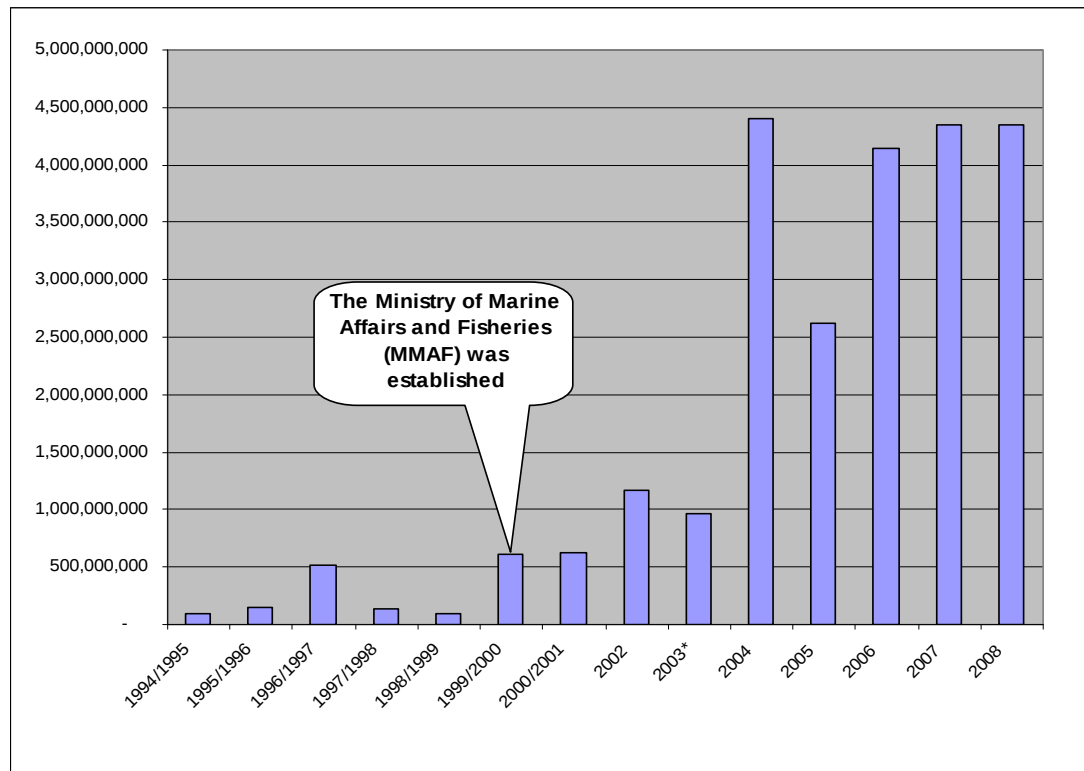
4.7.3.1 Available funding

Coastal and fisheries management was often seen as a supplementary (*pelengkap*) service component that promised to enhance economic development for both Kabupaten Kendari and then for Konawe. Coastal and fisheries management tasks were neglected in favour of revenue earning. Geographic conditions and the complexity of coastal issues in the region have combined with a growing lack of natural resources and poor economic returns, resulting in a lack of interest that has marginalized coastal and fisheries policy areas.

This condition was reversed when MMAF was formed and required partners at both the provincial and *kabupaten* levels for the implementation of the MMAF mandates. Subsequently, additional funding for partnership engagement in coastal and fisheries management programs was provided. A flow of resources from transfers from the central government and the implementation of projects on coastal and fisheries issues in Konawe increased substantially when compared with the situation prior the establishment of the MMAF (Informant A-Gov-Kon, 2007) (Figure 16). MMAF pushed a strong agenda for fiscal balance in coastal and fisheries issues by initiating the Fisheries Revenues Sharing Fund (*Dana Bagi Hasil Perikanan*) in 2000 and the Specific Allocation Fund on Marine Affairs and Fisheries (*Dana Alokasi Khusus/DAK Bidang Kelautan dan Perikanan*) in 2004.

Prior to the establishment of the MMAF, the budget allocation for coastal and fisheries projects in Konawe was under the allocation for the agriculture and forestry sector (*Sektor Pertanian dan Kehutanan/SPK*). Under this allocation, the coastal and fisheries management sector shared only a small proportion, as it was not considered a competitive or promising sector. By taking the pro-rata proportion (30 %), the maximum budget allocation for coastal and fisheries management pre-MMAF establishment (pre-1999) in

1997 was only one third of the available funding for coastal and fisheries activities after the establishment of MMAF in 2002 (Table 21).



Note: All the figures are in Indonesian Rupiahs (IDR)

Figure 16. Estimated and available funding for coastal and fisheries management program in Konawe (1994 – 2008).

Starting in fiscal year 2004, the available funding for coastal and fisheries in Konawe increased significantly. The only exception was for the fiscal year 2005 when funding dropped, although it was still a significant increase when compared with the pre-MMAF budget (almost five fold). This available funding illustrates the gradual shift in the policy process of the central government as well as whose stronger political will and a greater financial commitment toward fostering decentralized coastal and fisheries management.

Table 21. Coastal and fisheries funding available for Konawe 1994 - 2008

Fiscal Year	Annual Budget for Agriculture and Forestry Sector (including fisheries and coastal) (SPK)	Estimated budget allocation for fisheries and coastal management (33% of SPK)	Specific Allocation Fund (DAK)	Fisheries Sharing Revenue (DBH)	DAK + DBH
1994/1995	295,790,000	88,737,000	NA	NA	NA
1995/1996	469,800,000	140,940,000	NA	NA	NA
1996/1997	1,558,280,000	467,484,000	NA	NA	NA
1997/1998	438,320,000	131,496,000	NA	NA	NA
1998/1999	302,920,000	90,876,000	NA	NA	NA
1999/2000	1,842,070,000	552,621,000	NA	NA	NA
2000/2001	1,910,530,000	573,159,000		684,390,000	684,390,000
2002	3,551,790,000	1,065,537,000		739,200,000	739,200,000
2003*	1,560,657,858			960,000,000	960,000,000
2004			3,040,000,000	1,355,688,141	4,395,688,141
2005			1,350,000,000	1,272,727,000	2,622,727,000
2006			3,390,000,000	752,992,730	4,142,992,730
2007			3,888,000,000	454,545,454	4,342,545,454
2008			3,888,000,000	454,545,454	4,342,545,454

Sources:

Data 1994 - 2000 are from website of Directorate General of Budget, Ministry of Finance

Data 2001 accounted from part of shared revenue from natural resources and mining.

Data 2002 refers to Keputusan Menteri Keuangan Republik Indonesia Nomor 214/KMK.06/2002 tentang Penetapan Perkiraan Jumlah Dana Bagian Daerah dari Sumber Daya Alam Minyak Bumi dan Gas Alam, Pertambangan Umum serta Perikanan Tahun Anggaran 2002

Data refers to budget allocation for DKP Konawe from Keputusan Bupati Kendari No. 85/2003 tentang Penjabaran Perubahan APBD 2003

Data 2004 accounted from part of shared revenue from natural resources.

Data 2007 refers to Peraturan Menteri Keuangan Republik Indonesia Nomor 141 / PMK.07 / 2006 Tentang Penetapan Perkiraan Alokasi Dana Bagi Hasil Sumber Daya Alam Perikanan Tahun Anggaran 2007

Data 2008 refers to Peraturan Menteri Keuangan 142/PMK.07.2007 tentang Penetapan Alokasi Dana Alokasi Khusus Tahun 2008

Significant increases in budget availability for the coastal and fisheries management programs were not immediately associated with the competencies to manage the budget. Head of *DKP* Konawe in 2004, Yusuf Supriatna, was reported to have taken IDR 450 million or USD 51,725 for personal use when he instructed the *DKP* Konawe Treasurer to transfer state funds to a colleagues' bank account (TEMPO Interaktif 2004b). Yusuf stated it was a temporary loan but he never repaid the money. At that time, he was reported to be lobbying for the position of *Bupati* (TEMPO Interaktif 2004b), although he was not even a front runner in the campaign. It has not been made clear whether the money

was for his campaign, but he is now Head of the Konawe Transportation Service (*Dinas Perhubungan Konawe*) (Kendari Ekspres 2008b).

4.7.3.2 Budget allocation

The Konawe budget allocation for coastal and fisheries management is now more than ten times the budget allocation of 2004 (Table 22). Sources of budget allocation are mostly *DAK Bidang Kelautan*, *PAD* and *Dana Bagi Hasil Perikanan*. General block grant allocation (*Dana Alokasi Umum*), which is the largest transfer fund from the central government, is mostly spent for civil service salaries and office operational costs.

There are four revenue sources for the Konawe district government: local taxes, local rates and service fees, profits from local government enterprises (which remain in deficit at present), and an ‘other’ category (mostly permits for trading and company registration). Among these, the resource extraction fee (*Retribusi Ijin Pengambilan Hasil*) is the major contributor to Konawe revenue, accounting for 90 per cent (IDR 6,050 million or USD 695,400) of local revenue (Pemda Kabupaten Konawe 2006c). Fisheries and coastal resource fees form part of this *Retribusi Ijin Pengambilan Hasil*.

In 2003, the budget allocated for *DKP* Konawe increased by almost 200 percent compared with the estimated budget of the 1999/2000 year. Almost 75 per cent of the 2003 budget was spent on salaries, office operations and maintenance costs. The rest of the budget was allocated to asset procurement (21.8 %) and operational and maintenance costs for fisheries landing facilities (3.8 %). The proportion of the 2003 budget allocated to coastal and fisheries management is only 0.5 per cent of the total Konawe budget. Revenues in 2003 from fisheries and coastal activities contributed 14 per cent of the total budget for coastal and fisheries management.

Table 22. Konawe Local Government Budget (APBD) 2003 – 2007

No.		2003	2004	2005	2006	2007
1	Budget Allocation for DKP Konawe	1,560,657,858	4,425,727,890	3,311,952,338	6,387,574,288	12,701,681,960
	Detailed allocations					
a.	Salary, lump sum and office operation and maintenance	1,160,907,858	922,727,890	983,391,796	2,293,168,275	2,368,796,200
b.	Asset and its maintenance cost	341,075,000	3,503,000,000	2,328,560,542	4,033,526,677	8,589,755,760
c.	Operational cost for coastal and fisheries facilities	58,675,000	-	-	42,567,000	1,743,130,000
2	Total Konawe Budget (APBD)	308,831,988,750	197,909,100,000	209,780,531,019	285,320,714,845	546,739,503,937
3	Percentage DKP Budget (1) to Total Budget (2)	0.51	2.24	1.58	2.24	2.32
4	Revenue from DKP	219,000,000	107,000,000	200,000,000	215,000,000	200,000,000
	Detailed revenues sources					
a.	Levy on fishery quality examination	165,000,000	100,000,000	190,000,000	190,000,000	170,000,000
b.	Fishery sales fee	14,000,000	7,000,000	10,000,000	15,000,000	10,000,000
c.	Levy on fisheries production service	40,000,000	-	-		20,000,000
5	Total Konawe Revenue	13,800,296,919	14,112,540,000	8,091,998,208	6,720,379,115	12,767,706,360
6	Percentage DKP Revenue (4) to Total Revenue (5)	1.59	0.76	2.47	3.20	1.57
7	Percentage DKP Revenue (4) to DKP Budget (1)	14.03	2.42	6.04	3.37	1.57

Sources: Pemda Kabupaten Kendari (2003); and Pemda Kabupaten Konawe (2004b, 2005b, 2006c, 2007)

Despite an increasing budget for the fiscal year 2004 when 79 per cent of the budget was allocated for asset procurement and development such as land acquisition and fish landing facilities, revenues from fisheries and coastal related activities fell to about half of the 2003 revenues. The ongoing development of the fisheries landing facilities affected this decreasing revenue.

In 2005, the budget for *DKP* Konawe decreased by almost one fourth of the 2004 budget. Spending on asset procurement and development still took a large proportion (70 %) of the total budget for the year 2005. However, Konawe was confident that there would be an increase in the revenue targets from marine and fisheries activities for the year 2005. Revenue from fees for fishery quality examination (*Retribusi Pengujian Mutu Hasil Perikanan*) was predicted to increase up to 90 per cent to IDR 190 million (USD 21,840). Similarly, fees from fishery sales (*Retribusi Penjualan Hasil Perikanan*) increased by almost 50 percent to a total of IDR 10 million or USD 1,150 (Pemda Kabupaten Konawe 2005b). However, only 80 per cent of the targets for revenue from fishery quality examination and 60 per cent from the fishery sales fee can be achieved (Pemda Kabupaten Konawe 2006c). Fees from fisheries production services (*Retribusi Jasa Perikanan*) increased almost six-fold, which is the highest percentage increase of all Konawe revenues (Pemda Kabupaten Konawe 2006c). Total revenues in the 2005 fiscal year increased by 87 per cent compared with the 2004 revenues.

The budget of *DKP* Konawe for the year 2006 increased by 90 per cent compared with the 2005 budget. For 2007 fiscal year, the budget for *DKP* Konawe also increased by 90 per cent over the 2006 budget. A large proportion of this budget was still spent for asset procurement and development, which accounted for 63 per cent in 2006 and 68 per cent in 2007. Konawe also spent one third of its total budget on fisheries apparatus and fishing gear.

In 2007, most of the asset procurement and development budget was spent for land acquisition and construction for fish landing facilities. The source of this spending was a combination of *DAK*, *PAD* and adhoc funds. The revenues for fiscal years 2006 and 2007 remained constant with no significant increase.

The Special Allocation Fund (*DAK*) was the main source for the asset procurement and development fund for the fiscal years 2005 to 2007. Konawe used a formula, which estimated that 90 per cent of total cost for asset procurement and development would come from *DAK* and 10 per cent from Local Area Revenue (*PAD*). Continuous development of fish landing facilities in Wawonii took about one quarter of the total budget for asset procurement and development.

These budget figures provide a chronicle that shows the Konawe budget for the coastal and fisheries management program depends highly on the transfer of funds from central government. This is understandable since coastal and marine affairs are a rapidly developing sector in the region and to foster these efforts requires the expenditure of more resources, especially financial resources. Furthermore, the cost to develop infrastructure in coastal areas is relatively higher than in terrestrial areas due to the challenges and geographic features of coastal areas. Most of Konawe expenditure on coastal and fisheries amounts to a small proportion of its *PAD* and central government transfers dominate. Konawe revenues from coastal and fisheries-related activities remain similar without remarkable fluctuation.

4.7.3.3 *From dinas air mata to dinas mata air*

The significant increase in the *DKP* Konawe budget resembles the changing situation with regard to the *DKP* Konawe as a whole. In this changing situation *DKP* Konawe has become one of the most successful *dinas*, simply because more resources were involved that could be allocated to local programs. *DKP* Konawe ceased being a *dinas air mata*⁸³ (agency with limited annual budget) to a *dinas mata air*⁸⁴ (agency with adequate

⁸³ Literally, means ‘tears agency’.

⁸⁴ Literally, means ‘spring agency’

annual budget). It also became possible for staff to receive additional income; the position of the Head of *DKP* Konawe is now a highly sought-after position, but one which the *Bupati* has the authority to fill according to his own personal preferences.⁸⁵

Appointment to the Head of *DKP* Konawe involves considerable conflicts of interest. The appointment is now based more on the personal ties of the candidate to the *Bupati* and whether the candidate can be seen as the *Bupati*'s associate rather than a person with managerial qualities, professionalism and leadership. The current Head of *DKP* Konawe is allied to the socio-political branch of Konawe Secretariat. His performance in this position and his actions on the issues facing coastal management and fisheries in Konawe confirms local opinions that he lacks competency in the position and that he was appointed because of his close links to the current *Bupati* (Informant B-Kon-Gov, 2007).

4.7.4 Rising expenditure, stagnant performance?

“However, we realize that changing behaviour is a difficult task although [decentralization] has been six years in implementation”

(Informant A-Exp-Kdi 2005)

Despite funding for coastal zone management having increased three times, the implementation of programs is still in the “wait and see” stage (Informant A-Gov-Kon 2005). The Konawe district administration in most cases is reluctant to find and create innovative ways for spending the coastal and fisheries management budget. There are two main reasons behind this reluctance. First, Konawe is accustomed to work under *Juklak* and *Juknis* settings⁸⁶. This means that Konawe will implement a program only as long as

⁸⁵ Based on interviews with Informant A-Gov-Kon (2007), Informant K-Exp-Kdi (2005) and Informant B-Gov-Kon (2007).

⁸⁶ The settings are the New Order budgetary process and mechanism. *Juklak* is *Petunjuk Pelaksanaan*, an implementation guidelines document. *Juknis* is *Petunjuk Teknis*, a technical guidelines document containing technical aspects of some project or program activities. For development projects, these two types of

they receive *Juklak* and *Juknis* guidelines from the central government. Second, the central government on several occasions has provided unclear directions. Even for the internal central ministry, the *Juklak* and *Juknis* can often be contradictory (Informant K-Gov-Nat 2005). These *Juklak* and *Juknis* processes remain part of the local orientation in administering the budget for coastal and fisheries management.

There are two other main obstacles to effective financial management in Konawe; the commitment of local government officials in the areas of coastal management and a cash oriented approach to funding. As one informant remarked:

“[L]ocal officials from *Kabupaten*, *Kecamatan* even *Desa* [levels] often abuse their position in government for their own benefits and remain unaccountable”.

(Informant B-Exp-Kdi, 2005)

However, the Corruption Eradication Commission (*Komisi Pemberantasan Korupsi/KPK*) has now become a motivating force for the Konawe district to manage its local budget (*APBD*) honestly. Under Law No. 30 of 2002 on the Corruption Eradication Commission, *KPK* can conduct investigations, indictments and prosecutions against corrupt activities, as well as monitor local government operations.

Earlier *KPK* actions against corruption, which put many local civil servants in jail, have daunted program managers and heads of office in local governments. They worry that they will be targeted for investigation, which is sometimes politically motivated. Instead, they look for safe rather than innovative ways to spend their budget allocation. They prefer less risk of *KPK* investigation in spending their budget.

guidelines merge into *Petunjuk Operasional – PO*, a more specific description of planned activities and expenditures, which was prepared for the development budget (*DIP*) approval (Rohdewohld 1995).

In addition, grey legal areas and unclear directions in some regulations from the central government have led to wide interpretations of rules and laws. These interpretations may be effective in terms of financial control, but can also lead to fears that the KPK will conduct unwarranted ‘witch-hunts’. Consequently, local government officials wait for clear directives from the central government rather than spend funds for development.

The legacies of the New Order regime, such as a tightly controlled bureaucracy and limited opportunities for creativity and innovation, are still found in Konawe (TEMPO Interaktif 2006a). The *Bupati* operates a local version of the heavy-handed authoritarian rule (Box 2) and the chain of decision-making in the bureaucracy is still hierarchical, in which the *Bupati* is the head of an extended family (Informant L-Gov-Kon, 2005). Appointing the wife of the *Bupati* as the Project Manager (*Pemimpin Proyek/Pimpro*) of the *Kecamatan* Development Program (PPK), a World Bank funded project, and as the Treasurer of the Village Empowerment Office (*Kantor PMD*), illustrates clearly the way in which the patrimonial, family-oriented structure of administration is allowed to operate in Konawe (Informant A-Gov-Kon 2007). As one of my informants described:

“[T]he longest extended relationship [among civil servant] in Konawe [government] is second cousins (*sepupu dua kali*). You even can find family members in one home who are together staff members in one [Konawe] office”

(Informant H-NGO-Kdi, 2007)

Potential conflicts of interest under this obvious nepotism have increased and numerous instances of collusion, corruption and the promotion of self-interest have been witnessed by local officials. Indeed Informant L-Gov-Kon (2005) stated, “staff will not be promoted or even be considered unless they have a link to the *Bupati* circle or have Tolaki background”. This in effect stifles innovation and stops attempts to pursue effective decentralized CZM.

Box 2. Abunawas Dynasty: Family Rule in Konawe

Abunawas is one of the most famous Tolaki clans in Konawe. This clan's historical struggle with another famous Tolaki clan, the Silondae, has been highly influential in determining the political history of Konawe District. Both these families have long been competitors in politics and government on the Southeast Sulawesi mainland (Eko 2008). They also compete with local politicians from the island *kabupaten* (Muna, and Buton).

The Abunawas clan dates back to the time when the Abunawas elder, the father of Lukman and Munsyi, was the most famous Regional Secretary (*Sekwilda*) of Southeast Sulawesi. Munsyi is the eldest brother of Lukman. His sister, Rusiati Abunawas, is wife of Yusran Silondae, former Vice Governor of Southeast Sulawesi (Kendari Pos 2008a).

The rise of the Silondae clan started when the late Abdullah Silondae, former *Bupati* of Kendari in 1960 – 1965, was appointed Governor of Southeast Sulawesi in 1981–1982 (Kompas 2007). The clan rose to prominence again when Yusran Silondae was elected Vice Governor under Governor Ali Mazi from 2003 – 2008. Yacob Silondae, sibling of Yusran Silondae, is also a Member of People Consultative Assembly (MPR Utusan Daerah) (Chazin and Rabani 2003).

Currently the Abunawas clan dominates politics, the bureaucracy and consequently the local budget flows in both Konawe and Kendari (Eko 2008). Their domination is evident in the fact that Lukman Abunawas is *Bupati* of Konawe (2003-2008) and Mansyur Masie Abunawas was the former Mayor of Kendari (1997-2007).

Lukman Abunawas is currently in his second term (2008-2013) and will be *Bupati* of Konawe until 2013. In Kendari Mansyur Masie Abunawas also served two terms as Mayor of Kendari. Both their leadership periods are also dominated by patrimony with family members appointed to senior positions. The regimes are strongly ethnic Tolaki based (Eko 2008). With this structure, they have been able to lay the foundation for long-term political power.

Lukman was suspected of corruption in the fiscal year 2003 for manipulating and marking up the local budget (APBD) for education (National Examination/EBTA) and severance pay (*pesangon*) of the DPRD members for the term 1999–2004. The sum totalled IDR 2 billion rupiah or USD 230,000 (Kompas 2006). The formal legal documentation of the Lukman corruption allegation highlights the problems of discrimination in legal proceedings and the propensity for bribery and political intervention in local politics. Minister of Home Affairs (*Mendagri*) sent a formal letter to recommend the suspension of Lukman as *Bupati* and support for the appointment of Toni Herbiansyah (Vice *Bupati*) as acting *Bupati*. The acting Governor, Yusran Silondae, did not support either the recommendation or act on the proposal to appoint a new *Bupati* (Kompas 2006).

Lukman's charge of corruption was highly controversial and very public (TEMPO Interaktif 2006b). At a meeting with the Director of Provincial Public Prosecutors Office, Antasari Azhar (former Deputy Attorney General for General Criminal, and currently chairman of the Corruption Eradication Commission (KPK)) released Lukman before the verdict was announced and without any charges. Lukman was re-appointed as *Bupati* of Konawe and confirmed in his second term in the first direct election (*pemilihan kepala daerah/pilkada*) in Konawe.

Partnered with Masmudin, Lukman Abunawas won 68.16 percent of the total ballot in the first Konawe direct election (TEMPO Interaktif 2008). His success at the *pilkada* remained controversial and caused considerable protest. His victory in the election enforced the belief that there was a considerable mark-up of ballots and highlighted the role of 'money politics' within the Local Election Committee (KPUD). The Governor of Southeast Sulawesi Province, Nur Alam, refused an order from the Minister of Home Affairs to inaugurate Lukman Abunawas as *Bupati* and Masmudin as Vice *Bupati* of Konawe for period 2008 - 2013. A similar situation arose when Governor La Ode Kaimoeddin refused to inaugurate Masyhur Masie Abunawas – Musakkir Mustafa as Mayor and Vice Mayor of Kota Kendari in 2002 (Kendari Pos 2008a).

Finally Lukman's second term as *Bupati* was inaugurated by the Ministry of Home Affairs, Jakarta, on 22 May 2008 at a special session of the Konawe House of Representative/DPRD Konawe (TEMPO Interaktif 2008). Only 15 members of the 30 member DPRD Konawe parliament attended this special session. The Minister of Home Affairs issued the Minister of Home Affairs Decrees 131.74-230 and 131.74-231 2008 for the appointment of Lukman as *Bupati* and Mahmuddin as Vice *Bupati* (Kendari Pos 2008a).

Changing the leadership structure in Konawe could bring dynamic changes to local political action and the bureaucratic machinery. Filling vital civil servant positions, which most certainly contain power and the promise of lucrative financial benefit, are high

priorities for the *Bupati*. For example, the *Bupati* still makes the final appointment despite candidates having qualifications and skills when applying for the position of *Sekda* (*Sekretaris Daerah*), the highest civil servant position in the district level.⁸⁷

Direct elections (*Pilkada*) increase the influence of the *Bupati* on *Sekda*'s appointments. The *Sekda* must be willing to translate the *Bupati*'s promises into action, especially those made during the local election campaign. It is a rare occasion when the *Sekda* takes the opposing position to the *Bupati*'s promises, including the promises⁸⁸ made by his political advisers, campaign team (*Tim Sukses*) or investors. The *Sekda* must appear to be a loyal bureaucrat. This patronage can sometimes result in *Sekda* being appointed as caretaker *Bupati* for new *pemekaran* administrative units, as happened with Aswad Sulaiman, previous *Sekda* under the *Bupati* Lukman Abunawas. Lukman even fought for Aswad when the interim governor rejected his appointment as candidate for caretaker *Bupati* Konawe Utara (Section 4.5).

Under Government Regulation 84/2000, the authority to promote a civil servant as *Sekda* is the prerogative of the *Bupati*. The local parliament has very limited power to control the appointment of the *Sekda*. The *Bupati* just needs approval from the local parliament. If the local parliament disagrees with a decision, it must submit an objection in writing and then the *Bupati* has 30 days to reconsider. If there is no consent to his proposal then the *Bupati* can ignore the local parliament's concerns and inaugurate his candidate as *Sekda*.

The *Sekda* then has the authority to propose and select the head of services (*Dinas*) and agencies (*Badan*) including the Head of the *DKP* Konawe. The *Bupati* approves this position. This flow of nepotism creates an elite structure of men allied to the

⁸⁷ Article 20 Government Regulation 84/2000 on Guidelines for Local Government Organization.

Bupati and the selection process can ignore questions about competency and level of management skills. The bureaucracy often becomes stagnant and underperforms. “Business as usual” turns out to be a common theme in the implementation of decentralized CZM. Indeed, it opens the door for widespread corruption and collusion. Corruption, in turn, places heavy burdens on the limited natural resources of Konawe.

While Konawe suffers from poor governance due to nepotism and corruption, several other factors also mitigate against efficient development of coastal and fishery resources.⁸⁹ Local financial management is one of the constraining factors on the implementation of decentralized CZM. My informants confirm that there are four typical type of financial failure in Konawe: (i) not enough funding to pay for service delivery; (ii) spending on the wrong thing; (iii) misappropriation; and (iv) poor management and poor supervision. These financial failures existed in the absence of accountability in proposing funding as well as the way of budget spending. These failures also correspond to the chronic bureaucracy “illness” that has existed and grown for more than three decades under the New Order period. Maximizing rent seeking and personal interest in local budget allocations was the main contributor to financial failures.

Many of the issues in financial failure are management problems that could be solved with education, commitment and dedication, but developing these capacities in poorly-paid rural bureaucrats is a long-term project and the problem cannot be solved simply with an injection of money. However, there have been some promising actions such as improvement of the remuneration system for civil servants and the *pakta integritas* (integrity pact) for upper echelon positions.

⁸⁸ Promises can be development tenders, promotions for upper positions and other lucrative jobs orders.

⁸⁹ Interview with Informant B-Exp-Kdi (2005), Informant E-Exp-Kdi (2007) and Informant E-NGO-Kdi (2007)

Ideally, Konawe, as the oldest administration unit in Southeast Sulawesi, should have a more advanced administration and bureaucracy than its *pemekaran* districts. However, the bureaucracy remains unchanged without further innovation on better service delivery. In a typical sceptical view on Konawe is local government' performance, one of my informants stated:

If I put Konawe in a local government ranking system, I will prefer Konawe as anchor ranking. Many [incredible statistical] numbers which show the current progress of Konawe [in development] are rhetoric only with lack of improvement. [In fact] the realities are far beyond the numbers

(Informant H-NGO-Kdi 2007).

4.7.5 Local regulation in Konawe

Konawe district has issued a number of local regulations (*Peraturan Daerah/Perda*) on marine and coastal management in recent years. The latest *Perda* is Local Government Regulation 18/2006 on Marine and Coastal Zone Management in Konawe⁹⁰. This *Perda* designated three zones for marine and coastal management areas (MCMA) including (i) Wawonii Island, (ii) Soropia Bondoala and (iii) Lasolo Bay (which consists of sub-zones Sawa and part of Lasolo currently under the administration of Kabupaten Konawe Utara). This latest *Perda* follows up the Decree of *Bupati* Kendari 317/2004 which legally established the Konawe Strategic Planning for Marine and Coastal Resources 2004-2008 (*Rencana Strategis Pengelolaan Sumberdaya Pesisir dan Laut Kabupaten Kendari 2004 - 2008/Renstra PWP Konawe*)⁹¹ and emphasised the urgency for Konawe to cement the legal basis for marine and coastal zone management.

⁹⁰ Perda No. 18 Tahun 2006 tentang Pengelolaan Sumberdaya Wilayah Pesisir dan Laut Kabupaten Konawe.

⁹¹ This document consists of vision, mission, issues, strategies and targets on managing marine and coastal resources in Konawe. Vision of Konawe on marine and coastal resource is "Sustainable marine and Coastal resources/*Pesisir dan Lautku Lestari*".

The *Renstra PWP* Konawe expresses for the first time the political will of Konawe on marine and coastal issues. With assistance from the MCRMP Project, this 87-page document presents (i) a profile of marine and coastal resources, (ii) the vision and mission of Konawe on marine and coastal zone management, (iii) objectives and targets, (iv) strategies to achieve the targets, (v) the implementation process, and (vi) a review and evaluation. However, this strategic planning document lacks primary and up-to-date data. Instead, due to the short period given to produce the document, it relied only on the available secondary data. Despite the style of the document and its short coming, this document signals a breakthrough of Konawe political will on marine and coastal resources.

In 1995, another *Perda* on fees for Fishery Enterprises in *Kabupaten* Kendari was passed⁹². For almost ten years, tariffs and fees for fishery activities in Konawe had remained unchanged, but the Decree of *Bupati* Kendari Number 132/2003 that set a general tariff and fees adjustment subsequently amended this *Perda*.⁹³ The fees were increased from 50 percent to 500 percent depending on the fishing activities and the gear used.

These decrees were also tied to two Southeast Sulawesi Provincial Regulations (*Perda Provinsi*); *Perda* 3/2002 on Quality Assurance for Fish Products⁹⁴ and *Perda* No. 4/2002 on Fishing Licences⁹⁵. *Perda* 3/2002 established a compliance regulation that fisheries products should meet the national food standards as issued by the National Standardization Council, and requires regular six-monthly inspections by the Provincial Marine Affairs and Fisheries Services (*Dinas KP Provinsi*). The main areas of concern for

⁹² *Perda Kabupaten Daerah Tk. II Kendari Nomor 39 Tahun 1995 tentang Retribusi Izin Usaha Perikanan dalam Kabupaten Daerah Tk II Kendari.*

⁹³ *Keputusan Bupati Kendari Nomor 136 Tahun 2003 tentang Penyesuaian Tarif Retribusi pemberian Izin Usaha Perikanan dan Surat Penangkapan Ikan dalam Wilayah Kabupaten Kendari.*

⁹⁴ *Perda Provinsi Sulawesi Tenggara Nomor 3 Tahun 2002 tentang Pengujian Mutu Hasil Perikanan*

⁹⁵ *Perda Provinsi Sulawesi Tenggara Nomor 4 Tahun 2002 tentang Izin usaha Perikanan*

standardization include raw materials, ingredients and packaging for fisheries products. The commodities inspected vary from live to processed fish and include dried and salted fish as well as canned fish. *Perda* 3/2002 also imposes fees and charges for quality insurance inspection.

Perda 4/2002 regulates the licence system for fishery enterprises and under this ruling fishery enterprises must obtain permits (*izin usaha perikanan*) for capture and aquaculture fisheries in Southeast Sulawesi. Companies are required to submit an enterprise report every three months to *Dinas KP Provinsi*. They are prohibited from using to use harmful and destructive fishing gear and methods. Failure to meet the terms and conditions of permit requirements will lead to permit cancellation and suspension. This *Perda* is similar to others issued in different provinces across the country. The *Perda* controls the levy on fisheries with the following exceptions:

- traditional fishers with non-motorized boats, or outboard engine or inboard engine boats less than five gross tons or less 15 horse-power;
- inland aquaculture holding fewer than two hectares;
- brackish water (*tambak*) on fewer than four hectares or with spreading density of 50,000 fry per hectare;
- mariculture held in less than 0.5 hectares; and
- fisheries activities for scientific purposes.

These two regulations put emphasis on the levy or fee payment but also establish the criteria for the maintenance and extraction of marine resources in sustainable ways. However, behind the regulations are strong economic targets: in 2005, Konawe expected to receive IDR 200 million (USD 22,990) from the fees and charges but figures show that only 70 per cent of the target was achieved. This was repeated in 2006. This shortface in revenue from fees and charges also shows that Konawe is considered an unattractive fisheries landing and processing area. Fishermen prefer to sell their catches in Kendari

instead of Konawe despite the presence of fishing port facilities. Better prices and access to households shopping after transaction are two of the main reasons why fishermen sell their catch to Kendari instead⁹⁶. Some even prefer to sell their catch to inter-island collectors who pick them up at sea and provide cash payment on delivery.

Local values and fishery management methods in Konawe are also pertinent (Pemprov Sultra 2004). These include:

- *tubba dikatu tuang* or Bajo traditional open-closed system management for marine and coastal resources,
- controlling some of coastal areas for protection purposes in *kecamatans* Lasolo, Sawa, Soropia and Bondoala, and
- dumping waste prohibition to coastal areas by organizing houses along the coastal areas as happened in Tappunggaya in *kecamatan* Lasolo (now part of Konawe Utara).

These local values are gradually being eroded due to economic forces and the search for a materialist lifestyle among coastal villagers. Indeed, there is no formal recognition for these local values in the Konawe *Perda* CZM.

4.8 Concluding Remarks

“Applying [*reformasi*] spirit in Konawe is like building a house on an unstable foundation. No matter how much [we] put in the effort; [we] will end up with no progress results because [we] ignore the fundamental basis that needs to be fixed”.

(Informant H-NGO-Kdi, 2007)

This chapter has shown that coastal and fishery management in Konawe operates in a dynamic socio-political context. The two most important socio-political factors at play in Konawe are (i) the role of the *Bupati* who acts as an authoritarian figure without

⁹⁶ Interviews with Informant D-Gen-Kon (2005), Informant F-Gen-Kon (2005) and Informant G-Gen-Kon (2005)

significant opposition and (ii) the proliferation of new administrative units (*pemekaran*). Competition between two prominent Tolaki clans, Abunawas and Silondae, during the emergence of modern Konawe led the *Bupati* to impose unilaterally his agenda while others in the local administration strategically allied themselves to him in order to obtain upper echelon positions with lucrative benefits. The *Bupati* is the main local actor in the saga of Konawe governmental administration and in many cases puts the bureaucracy in limbo.

Konawe has three times experienced the *pemekaran* process and *pemekaran* discourses remain a big issue for Konawe, as there is now a proposal to form a new *kabupaten* by merging five *kecamatan* on Wawonii Island. The new administrative units resulting from *pemekaran* in Konawe are relatively better-off than Konawe itself. Kota Kendari and *Kabupaten* Konawe Selatan have higher and better development indicators and public service performance than the Konawe administration. This occasions two remarks. First, despite the existence of motives for lucrative positions, the *pemekaran* can provide better public service administration for new *pemekaran* government unit. Second, Konawe remains to slowly respond to local changes and to refocus its coastal and fisheries management in changing the nature of local administration. Konawe is busy dealing with *pemekaran* issues, as well as being like a ‘parental carer’ (*kabupaten induk*) for the new administration units during the transition period of new *kabupaten*, especially with regard to financial and human resources. In many cases, qualified people prefer to join the new administrative units because they offers better prospects for promotion and career development, as well as providing a new, challenging and promising working environment. In this way, Konawe lost many of its qualified personnel to new *kabupaten* without replacing the staff.

My case study of Konawe shows that the significant funding available for coastal and fisheries management has been a magnet for local administrations to compete for several lucrative positions that provide many personal benefits. The significant budget increase also lifted *DKP* Konawe positions from some of the least preferred to the most favoured in all the local administration.

The case study of Konawe also reveals the exclusivity of current coastal and fisheries management projects. Despite the fact that Konawe is advanced in the production of coastal and fishery planning documents, its record on fair and representative participation levels, with local government, universities, NGOs and communities, is lacklustre. As one informant stated:

If [we] refer to the [*Bappeda*'s] job descriptions and procedures, the [MCRMP Project] actually should be under my portfolio. However [because the *Bupati*] appointed my colleague as project manager [who has a relationship with the *Bupati*] to run the project, I only have to admit it. My involvement in the project is mostly on a casual basis without room to contribute in the project implementation. From my point of view, although the project is administered in exclusive ways, I think [the project manager and treasurer] produce good documents in a style [that] remains a big question on how to translate and implement what the documents say

(Informant C-Gov-Kon 2007).

In summary, the evidence presented here, from my interviews and the literature, supports my argument that the role of *Bupati* and the local socio-political dynamic undermines the policy processes and the administration of coastal and fisheries management. Evidence also points to administrative constraints that are rooted in deeper, unresolved and more complex problems in the context of Konawe's cultural and historical background. The case study of Konawe also raises the question of how coastal and fisheries management would operate with a different local socio-political context. This question will be explored further in Chapter 5, which will present a case study of *Kabupaten Pangkajene dan Kepulauan*.

5 KABUPATEN PANGKAJENE DAN KEPULAUAN

This chapter is a case study of *Kabupaten Pangkajene dan Kepulauan* (Pangkep) in South Sulawesi. It presents a portrait that shows how an archipelago district (*kabupaten kepulauan*) manages its coastal resources. Some lessons learned from this case study exemplify the challenges facing *kabupaten kepulauan*.

This case study is similar in structure to the previous chapter and uses a similar framework. The first six sections consist of the same divisions as the previous chapter: introduction (Section 5.1), geographic and climate setting (Section 5.2), historical perspective (Section 5.3), administrative development (Section 5.4), demographic and ethnographic setting (Section 5.5) and the economy of Pangkep (Section 5.6). Coastal and fisheries management is examined in Section 5.7. This section also presents the issues involved in destructive fishing. Finally, the concluding Section 5.8 summarizes key points.

5.1 Introduction



Kabupaten Pangkajene dan Kepulauan (hereafter called Pangkep), one of 23 districts in South Sulawesi, is 51 kilometres from Makassar, the capital city of South Sulawesi and is located at the crossroads of the western coast of South Sulawesi (Figure 17). Pangkep has served as an extension and a commercial transit area of Makassar with Pare-pare linkages, two major seaports in KTI⁹⁷ and an important KAPET⁹⁸ in the eastern Indonesia.

⁹⁷ KTI is the short name for *Kawasan Timur Indonesia*, the eastern Indonesia development area. This term has been a geo-politic term since the 1990s. Former President Soeharto's annual budget speech in January 1990 was a basis for more attention from central policy makers to the importance of development in Eastern Indonesia (Azis 1996:83). This area has a wide variety of natural resources and a low population,

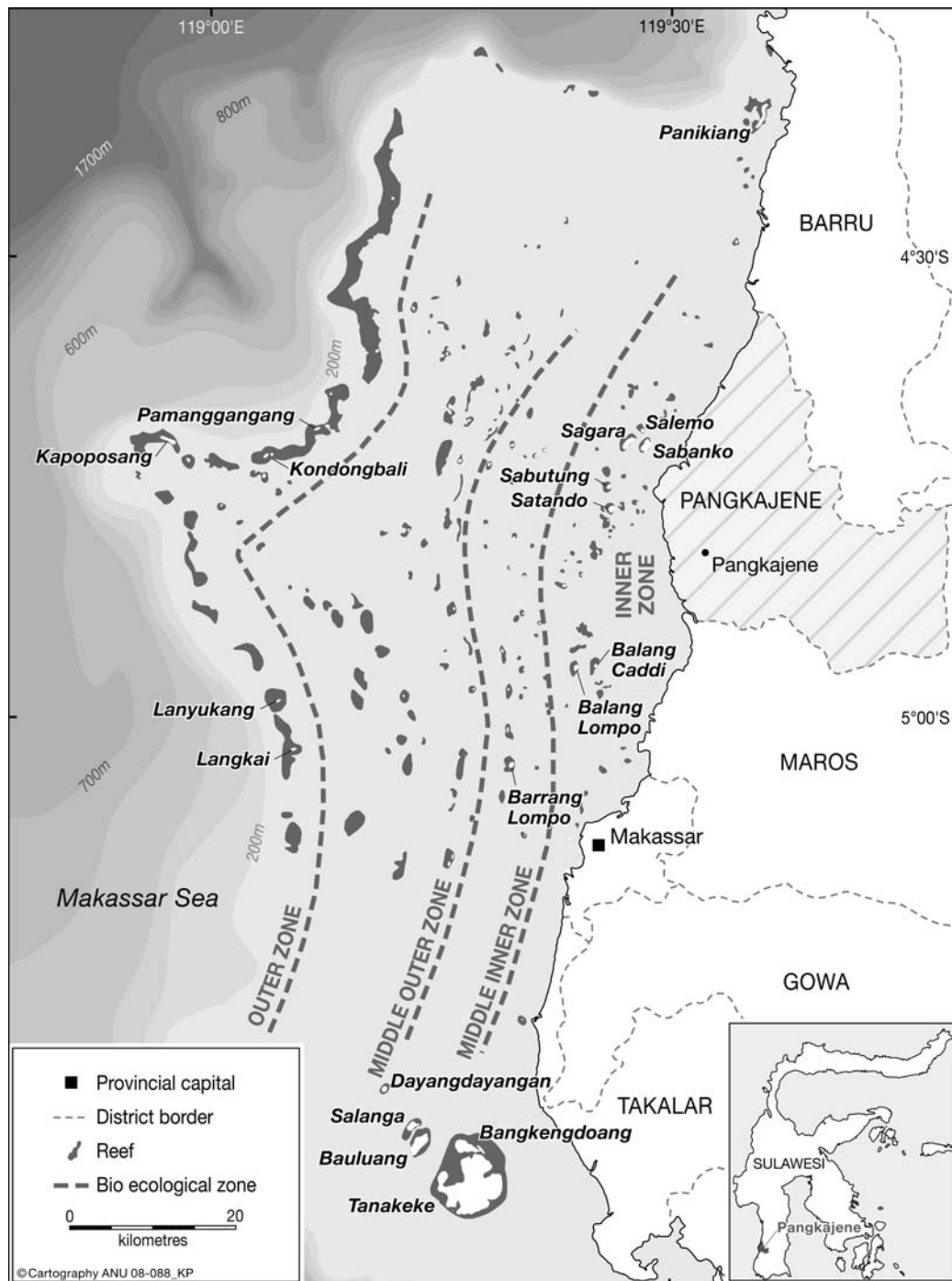


Figure 17. Map of Kabupaten Pangkep, South Sulawesi.

which is unevenly distributed. The transmigration program was one notable government effort to address the problem of uneven population distribution. However, there were complex issues resulting from accelerated KTI development, such as environmental sustainability, extraction and exploitation of resources, and institutional problems, which led to conflict between the state and local communities.

⁹⁸ KAPET stands for *Kawasan Pembangunan Ekonomi Terpadu* (Integrated Economic Development Areas). It was established in 1995 to attract economic development with a focus on food crops and horticulture, plantations, fishery, forestry, tourism, mining, and industry.

The term '*Pangkajene dan Kepulauan*' refers to the condition of this *kabupaten*, which has a diverse set of geographic features. '*Pangkajene dan Kepulauan*' refers to a combination of inland areas including a mountainous region and a group of islands. Ma'dika (1997) stated that the term *Pangkajene* refers to an area covering inland and brackish waters, ponds, paddy fields, low lands and mountainous areas. *Kepulauan* is the group of islands. *Kabupaten Pangkajene dan Kepulauan* represents a district that has lowlands, mountains and islands. The emblem of this *kabupaten* presents this symbolism. For practical reasons, *Kabupaten Pangkajene dan Kepulauan* is shortened to Pangkep.

Administratively, there are 12 sub-districts (*kecamatan*), of which nine *kecamatan* are inland, and three *kecamatan* comprise the group of 112 small islands in Pangkep. These *kecamatan* are divided into 36 *kelurahan* and 64 villages and consist of 69 *lingkungan*, 147 *dusun*, 480 *Rukun Warga*, and 1,502 *Rukun Tetangga* (Appendix 8) (BPS Pangkep 2003). In 2000, Kabupaten Pangkep established three new sub-districts⁹⁹: Mandalle, which previously belonged to Segeri-Mandalle, and Tondang Tallasa and Minasa Te'ne sub-districts, which had originally derived from Pangkajene and Balloci. Previously these three *kecamatan* were *kecamatan pembantu/perwakilan*¹⁰⁰ (liaison sub-districts). With reference to article 66 (6) Law 22/1999 and the Decree of Minister of Home Affairs 4/2000, these three *kecamatan* could be upgraded to sub-district level to avoid confusion in administrative matters. The establishment of new administrative units (*pemekaran*) in Pangkep has only occurred at the *kecamatan* level.

⁹⁹ Perda Kabupaten Pangkajene Kepulauan No. 13/2000 and Approval from DPRD Pangkep No. 22/KPTS/VI/2000 on 14 June 2000.

¹⁰⁰ The status of these three *kecamatan* as *kecamatan pembantu/perwakilan* was established by Surat Keputusan Kepala Daerah Tingkat I Sulawesi Selatan No. SK 81/11/1995 on 6 Februari 1995 and Surat Keputusan Kepala Daerah Tingkat I Sulawesi Selatan No. SK.953/XI/1998 on 14 November 1998.

5.2 Geographic and Climatic Setting

Pangkep is located at longitude 110° east and at latitude 4° 40' to 8° 00' south. It shares administrative boundaries with Kabupaten Barru in the north, Kabupaten Maros in the south, and Kabupaten Bone in the east, and in the west with five large and important islands, Kalimantan, Jawa, Madura, Nusa Tenggara and Bali (Figure 18).

The area of Pangkep covers 2.44 per cent (12,362.73 square kilometres) of the total South Sulawesi province area (BPS Sulsel 2006; Pemda Kabupaten Pangkep 2008a). The geography of Pangkep consists of a terrestrial area of 898.29 square kilometres and a marine area of 11,464 square kilometres (Pemda Kabupaten Pangkep 2008a). The terrestrial area consists mostly of lowlands (73,721 hectares) with a mountain range (BPS Pangkep 2003) which extends from the western coast to the eastern part of the Pangkep. In the eastern part of Pangkep, there are mountainous and elevated areas that range from 100 – 1000 meters above sea level with many karst deposits.

There are 112 islands under Pangkep administration: 71 of these islands (Appendix 9) are inhabited with 51,469 people or 34 per cent of Pangkep's population (Pemda Kabupaten Pangkep 2008a). Previously, these islands were grouped into three main groups, namely Spermonde (57 islands), Kalu Kalukuang (eight islands) and Postelion Patamoster (52 islands); each group of islands was governed by a *Gallareng* or village leader (Ma'dika 1997).

Spermonde is a famous group of islands. About 90 per cent of this group falls under Pangkep administration while the rest belongs to another seven-district administration in South Sulawesi (Taslim 2003). The distance of Kapoposang Bali, the outermost island from Pangkajene (the capital of Pangkep) is about 270 nautical miles (Pemda Kabupaten Pangkep 2008a). It takes more than two sailing days to reach the island.

There are seven land formations in Pangkep (Figure 18 and Table 23). Almost half of Pangkep's land formations consist of alluvium combined with (marine) clastics (23 %). The best-known geological platform in Kabupaten Pangkep is the Tonasa Carbonate Platform, which provides the carbonate and limestone as raw materials for the Tonasa Cement Company (PT Semen Tonasa¹⁰¹). The eastern part of Pangkep has coal and granite deposits with different vegetation forms to the other part of Pangkep (Ma'dika 1997). Like the western coast of South Sulawesi, Pangkep is geologically part of a low-intensity earthquake zone (Pemprov Sulsel 2002).



Karst



Turf



Volcanic



Marine deposit

Figure 18. Landscape and land formations in Kabupaten Pangkep.

Source: Pemprov Sulsel (2002)

¹⁰¹ PT. Semen Tonasa has been a major supplier of cement for eastern Indonesia (Whitten, Mustafa, and Henderson 1987).

Table 23. Land formations and land use in Kabupaten Pangkep

Land formations	Ha	%	Land use	Ha	%
Alluvial	6 843	46,8	Forest	26.674	24,0
Marine deposit	1 519	10,4	Plantations	13.558	12,2
Marine karst	3 372	23,1	Paddy fields	21.815	19,6
Turf	201	1,4	Ponds	10.818	9,7
Terrain	1 150	7,9	Residential	6.183	5,6
Volcanic	1 107	7,6	Transmigration areas	-	-
Karst	408	2,8	Other purposes	32.181	28,9
				111.229	

Source: (BPS Pangkep 2003; Ma'dika 1997; Pemprov Sulsel 2002)

Humidity in Pangkep is relatively high (BPS Pangkep 2003). During the west monsoon (December – February), rainfall ranges from 493 to 1,007 millimetres with 20 to 22 rainy days per month. By contrast, rainfall is less than 18 millimetres with 0 - 4 rainy days per month during the east monsoon (May – September) (BPS Pangkep 2003).

Pangkep has 30 rivers that comprise 131 kilometres of watershed and 25 estuaries (Pemda Kabupaten Pangkep 2008c). Some of the rivers have freshwater inlets with brackish water used for fish and shrimp ponds (*tambak*) as well as freshwater resources (Appendix 10). Some rivers form a natural boundary between two *kabupaten*, *kecamatan* or villages. The Kalibone River in the south is the natural boundary of Pangkep with *Kabupaten* Maros. In the north, the Limbangan River also forms a natural boundary between *Kecamatan* Labakkang and Ma'rang (FKSS IKIP Ujung Pandang 1979). In the middle, Pangkajene River (Tabo-tabo) is the main water supplier to the Tabo-tabo Dam and Leang Lontong.¹⁰²

Forest areas constitute a high percentage of Pangkep land, accounting for 24 per cent of the total area of Pangkep (Pemprov Sulsel 2002). Total forest area in Pangkep

¹⁰² Former President Soeharto inaugurated Tabo-tabo Dam on 15 June 1978, as part of the *BIMAS* movement to intensify paddy production.

comes to 33,767 hectares, consisting of 21,631 hectares of protected forest, 3,485 hectares of limited production forest, and 1,264 hectares of mangrove and nypa forest (BPS Pangkep 2003).

5.3 Historical Perspective

The area of Pangkep was the centre of the former Siang Kingdom (Fadillah and Mahmud 2000), one of Sulawesi's most important ports until the 16th century (Ammarell 1999). The Siang Kingdom was a maritime kingdom and the hub of maritime trade for the western coast of Sulawesi. Travel accounts by Portuguese sailors¹⁰³ mentioned the Siang Kingdom (Portuguese: Sciom or Ciom) relied on Pangkajene as an important entry port for the western coast of Sulawesi (Pelras 1996). Siang was also the home of the Sama sea nomads (Bajo Laut) prior to their subjugation by the Gowa and Tallo kingdoms in the sixteenth century (Ammarell 1999). The important trading commodities for the Siang Kingdom were imported porcelain, cotton, forest products, timber, agriculture, cattle and gold (Pelras 1996; Fadillah and Mahmud 2000).

The Siang Kingdom was heavily influenced by traders from China (Ming/Yuan/Sing), Anvam and Svargaloka (Sawankhalok) (Reid and Reid 1988). The porcelain dating from 14th to the 16th centuries is an indication of this influence. Siang became a trade transit point in the struggle for spices (Haylor et al. 2003). Arsuka (2002:309-310) noted that:

¹⁰³ These Portuguese sailors were Antonio de Paiva and Manuel Pinto, who in the mid sixteenth century wrote in their travel diaries that in the period, Siang was still under *paganisme/animism* although Islam and Catholicism tried to infiltrate. The main purpose of their mission was to convert the Siang Kingdom to Catholicism.

When Malacca City, which for centuries had become the busiest port in the world, at least in Asia, fell under Portuguese cannons in 1511, some Malay warriors, refusing to admit defeat, migrated in flocks to Siang (Pangkajene Islands, close to the Macassar capital). They later moved to Sombaopu upon receiving a written protection guarantee from the King of Gowa X, Karaeng Tunipalangga (reigned 1548–1566). This guarantee to let all of peoples establish communities in Sombaopu and pass freely through its waters, a form of extraterritorial law, was the first pre-European guarantee issued in Nusantara, the historical name for the Indonesian Archipelago.

In the 15th century, the ruler of Gowa IX, Daeng Marante of Tumapakrisik Kalonna¹⁰⁴ governed Siang Kingdom as part of Gowa's territory. Under this ruler's administration, Pangkep was divided into three autonomous units, Barasa (around *Kecamatan Pangkajene*), Siang (Bungoro) and Lambasang (Labakkang).

The rise of the Siang Kingdom began in the 16th century under the control of the Makassar kingdom. Its rise occurred before the growth of the twin kingdoms of Gowa and Tallo at the beginning of the 17th century (Fadillah and Mahmud 2000), that is, in the era prior to the conversion of Makassar to Islam. The fall of the Siang Kingdom began when the riverside of Pangkajene started to silt up.

In 1625, the ruler of Gowa XIV, Sultan Alaudin Tumengga ri Agamana, appointed his representative in Labakkang, Karaeng Lambasang. Almost a half century later, in 1667, the Dutch occupied the Gowa Kingdom. This occupation led to the control of the northern part of Gowa, including Maros and Pangkajene.

In 1736, an alliance between Karaeng Bontolangkasa of Gowa, Arungkaju of Bone, and La Maddukelleng Arung Sengkang was formed to wage guerrilla war to defend the Gowa territory. This alliance regained the northern and eastern parts of the Gowa Kingdom (Maros, Pangkep and Bantaeng) and led to a massive Bugis settlement along the west coast of Pangkajene.

¹⁰⁴ This ruler of Gowa passed away in middle of 15th century.

However, not more than two years later, in 1738, the Dutch reoccupied those areas, prompting many local rebellions thereafter. One of the most famous rebellions occurred over a hundred year later, led by Andi Maruddani Karaeng Bontobunto. He opposed the Dutch colonial government for about ten years (1868 – 1878) and forced the Dutch to compromise by signing a treaty on tax reduction.

At the beginning of the 20th century, the Dutch colonial government administered South Sulawesi through a system of *afdeling* and *onderafdeling*¹⁰⁵, with some *zelfbesturende landschappen*, which were more autonomous. An *afdeling* reported directly to a Dutch official. The area of the present-day Pangkajene mainland used to be *Onderafdeling* Pangkajene under the direction of *Afdeling* Makassar. A *gezaghebber* (Controller) governed *Onderafdeling* Pangkajene. Its administrative *onderafdeling* included six *adat gemeenschap* (Pangkajene, Bungoro, Labakkang, Segeri, Mandalle and Balloci). Each *adat gemeenschap* was headed by a chief or *Karaeng* who was appointed because of his nobility status and thereafter endorsed by the *Gezaghebber*.

During the Japanese occupation (1942 – 1945), the structure of governance in Pangkep remained similar to that of the Dutch colonial period. The Japanese only replaced the nomenclature of administrative units with Japanese names. This change was also in line with the very strict and rigid regulation of the usage of non-Japanese names. *Adat area* was changed into a *Gun*, which was headed by a *Guntyo Sodai*, an Indonesian-appointed to administer the unit, under the direction of *Bunken Kantikan*, a Japanese-appointed administrator.

¹⁰⁵ An *afdeling* was the basic Dutch administrative and political unit at the district level in the NetherlandsEast Indies and Netherlands New Guinea. The Indonesian government regrouped *afdeling* into *kabupaten* and *onderafdeling* into *kecamatan* or sub-districts.

During the transition era (1946-1950), South Sulawesi was under the sovereignty of Negara Indonesia Timur (NIT). Andi Ijo Karaeng Lalolang, acting Chief of *Hadat Tinggi*, proclaimed the separation of South Sulawesi from NIT, and its integration into the Republic of Indonesia in 1951. This proclamation also established several districts within the South Sulawesi province. One of these districts was Kabupaten Makassar, which comprised the former *onderafdeling* Gowa, Takalar, Jeneponto, Maros and Pangkajene. The appointed Governor of South Sulawesi had the authority to prepare the establishment of autonomous district units.¹⁰⁶

The instruction referred to the former areas under *Rechtreeks Bestuud Gebeid*, which were established under *Staadblad 1946/17*, allowing for the formation of new government units (*neo zelfbestuur*). Pangkajene was one of those areas; the established new government unit included *Hadatgemeenschap* Labakkang. The islands of Pangkajene were established as *neo zelfbestuur Haminte* Makassar.¹⁰⁷ This *Haminte* administrative area included 57 small islands in Spermonde, eight islands in Kalu-kalukuang, and 52 small islands in Postelian Patarmoster. A *Gallareng* (village head) ruled each one of the island groups.

In 1957, Kabupaten Makassar was divided into three autonomous administrative units, Maros, Pangkajene dan Kepulauan and Makassar according to the Contingency Law (*Undang-undang Darurat*) No. 2/1957. Two years later, Law 2/1959 stipulated Pangkep as a *kabupaten* and second level autonomous unit (*Daerah Tingkat II*) with a Bupati as the head. Then, according to Bupati Pangkep Decree 174/S/ST/72, *kecamatan* Pangkajene became the capital of the *kabupaten*.

¹⁰⁶ According to the Minister of Home Affairs' Instruction Number Deal/14/4 dated 22 September 1951.

¹⁰⁷ The first *Haminte* Makassar had Abdul Rachim Daeng Tupuu as chief of *hadat* who governed with five members (Gallareng Balang Lompo, Gallareng Sapuka, Gallareng Salemo, Gallareng Kalu Kalukuang, and Gallareng Kodinggareng).

5.4 Administrative Development

“From my first day as Bupati Pangkep, I will fully commit and work hard, not letting the [Pangkep] islanders develop their islands by themselves”

Gaffar Pattape, 2004b. *Pengabdianku untuk Rakyat* p.79.

During the New Order period, the job of Bupati Pangkep was reserved exclusively for someone from an army background¹⁰⁸ as part of the *dwifungsi ABRI*¹⁰⁹ (dual function of military officers in the civilian bureaucracy) policy. The *dwifungsi* policy maintained an “equation between the army territorial and civil administration” (Jenkins 1984:45). All Bupati Pangkep during the New Order were active army officers who were assigned (*dikaryakan*) responsibility for local administration and bureaucracy. Among the five Bupati Pangkep with military background, only HM Arsyad¹¹⁰ was an army general (Brigadier General); the rest were of colonel rank (Table 24) and were unable to gain promotion to the rank of general, which was the normal requirement for a higher position such as governor or minister.

In the New Order era, these military officers, mostly from the army, dominated social and political affairs. The army used its territorial structures¹¹¹ to penetrate political affairs and extend army capacity into non-military affairs (*kekaryaan*)¹¹² (Jenkins 1984). To fill a *Bupati* post, an army (military) officer had to have at least colonel rank. In many

¹⁰⁸ This situation was similar to other districts in South Sulawesi: most of the *Bupati* were from the army.

¹⁰⁹ For a detailed study of *dwifungsi ABRI*, see Notosusanto et al. (1984)

¹¹⁰ HM Arsyad was the first and most famous *Bupati* appointed when the New Order began.

¹¹¹ Army territorial structures were set up as a legacy of the struggle during the colonial period to maintain security (Jenkins 1984; Lane 2008; Notosusanto et al. 1984). At every level of government administration, the army territorial structure existed to maintain military penetration. The structures were (i) the Regional Military Command (*Komando Daerah Militer/Kodam*) at the provincial level, (ii) the Military Resort Command (*Komando Resort Militer/Korem*), (iii) the Military District Command (*Komando Distrik Militer/Kodim*) at the district level, (iv) the Military Rayon Command (*Komando Rayon Militer/Koramil*) at the sub-district level and (v) a non-commissioned officer or NCO with the grade of sergeant (*Bintara Pembina Desa/Babinsa*) at village level. These structures have now changed as the military (TNI) restructured its territorial command with *Kodam* control several *Korem*, and *Korem* is set up for provincial level.

¹¹² For a detailed study of Indonesian army penetration of the civil bureaucracy, see Jenkins (1984:42-49).

cases, the candidates were former or active commanders of the local *Kodim* (Jenkins 1984). There were two important reasons for the assignment of military officers in the civil bureaucracy. First, the engagement was part of the military personnel promotion scheme (tour of duty, tour of area) when there would be no chance to be promoted as an army general, which was highly politicized. Second and more importantly, the engagement was for maintaining the de-politicization policy of the military under Suharto's regime (Lane 2008). The *dwifungsi* proved effective for military control of the civil administration. As Jenkins (1984:45) noted "[a] Bupati will coordinate his programs with the local *Kodim* commander".

Table 24. List of Bupati Pangkep, 1960 - 2010

Name	Period	Remarks
Andi Mallarangan	1960-1966	
HM. Arsyad B	1966-1979	Army background with Brigadier General rank (retired)
H. Hasan Sammana	1979-1984	Army background with Colonel rank (retired)
Djumadi Junus	1984-1989	Army background with Colonel rank (retired)
H.M.R. Natsir	1989-1994	Army background with Colonel rank (retired)
Baso Amirullah	1994-1999	Army background with Colonel rank (retired)
H. A.Gaffar Patappe Drs. HM. Saman Sadek	1999-2004	Bupati (bureacrat background) Vice Bupati (bureacrat background)
H. Basrah Hafid SH, MM	2004-2005	Acting Bupati (bureacrat background)
Ir.H.Syafrudin Nur Msi HA. Kemal Burhanuddin BSc	2005-2010	Bupati (bureacrat background) Vice Bupati (politician background)

Source: Pemda Kabupaten Pangkep (2008d)

The breakthrough in the military dominance of the Pangkep administration began when the *reformasi* took place. Gaffar Pattape, a senior bureaucrat in Pangkep was appointed as the first civilian *Bupati* Pangkep for the 1999 – 2004 term (Box 3). During his *Bupati*-ship, Gaffar, in many ways, put more balance into his policy and administration commitments for the islands. He asserted that the islands of Pangkep must not be treated

by the *kabupaten* administration as “step children” through development neglect. Indeed, they must be an integral part of *kabupaten* administration (*anak kandung*) (Patappe 2004b: 25).

Gaffar criticized the development of a outer ring road in Ballocii that cost more than IDR 5 million (USD 575,000). For him, this amount of money could have been used for developing rural electrification for at least 25 islands because the cost of setting up electricity in one island was IDR 200 million to 400 million (Patappe 2004b). Gaffar also developed and rehabilitated several jetties in the islands¹¹³. Gaffar’s other pro-island policies included the installation of membrane technology to produce fresh water with the cooperation of the Agency for the Assessment and Application of Technology (BPPT) and the development of ice-box factories in the islands (Patappe 2004a, 2004b).

Gaffar’s pro-islands policy attracted some criticism from the mass media, local parliament members and NGOs. His business travel to the islands, which took longer than to the mainland, was treated with scepticism and judged to be political by his political rivals (Patappe 2004b). His decision to allocate a one billion Indonesian rupiah subsidy from the central government for building and operating two boats (*kapal pelayaran rakyat*) was alleged to be a misuse of funds and a case of corruption. However, Gaffar argued that the subsidies, which had been allocated to the private sector prior to the building of the two boats, had no impacts on the islands and their inhabitants. In fact, the private sector had misused its earlier subsidies (Patappe 2004b).

¹¹³ The new jetties development were in Pamalikang Island (50 meters), Marasende Island (100 meters), Kanyurang Island (145 meters), Balo Baloang Island (50 meters) and Sailus Island (50 meters). Rehabilitation works were done in Samatellu Island (20 meters), Gondong Bali Island (25 meters) and Sarrapo (95 meters) (Patappe 2004b).

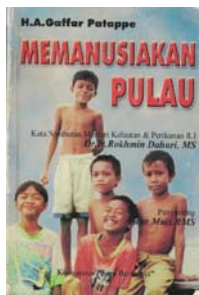
Box 3. Gaffar Pattape

Gaffar Patappe or *Puang Terru* was the first *Bupati* in Pangkep with a civil servant background after *reformasi*. He was born in 1942 in Bone to an aristocratic family and spent his educational life in Makassar. His title *Andi* is a term of deference used for Makassar aristocracy. He married the daughter of an aristocratic family, and had six children. He graduated from the Faculty of Social and Political Science, Hasanuddin University in Makassar in 1975. He entered Pangkep administration as the Head of Political Division at the age of 23. He was then appointed as *Camat* (Head of Sub-district) Ma'rang for four years (1966 – 1970) and became one of the youngest *Camat* in South Sulawesi.

During his 39-year career in the bureaucracy, Gaffar spent 25 years in Pangkep in various jobs and responsibilities. Gaffar held various positions in the Pangkep administration. He was Head of the Finance Division (1970 - 1975), Head of the Development Division (1975 – 1981), Head of the Pangkep Planning and Development Agency/*Bappeda* (1981) and Regional Secretary (*Sekwilda* for years, 1981 – 1985). He moved to the Ujung Pandang (now Makassar) municipal administration in 1985 as the Head of the Agency to Promote Education, Implementation, Guidance for the Understanding and Application of Pancasila (*Badan Pembinaan Pendidikan Pelaksanaan Pedoman Penghayatan Pengamalan Pancasila/BP-7*) and became the *Acting* Ujung Pandang Municipal Secretary in 1988.

He stepped up to the provincial administration in 1988. He received promotion to several key positions in economic and social affairs within South Sulawesi Provincial Administration. He was a Director of the Regional Production Management Bureau/*Kepala Biro Bina Produksi Daerah* (1988 - 1991), Vice-Chairman of the South Sulawesi Investment Coordinating Board/*Badan Koordinasi Penanaman Modal Daerah* (1991 – 1996) and then held the top position on this board in 1996 for two years. He was later appointed as Assistant to the Provincial Secretary (*Asisten III Sekwilda*) for Social Welfare Affairs in 1998 to 1999.

He came back to Pangkep in 1999 as *Bupati* until 2004. During his *Bupati* term, Gaffar paid more attention to the islands of Pangkep by breaking the development neglect of the island *kecamatan* (*kecamatan kepulauan*). He allocated significant budgets for rural electrification and education for *kecamatan kepulauan*. He introduced an island-based education system and life skill education for the islanders. Gaffar signed a Memorandum of Understanding (MoU) with the University of Makassar to conduct research on learning methods for islanders' children (*Metode Pembelajaran Anak Pesisri/Pulau*). He then implemented the policy to recruit teachers and paramedics from among the islanders to teach and serve in the islands after they graduated from university or academy under Pangkep scholarships. In the transportation sector, he employed central government subsidies for development of two wooden ships (*kapal motor perintis*) KMP Amanagappa and KMP Kapoposan to serve as communication between the islands and on the mainland routes. These two boats were 32 meters long and seven meters wide with 200 gross tonnages and could carry up to 200 passengers.



Gaffar was first *Bupati* of Pangkep who was concerned with the development of the islands and he implemented his concerns by putting his political and administration commitments on the line. For him, small island development in Pangkep had to regard the uniqueness and special lifestyle of the islanders. He argued that islanders would accelerate their knowledge and skills once they were given the chance. It must be government's responsibility to unlock these chances or provide access to

these chances. He published his critical thoughts; *Memanusiakan Pulau*, *Demimu Rakyat Pangkep* and *Pengabdianku untuk Rakyat* on how to promote development in Pangkep while he was a *Bupati* of Pangkep. Currently, Gaffar is running a campaign to become a member of the national parliament through nomination by the Partai Demokrat.

Sources: Jurnal Celebes (2003a) and Patappe (2002, 2004a, 2004b)

After he finished his term as *Bupati* Pangkep in 2004, Gaffar ran for direct election (*pilkada*) as *Bupati* Pangkep in 2005. Allied with Effendi Kasmin, a senior bureaucrat from Pangkep, Gaffar planned to gain another term as *Bupati*. Nevertheless, they had minority nomination and only gathered 27.87 per cent of the voter, coming

second after the pair Syafruddin Nur- Andi Bau Kemal, who received 57.62 per cent of the vote. Gaffar's experience in the Pangkep administration and bureaucracy was not a significant factor in winning the first direct election in Pangkep. One of Gaffar's failures was that he took voters for granted and did not make an intensive effort to communicate his political manifesto. He assumed that, based on his success as *Bupati*, the voters would vote for him. His political agenda in the election campaign was less attractive, than that of his rivals.

Gaffar's candidacy as *Bupati* was controversial because two local electoral committee members (KPUD) refused his candidacy whereas the chairperson of KPUD Pangkep, Amir Amin and another KPUD member, Irfandy Kaharuddin, set Gaffar's candidacy in motion (Kompas 2005a). Different standpoints among the Pangkep KPUD members about the Gaffar – Effendi nomination led to the issuance of two confusing KPUD decrees. The first decree only contained two pairs of *Bupati* candidates; (i) Syafruddin Nur-Andi Baukemal Burhanuddin and (ii) Taufik Fachruddin-Ilyas Mengewa. This decree was signed by two KPUD members, Ratna Sari and Nur Rahmat Nur (Kompas 2005b). The second updated decree included Gaffar Patappe-Effendi Kasmin, This decree was signed by Amir Amin and Irfandy Kaharuddin (Kompas 2005a). The updated decree triggered a protest and the seizure of the KPUD office (Kompas 2005b). To prevent more protests, the Provincial KPUD facilitated the Pangkep KPUD to settle on the *Bupati* candidatures for the election (*pilkada*). KPUD Pangkep finally approved the candidacy Gaffar-Effendi with an attachment noting the objection from two KPUD Pangkep members¹¹⁴(Kompas 2005b).

¹¹⁴ The approval appeared in the revision of the KPUD Official Report (*Berita Acara*) No. 111/KPU-PK/V/2005.

To run for the *Bupati* election, Gaffar had to resign from his *Bupati* position, as Law 32/2004 stipulated. During that transition period until the election, Basrah Hafid, the Assistant to the Provincial Secretary for Social Welfare Affairs (*Asisten Sekwilda Bidang Kesra*), was appointed as acting *Bupati*. Basrah ran Pangkep according to business as usual. There were no significant changes in administration and bureaucracy arrangements during his term as acting *Bupati* Pangkep.

Basrah handed over the *Bupati*-ship when the *pilkada* results declared the pair Syafruddin Nur – Andi Baukema as *Bupati* and Vice *Bupati* of Pangkep. Syafruddin was a senior bureaucrat with an engineering background. Prior to running for election, he was the Assistant Secretary of Makassar City (2002 – 2004). He spent almost ten years (1992 – 2001) of his career in Pangkep as Head of Public Works (*Kepala Dinas Pekerjaan Umum Kabupaten*) before moving to the Makassar City administration in which he held various positions¹¹⁵.

Andi Baukema was a senior politician in Pangkep affiliated with the *Golkar* party. He was the Speaker (1999 to 2004) and the Deputy Speaker (2004 – 2005) of Pangkep's Local Parliament (DPRD). Baukema began as a Pangkep parliament member in 1987, representing *Golkar*.

In their election campaign, the pair Syafruddin-Baukema put forth as their political manifesto a *seven ji program* (literally *tujuh gratis* or “seven gratis programs”). The pair promised to provide free services including ID card processing, education and health. In 2008, they promised to waive land and building tax for small tax payers, whose fees were less than IDR 20,000 (USD 2.5) (Ujungpandang Ekspres 2008).

¹¹⁵ Syafruddin held a position as Head of the Natural Resources Management Division of Bappeda Makassar (2001), Head of City Investment Services (2001-2002), Chairman of the Board of the Controller of the Makassar Water Supply Service (2002-2004) and City Cleaning Services (2002 – 2004).

During his term as *Bupati*, Syafruddin has used the upper-echelon staff from Gaffar's term to fill his cabinet. He has avoided making fundamental changes in the bureaucracy. The latest restructuring of staff within Pangkep administration has made only minor changes with more rotation among the upper echelon. Surya Agraria, the Local Secretary (*Sekda*) remains in the position, which he has held since Gaffar's term. Similarly, Natsir Sulaiman is still in a top position in the Pangkep administration as the Head of Pangkep's Marine Affairs and Fisheries (*DKP Pangkep*).

Syafruddin currently manages 5,205 Pangkep civil servants (BPS Sulsel 2006), many of whom lack competency in running the public service due to a lack of analysis of workloads and work-needs (Ratnawati 2006a). Despite the requirement that civil servants may vary in each district in respect to their characteristics, mandates and capacity to govern, the number of civil servants in Pangkep remains remarkably large. This number is similar in size to other districts (2 – 3 % of the total area of South Sulawesi) such as Bulukumba with 6,772 civil servants to serve 2.53 per cent and Soppeng with 5,718 for 2.98 per cent of the total South Sulawesi area (BPS Sulsel 2006).

5.5 Demographic profile and ethnographic setting

The population of Pangkep is mostly concentrated in the coastal area: most of its *kecamatans* are coastal *kecamatans* that include many small islands. In 2005, the population of Pangkep was 279,801 with 62,144 households and a gender ratio of 96.37¹¹⁶ (BPS Sulsel 2006). The population aged 15 – 65 represented 62.83 per cent of the population (BPS Sulsel 2006). The population growth rate was 1.62 per cent for the period

¹¹⁶ This gender ratio includes more women (142,488) than men (137,313) and this means that there are 963 males for every 1,000 females (BPS Sulsel 2006). This ratio has increased significantly compared to the near constant gender ratio of 906 to 909 that had existed for almost a decade, 1993 – 2002 (BPS Pangkep 1997, 2003).

of 1999 – 2003. The figure is twice as high (3.21 %) in island *kecamatan*s (BPS Sulsel 2006). By 2010, Pangkep will have a population of 306,586 with 59,608 people in the three of the island *kecamatan*. More than half (50.99 %) of the Pangkep population spend IDR 100,000 to 200,000 per month (BPS Sulsel 2006).

The ratio for the productive age population in Pangkep in 2002 was 68.33 (KPPOD, 2003), an increase of about five per cent on the previous year. However, in 2005 the ratio decreased to 57.66 per cent or 222,669 people (BPS Sulsel 2006). Pangkep has a ratio a 34.09 in its labour force of people with at least junior high school qualifications and work experience. The percentage of its economically active population is 81.89 per cent. Most of the working population are engaged in the primary sector (48,933) followed by business and personal services (15,795) and trading (14,004) (BPS Sulsel 2006).

Geographically, based on landscape and environment, Pangkep's people regard themselves as *orang pantai* (coastal people) and *orang pulau* (islanders) according to the location of their villages. People who define themselves, or are defined by others, as coastal people and islanders may come from the same ethnic group, but have created a different lifestyle appropriate to their environment.

Bugis (or Ugi) and Makassarese are the two main ethnic groups in Pangkep, which, respectively, account for 58.13 per cent and 34.55 per cent of the total population. The other ethnic groups are Torajan (0.38 %), Mandarese (4.68 %), Luwu (0.02 %), and Javanese (0.6 %). Two other ethnic groups of Duri and Selayar are in the minority in Pangkep. Both of these groups comprise less than 0.01 per cent of the total population. The “other ethnic” categories in Pangkep in 2002 consisted of 5,886 people or 2.25 per cent of the total population.

The presence of Bugis in Pangkep dates back to the migration of Bugis to Pangkep beginning in the 17th century to three main destination areas, Pangkajene, Bungaro and Labakkang¹¹⁷ (FKSS IKIP Ujung Pandang 1979). These three areas (now *kecamatan*) form enclaves of the Bugis language; Bugis is the mother tongue here. The language of Makassar is spread across Pangkep as it is in the rest of the South Sulawesi areas, especially in coastal areas (FKSS IKIP Ujung Pandang 1979).

The languages spoken in *kecamatan kepulauan* are mixed and connected to group on the mainland of Sulawesi (Patappe 2004b). In *Kecamatan Liukang Tupabirring*, Makassarese and Bugis are the two main languages spoken. The Mandar and Sama Bajo languages are *lingua franca* in *Kecamatan Liukang Tangaya* although the origins of these languages are far from this *kecamatan*. People in Liukang Kalmas use Mandar as their common spoken language and refer to the myth of their ancestor leaving the Mandar land (*Pamboang*) to sail to the island in Liukang Kalmas after a big fire destroyed their houses. Another story tells of the Mandar people leaving their homeland to avoid the Kahar Muzakar rebellion (Patappe 2004b).

Like the other districts of South Sulawesi province, Islam is the major religion of the Pangkep people (99.6 %) and they follow the Sunni tradition (*Mazhab Shafii*). There are 350 mosques in Pangkep (BPS Pangkep 2003). The Christian Protestant population accounts for 0.25 per cent and Catholic 0.17 per cent. Hindu Buddhist adherents share a very small percentage (14 people). The modernist movement, Muhammadiyah, has been active in promoting Islam and providing *dakwah* (Islamic preaching) in Pangkep. Islam in

¹¹⁷ The obscure relationship between the Bugis language and Makassar language in three enclaves was the major theme of the research of the FKSS IKIP Ujung Pandang. The FKSS studied whether the Makassar language in Pangkep was a combination of two different languages and that had merged to become a different language. The FKSS explored these different dialects and their political and other socio cultural background. The study concluded that the Makassar language in Pangkep consists of elements of the Makassar Liukang dialect, the Makassar Kajo dialect, the Bugis language and the specific dialect of Makassar Pangkep.

Pangkep has influences of the *tarriqa* (mystical order) Khalwatiyya¹¹⁸ (van Bruinessen 1991, 1992). This *tarriqa* has been the most important locally-based religious movement with its headquarters located near to Maros, next to Pangkep (Reid and Reid 1988)

5.6 The Economy of Pangkep

The primary sector (agriculture and fisheries) and the processing industry are the two main contributors to the Pangkep economy. The primary sector provided 19.29 per cent and processing industry¹¹⁹ 47.10 per cent to the Pangkep Gross Regional Domestic Product (GRDP)¹²⁰ in 2003 (Pemda Kabupaten Pangkep 2005c). Pangkep's economic growth showed a steady increase of GRDP at an average 9.47 per cent during 1999 to 2004 with similar increases in per capita GRDP, of 13.77 per cent for the period 1999 to 2003 (Pemda Kabupaten Pangkep 2005c).

In the medium term development, the primary sector and processing industry will remain the prime movers of the Pangkep economy together with mining activities in highland areas. Despite some uneven development and unbalanced exploration of marine resources, the fisheries sector is expected to be a leading economic contributor to the economy of Pangkep, especially in islands of Pangkep (Patappe 2002, 2004a).

Fisheries have long been a source of revenue for Pangkep's coastal community. Total production from tambak and fishing activities in Pangkep in 2007 was 21,852.24 tonnes (BPS Pangkep 2003). Three *kecamatan kepulauan* (Liukang Tangaya, Liukang

¹¹⁸ The studies by Van Bruinessen 1991 and 1992 are brief and provide concise background information on *tariqa* (mystical order) in South Sulawesi and Indonesia. Other suggested readings are Gibb (1983) and Rahman (2000), both of which are available online (Gibb 1983; Rahman 2000).

¹¹⁹ Pangkep is making progress in industrial and other secondary sectors (KPPOD 2004). From an investment or business perspective, Pangkep is a district with good labour resources (KPPOD 2003, 2004). Among the 156 districts and cities surveyed by KPPOD, Pangkep was in second place in terms of work force availability and labour productivity, after *Kabupaten Pesisir Selatan* of West Sumatera.

Kalmas and Liukang Tupabbiring) provided more than half of the total fish catch landed in Pangkep. Typical fishing gear in these *kecamatan* are gillnet and fish traps (*bubu*). In 2002, these *kecamatan* contributed 3,896.7 tonnes or 55.27 per cent of fishery production for Pangkep. However, the value of fishing is much less than the value of *tambak* production. With 7,050 tonnes of total production, fishing activities only earned IDR 59,957,575,000 (USD 6,891,675) while brackish water fish and shrimp ponds (hereafter called *tambak*) almost tripled this amount (IDR 154,584,105,000 or USD 17,768,287) with a total production of 8,886 ton (BPS Pangkep 2003). Export orientation and position as highly-priced fisheries commodities of *tambak* products (milkfish and prawn) shared the higher earnings.

Pangkep is one of the largest producers in South Sulawesi of tiger prawns and milkfish for the export and domestic markets (Astuti 2003). *Tambak* are the main economic contributor for Pangkep and provide jobs for 83.33 per cent of the labour force (Pemda Kabupaten Pangkep 2008b). In 2007, the area of *tambak* increased to 13,496.80 hectares with 17,493 people engaged as *tambak* breeders (Table 25) (Pemda Kabupaten Pangkep 2008b). Inland freshwater ponds remain an unpopular source of income generation in the fishery sector. Only 19 people were engaged in this activity with a total pond area of 67.31 hectares and *minapadi* fields of 120 hectares that produced 4.6 tonnes of inland fish (Pemda Kabupaten Pangkep 2008b, 2008c).

Pangkep was the main supplier of 600 million of milk fish fry and shrimp-post larvae¹²¹ for most of the *tambak* in South Sulawesi in 2003 (Haylor et al. 2003). Pangkep *tambak* breeders are innovators in *tambak* expansion in South Sulawesi. They have even

¹²⁰ GRDP is one of the indicators of economic development that is defined as total value added of the goods and services produced in a certain period for a particular region.

¹²¹ In 2001, Kabupaten Pangkep produced 23 billion of shrimp post larvae.

expanded their expertise to other provinces such as Central Sulawesi, Southeast Sulawesi, East Kalimantan and South Kalimantan (Pemprov Sulsel 2002).

Table 25. Total areas and number of *tambak* breeders in Pangkep

No.	Kecamatan	Area of <i>tambak</i> (hectares)	Number of <i>tambak</i> breeders
1.	Minasa Tene	1,160.56	2,085
2.	Pangkajene	2,485.54	3,182
3.	Bungoro	1,726.44	1,242
4.	Labakkang	2,996.16	3,564
5.	Ma'rang	2,682.28	5,742
6.	Segeri	824.83	738
7.	Mandalle	719.26	807
8.	Liukang Tupabbiring	589.33	123
9.	Liukang Kalmas	196.37	83
10.	Liukang Tangayya	116.03	65
	Total	13,496	17,497

Source: Pemda Kabupaten Pangkep (2008b)

Tambak activities have spread across the coastal zone of Pangkep, except in two *kecamatan* (Balloci and Tondong Tallasa) that are not suitable for *tambak* activities. The centres of *tambak* production are Labakkang (2,578.4 tonnes), Ma'rang (2,007.1 tonnes), Bungoro (1,022.3 tonnes) and Pangkajene (1,972.4 tonnes) (BPS Pangkep 2003). Four other *kecamatan* (Liukang Tupabbiring, Segeri, Minasa Te'ne and Mandalle) produce from 105 to 605 tonnes annually (BPS Pangkep 2003). Milkfish, king prawn and tiger prawn are the major high-priced *tambak* products in Pangkep (Table 26) with some of these products exported overseas. Another fish category shares equal weight with milkfish. This category is a by-product of *tambak* commodities consisting of mixed types of fish. These commodities are much less valuable than milkfish.

Table 26. Total tambak areas and products 2003 - 2007

Year	Total tambak area (hectares)	Products (tonnages)				Total
		Milkfish	King prawn	Tiger prawn	Other fish	
2003	10,185.48	5,493.5	589.3	11.6	7,844.5	13,938.9
2004	11,759.59	3,557.1	369.3	16.8	9,755.4	13,698.6
2005	12,279.32	11,942.00	941	8.0	10,714.8	23,605.8
2006	13,494.80	10,956.10	763.60	13.1	10,618.9	22,351.7
2007	13,496.80	10,988.12	755.22	65.7	10,043.2	21,852.2

Source: Pemda Kabupaten Pangkep (2008b)

The landscape of Pangkep's coastal zone with 25 estuaries makes it suitable for the open and enclosed drainage systems that are important in the *tambak* system. Prevailing diurnal tides¹²² in Pangkep fit this *tambak* system. There are also various supporting facilities for developing *tambak* in Pangkep. Pangkep has the Palampang fish market, the biggest milkfish market in South Sulawesi (Pemda Kabupaten Pangkep 2008b). Central and provincial governments have paid special attention to *tambak* development in Pangkep by establishing the Brackish water Aquaculture Development Centre (*Balai Budidaya Air Payau/BBAP*) Pangkep, experimental ponds, a laboratory for research on fish diseases in Segeri, and the *Politeknik Pertanian Negeri Pangkajene* (Technical Agricultural College) to teach practical expertise and knowledge in fisheries (Pemprov Sulsel 2002). There is also the Fishery Research Centre for Brackish Water Aquaculture (*Balai Riset Perikanan Budidaya Air Payau*) at Maros, a research unit of the MMAF, for developing and improving brackish water aquaculture techniques and methods including *tambak*.

The history of *tambak* dates from the beginning of the 20th century when Pangkep was under the rule of Labakkang, Karaeng Tinggia (Tahawila 1979). The ruler developed *tambak* in areas of nypa and mangrove forest between the Lampa River in the north and

¹²² High tide occurs twice a day with different tidal ranges; the second high tide is smaller than the first.

the Bontoala River in the south. *Tambak* development was intended for the royal family's consumption only. The area of *tambak* at that time was approximately 1,000 hectares and supplies of brackish water came from the mixing of these two rivers. The ruler allowed his community to voluntarily work and develop *tambak* on the royal family land. The ruler kept these *tambak* as family properties and the community received a small amount of wages or other in-kind exchanges as compensation.

The ownership of *tambak* has historically shifted since the beginning of 1960s. The royal family sold their *tambak* to non-noble, rich families to obtain cash for buying paddy fields (*sawah*), which provided more profit, trading capital (*modal berdagang*), schooling funds (*biaya sekolah*), to finance the pilgrimage to Mecca (*naik haji*) and to cover wedding ceremony expenses (Tahawilla 1979:19). Some royal family members migrated to urban areas such as Ujung Pandang (now Makassar) for business and education; thus, the *tambak* were left unmanaged and unattended. At the beginning of the 1960s, the *tambak* of non-noble families in Manakku and Labakkang amounted to 155 hectares but had increased by 25 per cent by the end of 1960s (Tahawila 1979).

The era of the 1970s was the beginning of the introduction of intensification and modern aquaculture, such as poly-culture and fishpond technology. This era was also a period of change in *tambak* ownership (Tahawila 1979). The *tambak* ownership shifted from a cash system (*balu laburu*)¹²³ to a long-term contract system based on a period of five to ten years (*balu' paja*). Through this shift, *tambak* owners could determine their risks and obtain more economic benefits. The system provided 80 per cent of net production value to the owners with the rest going to contractor or pond breeders. The owners became responsible for production costs, such as seed and maintenance fees.

¹²³ *Balu laburu* literally means "cash sale transaction". This system was popular until the end of the 1960s.

Seaweed culture became another key fisheries activity in Pangkep. Seaweed culture was concentrated in three *kecamatan kepulauan*, Liukang Tangaya, Liukang Kalmas and Liukang Tupabirring. Seaweed production remained roughly the same through the period 1997 to 2002 at approximately 7,000 tonnes annually (BPS Pangkep 2003). *Kecamatan* Liukang Tangaya has been the centre for seaweed culture, accounting for about 98 per cent of total Pangkep production. In 2007, seaweed production increased by 20 per cent (8,649 tonnes) with 52,551 hectares under culture (Pemda Kabupaten Pangkep 2008b).

Connecting fishermen with a demanding external market in the live-fish trade has led to a shift in fishing technique. The live-fish market demands little or no injured live catch fish from open water. In order to fulfil the demand, fishermen have made adaptations, adopting new fishing gear and vessels. This adaptation process has led to a variety of boat types and fishing gear becoming common in Pangkep.

There are four common types of fishing vessels in Pangkep: motorized/sail outrigger canoes (*katinting* or *masin a bulo-bulo*), motorized single hulls (*jolloroq*), western-style hull motor boats (*motoroq*) and larger western-style hull motor boats (*kappalaq*) (Table 27). The type of vessels available also determines the type of gear used. Fishing gear in Pangkep includes *papekang* (hook fishing), *paddenreng* (small-scale dragnet), *pabu* (fish trap), *papuka* (seine), *pagae* (purse seine), *pacantrang* (mid-scale trawl), *paselang* (*trepan* collector or reef fish catcher) and *bagang* (lift net) (Salam 2007).

Table 27. Types of boats in Pangkep.

	Outrigger canoe	Jolloroq (motorized single hulls)	Motoroq (western-style hull motor boats)	Kappalaq (larger western- style hull motor boats)
Length	Not more than 5 metres	6 – 15 meters	5 – 13.5 meters	7 – 23.8 meters
Breadth	Not more than 50 centimeters	0.7 – 1.55 meters	1 – 2 meters	2.1 – 7.75 meters
Height	Not more than 50 centimeters	0.65 – 1.15 meters	0.65 – 1.65 meters	0.65 – 3.8 meters
Description	Mostly single outriggers with outboard engine and sail	Extreme slim body with sharp double ended stem and stern Stress on speed	Western style hull	Bigger western style hull
Function	Hook fishing and small gill nets. Supporting lift net (bagang)	Hook fishing, gill net (papuka), fish trap (pabu), dive fishing (paselang), fish carrier and logistic (pete-pete)	Hook fishing, gill net (papuka), fish trap (pabu), dive fishing (paselang), small scale dragnet (paddenreng) and ferry (palimbang)	Mid-scale trawl (pacantrang), purse seine (pagae), cold storage boat (paes), ferry (palimbang) and cargo boat (PLM-perahu layer motor)

Source: Adapted from Salam (2007)

5.7 Coastal management in Pangkep

“I believe if Pangkep can optimize [its] marine and fishery sector, there will be more genuine local revenue (*Pendapatan Asli Daerah/PAD*) for Pangkep”.

Pattape, 2004b. *Pengabdianku untuk Rakyat* p.79.

Coastal areas in Pangkep comprise 781.13 square kilometres or more than 70 per cent of its total land areas. Pangkep also has more than 95 km of coastline (Pemprov Sulsel 2002) that encompass several important coastal ecosystems. This section discusses coastal resource issues, stakeholders’ involvement and the local government response to coastal zone management (CZM).

5.7.1 Coastal resources and issues

Coastal resources in Pangkep range from flat sandy beaches, coral reefs, estuarine, muddy beaches to mangrove swamps. Coastal resources serve as nursery grounds for several high value fish species (Sadovy and Liu 2004) and are an important source of income and livelihood for local people.

There have been three important studies of coastal issues in Pangkep. These studies applied different perspectives to the identification of coastal issues. The first study by the South Sulawesi provincial government was also concerned with two other neighbouring districts. It identified thirteen issues in coastal zone management in Pangkep with a focus on mainland coastal areas (Pemprov Sulsel 2002). The second study by Proyek MCRMP Bappeda Pangkep in 2004 listed ten issues concerned with enhancing the management and development of activities on small islands (Proyek MCRMP Bappeda Pangkep 2004). These two studies identified CZM issues and examined the local problems in Pangkep but contained less in-depth investigation into the roots of the problems and possible solutions (Table 28).

A recent study from Proyek MCRMP Bappeda Pangkep in 2005 has categorized the issues of coastal zone management in Pangkep into six main categories (Proyek MCRMP Bappeda Pangkep 2005). These categories are: (i) less than optimal use of coastal resources combined with poor sanitation; (ii) freshwater crisis in coastal areas and islands led by water aquifer depletion; (iii) coastal resources degradation; (iv) limited job and business opportunities; (v) lack of fisheries and marine tourism infrastructures; and (vi) lack of skills and supporting system in coastal resources use and management.

Table 28. Coastal zone management issues in Pangkep according to two different studies.

Coastal issues according to (Pemprov Sulsel 2002)	Coastal issues according to (Proyek MCRMP Bappeda Pangkep 2004)
• Abrasion (coastal erosion) • Sedimentation from river run-off • Intrusion of water into aquifers • Eutrophication (nutrient enrichment) from <i>tambak</i> and agriculture intensification activities • Mangrove conversion • Coral reef degradation • Use of non-environmentally friendly fishing gear and techniques (cyanide and trawl) • Paddy field conversion into <i>tambak</i> • Lack of information on fishing grounds • Harvesting and post-harvesting problems • High number of drop-out children of school age • Poor sanitation conditions • Poverty based on an unfair division in production sharing and the long-term practice of patron-client system.	• Less than optimal coastal and fisheries resource use • Lack of qualified human resources • Lack of clean water and sanitation • Coastal resources degradation • Lack of law enforcement • Lack of pro-community economic institutions • Uneven marine tourism • Limited electricity for small islands • Poor inter-island transportation for small islands • Poor telecommunication and infrastructure for small islands

5.7.1.1 *Spermonde Archipelago*

Most of the islands in three *kecamatan* in Pangkep (Liukang Kalmas, Liukang Tangaya and Liukang Tappibiring) are part of the Spermode archipelago¹²⁴ group. This archipelago exists on the Spermonde shelf, off the west coast of South Sulawesi in the Makassar Strait (PSSAL BAKOSURTANAL and FPIK Unhas 2007). This archipelago covers an area of 16,000 square kilometres and its water current depends on the Sulawesi Sea. The Spermonde archipelago has high biodiversity, which is now under threat. Spermonde has 78 genera and 262 species of coral on the reefs, distributed along 80 to 87 per cent of the outer reefs (Jompa, Moka, and Yanuarita 2007). Over the past 12 years, degradation of these coral reefs has reduced live coral by 20 per cent (Jompa, Moka, and Yanuarita 2007)

Most of the islands in Spermonde archipelago have fringing reefs ranging from 100 to 200 meters in width. Spermonde archipelago has a barrier reef that extends for 143 kilometres with 4,290 reefal areas¹²⁵ (Tomascik et al. 1997:738) on the outer rim of Spermonde. There are 120 islands in this archipelago, which range from two hectares in Bone Batang Island to 3,328.20 hectares in area of Tanakeke Island. Most of these islands are under Pangkep administration, although some are under Barru, Maros, Makassar and Takalar administrations.

Four bio-ecoregion zones are recognized in Spermonde archipelago. Hutchinson in 1945¹²⁶ first introduced this division and it has become the main reference for the study of Spermonde archipelago (PSSAL BAKOSURTANAL and FPIK Unhas 2007). The first zone is the closest zone to the mainland of Sulawesi with an average of 10 metres depth and muddy sand substrates. The second zone is about five kilometres seaward from the mainland of Sulawesi with mostly 30 metres depth and dominated by reef islands. The third zone begins 12.5 kilometres seaward from the mainland of Sulawesi with 20 to 50 metres depth and frequent two patch reefs. The fourth zone and outer zone consists of barrier reefs and is located 30 kilometres from the Sulawesi mainland. The eastern part of this zone has 40 to 50 metres depth while the western part has more than 100 metres. A Dutch funded research expedition¹²⁷ in the mid-1990s conducted advanced research on the ecology and utilization aspects of Spermonde marine resources.

¹²⁴ Spermonde was named by Portuguese sailors in the 16th century who used to call this group of islands Spermon. Then Dutch reached this area in the 17th century and named it Spermonde.

¹²⁵ Calculation of the reefal area is based on the formula: (Reefal area km²) = [Lagoon width (km)/2] x [Length of barrier reef (km)] (Tomascik et al. 1997)

¹²⁶ See Hutchinson DR (1945) *Coral Reefs and Cays of the Makassar Straits*. HQ Allied Air Forces SW Pacific Area Intelligence.

¹²⁷ The Department of Fish Culture and Fisheries, Wageningen Agricultural University, The Netherlands in collaboration with Hasanuddin University supported a fisheries research project in the Spermonde Archipelago (WOTRO/UNHAS Buginesia Project).

The toponymy of the Spermonde archipelago follows an historical pattern. In the northern part, the island names start with the syllable ‘sa’, such as the islands of Salemo, Sanane, Saugi, Sagara, Sabangko, Satando, Salebo, Samatellue Lompo, Samatellue Borong, Sarappo Lompo, Sarappo Keke, Saranti, Sapuli, Sabutung and Sakoala¹²⁸. These islands belonged to the domain of Tanate Barru, which was part of the Bugis Tallo Kingdom (Patappe 2004b; Suriamihardja 2007).

In the southern part of Spermonde where Makassar is the main language spoken, there is no special pattern to the islands’ toponymy although there might be some influence from the Bone and Gowa Kingdoms in this part (Patappe 2004b; Suriamihardja 2007). The islands of Badi, Balang Cadi, Balang Lompo, Bangko-bangkoang, Bonebonoang, Kondongbali, Karanrang, Kapoposang, Kulambing, Laiya, Lamputang, Langkadea, Pajenekang, and Papandangan might have been under the influence of the Ruler of Bone (Suriamihardja 2007). The Gowa Kingdom’s legacy to the Spermonde toponymy includes Barrang Caddi, Barrang Lompo, Bonebatang, Bonetambung, Kodingareng Lompo, Kodingareng Keke, Laelae, Langkai, Lanyukang, Samalona, Kayangan, Bangkengdoang, Lantangpeo, Sanrobenge, Satangnga and Tanakeke. Nowadays most of these islands are administratively part of Makassar City and Takalar (Suriamihardja 2007).

One area of the Spermonde archipelago, Batu Nambo in Mattiro Dalangeng village of Liukang Tupabirring, is the habitat of millions of fish (Patappe 2004b). This area has been a popular fishing ground for Spermonde fishermen because it has high economic value. Fishing is easy in this area. Fishing in Batu Nambo is also a lucrative business. In one fishing cycle¹²⁹ (20 days), it is possible to earn IDR 20 to 50 millions (USD 2,300 to

¹²⁸ Most of the “sa” islands are under *Kecamatan* Liukang Tappibiring. Another version of these islands’ toponymy is “sa” means island in the Bajo language, for example Sarrapo (island with much betelnut) (Patappe 2004b).

¹²⁹ *Kalelleng* in Bugis or *kallang* in Makassar.

5,750) by using lift nets (*bagang*) (Patappe 2004b). The fishing effort is left to *bagang*, which are set at night, with whole schools of fish lifted the following morning (Patappe 2004b).

In many cases, if fishermen gain access regularly to Batu Nambo for a year, this can be ‘a ticket’ for pilgrimage to Mecca (*naik haji*) for the following year. Making the pilgrimage (*naik haji*) is one of the main motivations for fishermen (mostly the *pongawa* or leaders) to fish hard. By getting the title *haji*, their status is upgraded as well as their influence in local society. Being a *haji* means obtaining more privileges and respect from society. In most cases, being *haji* means more access to local power and capital for business expansion because a *haji*¹³⁰ title is a guarantee of wealth and responsibility in lending capital.

Another important area in Spermonde is two islands, Sabuntung and Kulambing, which are under the administration of Liukang Tappibiring. These islands are important distribution ports for Borneo ironwood (*Eusideroxylon zwagei*) (Salam 2007). These two islands ports share more than 30 per cent of the ironwood trade for half of South Sulawesi province. The islands maintain good connections with several important ports in Kalimantan such as Kota Baru, Batu Licin and Balikpapan. During the Dutch colonial period, Sabuntung and Kulambing were important ports for the west coast Sulawesi trade conducted by Mandarese, Buginese, Malays, Bajau and Makasarese to break the Dutch monopoly in trade at the beginning of the 18th century (Salam 2007).

¹³⁰ Pilgrimage to Mecca (*Haji*) is the fifth principle (*Rukun Islam kelima*) in Islam. It becomes compulsory when a Muslim has enough wealth both for carrying out the *hajj* to Mecca and for looking after family while conducting the *hajj*. In most cases, only wealthy *pongawa* can carry out the *hajj*. Fishermen will work hard and most cases work “smart” (by using dynamite bombs and cyanide) to increase their wealth for *hajj*.

5.7.1.2 *Mangroves*

Pangkep has 520.67 hectares of mangroves (Pemda Kabupaten Pangkep 2008b). There is no detailed data on mangrove distribution in Pangkep. Planning documents, such as the Pangkep strategic and zoning plans on marine and coastal resources lack sufficient data and information. Mangrove degradation is one of the current serious coastal issues in Pangkep (Pemprov Sulsel 2002).

The growing *tambak* expansion¹³¹ that has occurred mostly on the mainland of Pangkep has converted mangrove swamps and green belt areas along the coast and has left almost no green belt areas. Within four years (2003 – 2007), there were 3,311.32 hectares of new *tambak* established in Pangkep (Pemda Kabupaten Pangkep 2008b). A significant increase in *tambak* expansion occurred in 2004 with 1,574.11 hectares of new *tambak* added to provide a large proportion of milkfish production in 2005.

In *kecamatan kepulauan*, mangroves exist in small parts of the Spermonde Archipelago, such as the Sabangko Island. Mangrove areas on Sabangko Island are distributed in the northern and western parts of the island with a density 19 trees per 100 square meters (Jompa, Moka, and Yanuarita 2007). Mangrove areas in Sabangko cover an area of approximately 20.16 hectares (Zum 2004).

Mangroves in Sabangko Island have been the nursery and feeding grounds for crabs and prawns. Most fishermen in these islands benefit from mangroves by catching crabs and prawns for their livelihood (PSSAL BAKOSURTANAL and FPIK Unhas 2007). Catching crabs is a low cost, part-time job that provides the fishermen with an income

¹³¹ *Tambak* expansion contributed to degradation of river water quality in Pangkep. The average total suspended matter (TSM) in four rivers in Pangkep reached a level of 120 to 2000 milligrams per litre, while the maximum threshold is only 30 mg/litre. Silting-up in the estuary is high, and has led to narrowing of the waterways. There are also cases of water aquifer depletion especially in *Kecamatan Pangkajene* due to *tambak* expansion (Pemprov Sulsel 2002).

throughout the year. During the west monsoon (*musim barat*), fishermen can get up to 20 kilograms of crabs but this reduces to 1 to 2 kilograms in the east monsoon (*musim timur*).

5.7.1.3 Coral reefs

Coral reefs in Pangkep are located mostly in the *kecamatan kepulauan* or the Spermonde archipelago. There is no up-to-date comprehensive data on coral reef areas in Pangkep. The latest survey of the Spermonde archipelago only recorded coral reefs on nine islands that show the largest proportion of coral reef areas (Table 29).

Most of the coral reefs in these *kecamatan* are in very poor condition as a result of destructive fishing activities such as around Balang Lompo Island and coral bleaching around Sarrapo Lompo (PSSAL BAKOSURTANAL and FPIK Unhas 2007). The percentage of live coral reefs in these areas has decreased significantly, especially in those areas close to Sulawesi mainland.

Table 29. Coral reefs areas in surveyed islands

Island	Total Areas of Island (hectares)	Areas of Coral Reef (hectares)
Pamangganggang	1.74	78.77
Sarrapo	7.38	76.05
Badi	7.41	36.07
Lamputan	7.35	9.20
Samatellu Borong	2.79	3.89
Sagara	38.55	78.29
Karanrang	6.08	9.72
Balang Lompo	13.13	43.41

Source: PSSAL BAKOSURTANAL and FPIK Unhas (2007)

About 60 per cent of coral reefs in Pangkep are in a poor condition because of blast and cyanide fishing (Jurnal Celebes 2003b). Population pressures have also contributed to the degradation of coral reefs. Around uninhabited islands, the coral reefs are in relatively better condition than on inhabited islands (PSSAL BAKOSURTANAL and FPIK Unhas 2007). The exception is Kapoposang Island that has 82 per cent live coverage

of coral reefs and only 1.3 per cent of dead reefs (PSSAL BAKOSURTANAL and FPIK Unhas 2007).

5.7.1.4 Seagrass beds

There are 11 types of seagrass beds (*padang lamun*) in Pangkep, which are mostly found in Spermonde. The latest scientific expedition found eight species¹³² of seagrass in Spermonde that grow in the sandy substrates of the reef flats around the islands (PSSAL BAKOSURTANAL and FPIK Unhas 2007). The maximum density and live coverage of the seagrass beds in Pangkep occur at medium depths, which indicate seagrass beds in Pangkep are being consistently degraded.

5.7.1.5 Monsoon

The monsoon seasons in Pangkep are the major consideration for fisheries activities. As monsoons limit fishing activities, most fishermen in Pangkep maximize their fishing activities during the east monsoon or *musim timur* (or *wettu timoro* or simply *rimoro* in Bugis) that normally begins in April with stronger and steadier winds and little rain (Ammarell 1999). *Musim timur* brings a dry season (*musim kemarau*) that occurs from May to August. In *musim timur*, weather and sea conditions are relatively calm with little rain. This allows fishermen to fish even on the nearby high seas. Thus, the peak fishing season occurs in *musim timur*, between April to June.

The rainy season (*musim barat*) is the period from November to February. In *musim barat*, weather and sea conditions are relatively strong with high waves that make it hard to fish. *Musim barat* restricts fishermen's activities and in some cases halts their fishing activities. Most fishermen stay at home and find alternative income during *musim*

¹³² The species are *Thalassia hemprichii*, *Halodule universis*, *Halophila ovalis*, *Cymodocea rotundata*, *Cymodocea serrulata*, *Enhalus acoroides*, *Halophila minor* and *Syngrodium isoetifolium*.

barat. January to February is the lowest season for fishing due to bad weather conditions. School of fish become a scarce resource during this season (*paceklik*). In this period, most fishermen repair their fishing gear or engage in trading activities. .

5.7.1.6 **Poverty**

Poverty in Pangkep coastal and islands communities¹³³ is due to a combination of low-level education, lack of promising job opportunities, reliance on seasonal fishing and the absence of government assistance in dealing with poverty (Patappe 2004a, 2004b). This combination opens up opportunities for *pongawa* to operate. *Pongawa* lend money and provide necessities to poorer clients (*sawi*) with high interest and short-term repayment periods. Most *sawi* quite often have difficulties in paying their debt with interest on time. Once *sawi* are trapped in this lending system, it is unlikely they can quit the system unless they experience some extraordinary circumstances such as obtaining capital to repay their debt and to setting up their own business. These circumstances create high dependency of clients (*sawi*) on their patron's (*pongawa*) support.

Unlike on the mainland, there are no social strata in Pangkep island society.¹³⁴ Patron-client (*pongawa-sawi*) arrangements are common in the islands for good economic reasons. On the demand side, *sawi* need employment, income and protection, while on the supply side, *pongawa* have capital and fishing gear as sources of income and can offer protection for *sawi* to fulfil their needs. The controls by *pongawa* of capital within a fishing community are the dominant factor in this relationship.

Pongawa-sawi has been an interdependent social phenomenon in Pangkep for a long time. Both *pongawa* and *sawi* appreciate this relationship and are often resistant to

¹³³ As in Konawe, greater household expenses than incomes characterize poverty in Pangkep.

¹³⁴ On the mainland, there are three distinct strata: noble (*arung*), middle class (*to deceng*) and common people (*to sama*).

change. In Pandangan Island for example where the *pongawa* –*sawi* relationship exists as a very strong social and economic relationship in destructive fishing, *pongawa* and *sawi* are resistant to any intervention program. *Pongawa* are concerned that the intervention program will significantly reduce their social status and more importantly, their lucrative income. Meanwhile, *sawi* fear that they will lose their social safety net if they participate in any intervention program.

The *pongawa-sawi*¹³⁵ relationship has been the most influential factor in the dynamic of coastal society in Pangkep. This historical socio-economy arrangement has been providing long-term social stability and benefits both for *pongawa* as patrons/bosses and for *sawi* as clients/labourers (Yusran 2002). The combination of a highly bureaucratic banking credit and unprofessional fisheries cooperatives in the coastal areas makes the *pongawa-sawi* system proliferate. There are complex pressures on stakeholders' interactions in the *pongawa-sawi* system where *sawi* remain in a weak position and experience many pressures and influences from other stakeholders (Tim Sosek Pokja Sulsel 2001).

Ignoring the existence of *pongawa-sawi* relationship in any coastal management program would lead to the program's failure, as it is difficult to compete with the relationship without taking it into account. There are high social costs involved in ignoring and competing with the *pongawa-sawi* relationship without concern for its long history. Therefore, revitalizing the *pongawa-sawi* relationship has become a challenging task for Pangkep administration. Decentralized CZM must give more scope for Pangkep to manoeuvre and set up creative ways based on local values such as adopting the informal

¹³⁵ In the *tambak* system, this relationship works through a patron employing a cheap and fast money lending system with high interest rate to the *sawi* (clients: usually *tambak* pond-breeders). This relationship is similar to the *ijon* system in Javanese agriculture. The study by Partadireja (1974) might be the first brief article on the *ijon* system in English based on insights from Indonesian scholars (Partadireja 1974).

role and invisible influence of *pongawa* in the relationship without intending to change it dramatically.

Currently, the *pongawa-sawi* relationship is continually shifting from patron-client toward a more economic production-oriented relationship (Informant M-Exp-Mak, 2005). This shift changes the relationship into an employer-employee relationship that allows *sawi* to join their preferred *pongawa* on a temporary basis with less cultural involvement but more economic considerations. This shift forces *sawi* away from the influences of a particular *pongawa*. Even if *sawi* quit one particular *pongawa* and found a new *pongawa*, the main problem still exists, the *sawi* remain in poverty (Informant M-Exp-Mak, 2005).

In the current local political dynamics, *pongawa* play a pivotal role. *Pongawa* can fund *Bupati* candidates' campaigns in return for support their own business agenda. As local elites, *pongawa* have privileges in extending their political influence and preferences to their *sawi* (Bolong 1988; Mukhlis and Robinson 1985).

5.7.1.7 Destructive fishing

Pangkep is facing increasingly destructive fishing activities¹³⁶. These activities constitute a major issue in Pangkep coastal zone management. Destructive fishing exists in the islands of the Spermonde archipelago. About 40 percent of Spermonde fishermen's incomes comes from destructive fishing (DFW 2003). Spermonde archipelago serves both as the place of origin and target area of dynamite bomb and cyanide fishing¹³⁷ (DFW 2003). Most of the fishermen who engage in destructive fishing are Spermonde people who

¹³⁶ Garcia (2008:1) defines destructive fishing practices as "all fishing methods that have an impact on the target resource and may affect also non-target species and the wider aquatic environment". This definition refers to fishing using or applying poisons, explosives, *muroami*, and destructive practices (such as beach seining, bottom trawling, and large-scale pelagic driftnets) (Garcia 2008).

live permanently in the archipelago and have experience and knowledge of the target areas. In 2000, 2.83 per cent of 7,569 registered fishing vessels that operated in Spermonde were involved in destructive fishing (Pet-Soede, Cesar, and Pet 2000). Despite this small percentage, this figure represents the “tip of the iceberg” of the actual figures on destructive fishing in Spermonde. Dynamite bomb fishing dominates destructive fishing practices in Spermonde archipelago (69 %) (Table 29), while cyanide fishing’s share is 31 per cent (DFW 2003).

Destructive fishing practices often exist in the outer zone as well. The ecological conditions of this zone, with the barrier reefs as nursery and feeding grounds for schools of fish combined with a lack of surveillance are the main reasons why this zone has become the target area for destructive fishing practices. About 58 per cent of destructive fishing cases occurred in the outer zone with dynamite bomb fishing as the common practice (Table 30).

Table 30. Frequency of destructive fishing in Spermonde archipelago.

Target areas	Spermonde Zone									
	Inner zone		Middle inner zone		Middle outer zone		Outer zone		Total	
	Bomb	Cyanide	Bomb	Cyanide	Bomb	Cyanide	Bomb	Cyanide	Bomb	Cyanide
Coastal areas	-	-	7	8	41	-	15	-	63	8
Coral reefs	-	-	-	51	62	6	118	90	180	147
Reef edges	-	-	-	3	54	7	116	-	170	10
Offshore	4	-	7	10	-	-	3	16	14	26
Total	4	-	14	72	157	13	252	106	427	191

Source: DFW (2003)

Despite its high risks, most fishermen prefer destructive fishing to conventional ways of fishing (hook line/*pancing*). For them, it is better to earn money at a high risk rather than going home with nothing. There is a Bugis proverb, *mate maddarae na mate*

¹³⁷ Destructive activities in the Spermonde archipelago constitute 52 percent of dynamite bomb fishing and 91 percent of cyanide fishing cases in Pangkep as a whole (DFW 2003).

*malupue*¹³⁸, which literally means ‘better to die in a bloody way than to die hungry’. This proverb refers to a pragmatic but destructive principle in exploiting marine and coastal resources. Pangkep fishermen commonly recite this proverb with pride. Now it has become a major motivation and excuse for Pangkep fishermen to use destructive fishing methods especially those who are poor and are in debt to their *pongawa* (Patappe 2004a, 2004b). Traditions of local wisdom on extracting marine and coastal resources are disregarded for the sake of household needs and livelihoods.

Relying on destructive fishing is a low cost, lucrative business. Destructive fishing provides quick cash return and is very efficient for fishing in coral reef areas regardless of how destructive it is. This is the main reason for the high occurrence of destructive fishing in Pangkep. In such a situation, high demands for debt repayment and for household needs¹³⁹ have forced fishermen to adopt a pragmatic attitude and to ignore resource degradation as a consequence of destructive fishing (Table 31). The motives for this destructive fishing currently go far beyond normal practices for subsistence consumption. High demand for Napoleon fish, for example, has led to the extensive use of destructive fishing methods.

Law enforcement to deter destructive fishing is far from ideal. Law enforcement officers quite often provide backup for destructive fishing by being paid compensation (*uang keamanan*) for ignoring destructive fishing. The development of a surveillance station for Sea Police (*Polisi Air/Polair*) on one island on the eastern part of Liukang Tangaya was intended to provide insurance to *pongawa* who engage with destructive

¹³⁸ Literally, *mate maddarae* means “death violently”; *mate malupue* means “death slowly “ due to hunger.

¹³⁹ To repay the debt with its high interest as well as filling household needs, poorer fishermen prefer the shortcut of asking *pongawa* for the most effective fishing gear and techniques. As *pongawa* prefer a big margin, they response to these requests from poorer fishermen (*sawi*) by providing destructive fishing methods such as dynamite bombs and cyanide.

fishing rather than preventing illegal and destructive fishing activities.¹⁴⁰ *Ponggawa* were astute enough to donate money and building material for developing the station as a down-payment for shielding their activities from law enforcement. *Ponggawa* also support the surveillance patrol of *Polair* by providing petrol (*uang bensin*) and money (*uang rokok*) in exchange for not catching their fishing vessels and providing information in advance of patrol schedules.

Table 31. Potential for continuity of destructive fishing in Spermonde archipelago

Economy	Social and culture aspects	Ecology aspects
• High demand for live reef fish • Low supply from non-destructive fishing sources • Price stability • Destructive fishing is an effective fishing practice • Low cost and less time consuming	• Poverty among fishermen and coastal society • Fishermen trapped in debt • Motivation to gain large margins with cheap and easy methods (tend to choose negative ways) • Belief that there is unlimited stock in the seas • Low law awareness • Low law enforcement • Lack of awareness of issues of environmental protection and fish stock limitations	• Wide distribution of coral reefs • Views that cyanide has less impact on coral reefs • Seasonal fishing due to natural constraints

Source: DFW (2003)

¹⁴⁰ Focus Group Discussion with Pangkep COREMAP Senior Extension Officers (SETOs) on 22 July 2007 in *Dinas Kelautan dan Perikanan* Pangkep.

5.7.1.7.1 *Dynamite bomb fishing*

Dynamite bomb fishing¹⁴¹ is an easily applied method of delivering explosive materials (*bom molotov*¹⁴²) to a target area. Once the blast has occurred, it kills fish and non-target species as well as destroying the ecosystem¹⁴³ that produces high value fish. Dead fish will float to the surface and can be easily harvested. The low cost of the production of bombs for fishing can lead to a profit, even up to 2000 percent, when the fish are valued at market price (Alder and Christanty 1998; DFW 2003; Patappe 2004a, 2004b). However, a large proportion of profit goes either to the middlemen or the patron (*pongawa*). Fishermen mostly bear the risk for a small part of the profit.

Most bomb fishermen come from five islands under Pangkep administration: Karanrang, Balang Lompo, Lumu-lumu, Gondong Bali and Pandang (Table 32 and Figure 19) (DFW 2003). Two of these islands (Karanrang and Gondong Bali) are also the original sites for cyanide fishing.

Target species of this bomb fishing are high value demersal and pelagic fish that are marketed in the same way as fish that are not killed by bombs. The catch proceeds from fishermen to middlemen (*pabaloang*) or *pongawa* and ends up in the fish markets (*TPI/PPI*). There are also extended market chains in *TPI* that operate before consumers buy their fish. Fishermen can also sell their catch directly to the fish market on the

¹⁴¹ Dynamite bomb fishing is one of the national government's main concerns. Economic loss from this non-friendly fishing method over the next 20 years is calculated to be more than USD 570 million or between USD 33,900 and USD 306,800 per square kilometres (Pet-Soede, Cesar, and Pet 1999; Pet-Soede and Erdmann 1998). Pet-Soede et al. (1999) estimated that 3.75 square meters for every 100 square meters of reef in Indonesia is subject to blast fishing.

¹⁴² A *bom Molotov* can be made from a mixture of substances such as urea, ammonia and potassium nitrate mixed with kerosene in bottle. All these raw materials are available in the open market.

¹⁴³ Blasted ecosystems (mostly coral reefs) need a longer recovery period to regain their original conditions. Rehabilitating coral reefs is usually expensive and labour intensive (Fox et al. 2005). Degraded coral reefs can take about a century to recover and become productive again. In many cases, rehabilitation has to deal with a number of failures.

mainland if they have an established connection with potential buyers. *TPI* Rajawali and *TPI* Paotere are two popular markets for bombed fish from the Spermonde archipelago.

Table 32. Island of origin and target for bomb fishing in Spermonde.

Fishermen's Island of Origin	Bomb Fishing Locations	Distance Travelled
Karanrang (Pangkep)	Laiya Kulambing Podang-podang Sarrapo Kapoposang Marine Tourism Park Puteangin	1 hour 2 hours 1 hour 2 hours 3 – 4 hours 3 – 4 hours
Balang Lompo (Pangkep)	Karanrang Badi Kodingareng Langkae - Lanyukang Kapoposang Marine Tourism Park Puteangin	1 - 2 hours 1 - 2 hours 2 – 3 hours 2 – 3 hours 3 – 4 hours 3 – 4 hours
Lumu Lumu (Pangkep)	Lumu-lumu Langkae – Lanyukang Sarrapo Kapoposang Marine Tourism Park	1 hour 2 hours 2 hours 3 – 4 hours
Gondong Bali (Pangkep)	Kapoposang Marine Tourism Park Karanrang	1 hour 2 - 3 hours
Pandangan (Pangkep)	Kapoposang Marine Tourism Park	1 hour
Barang Lompo (Makassar)	Langkae – Lanyukang Kodingareng	2 – 3 hours 2 hours
Kodingareng Lompo (Makassar)	Kodingareng Langkae – Lanyukang Tanakeke	1 hour 2 hours 2 – 3 hours

Source: DFW (2003)

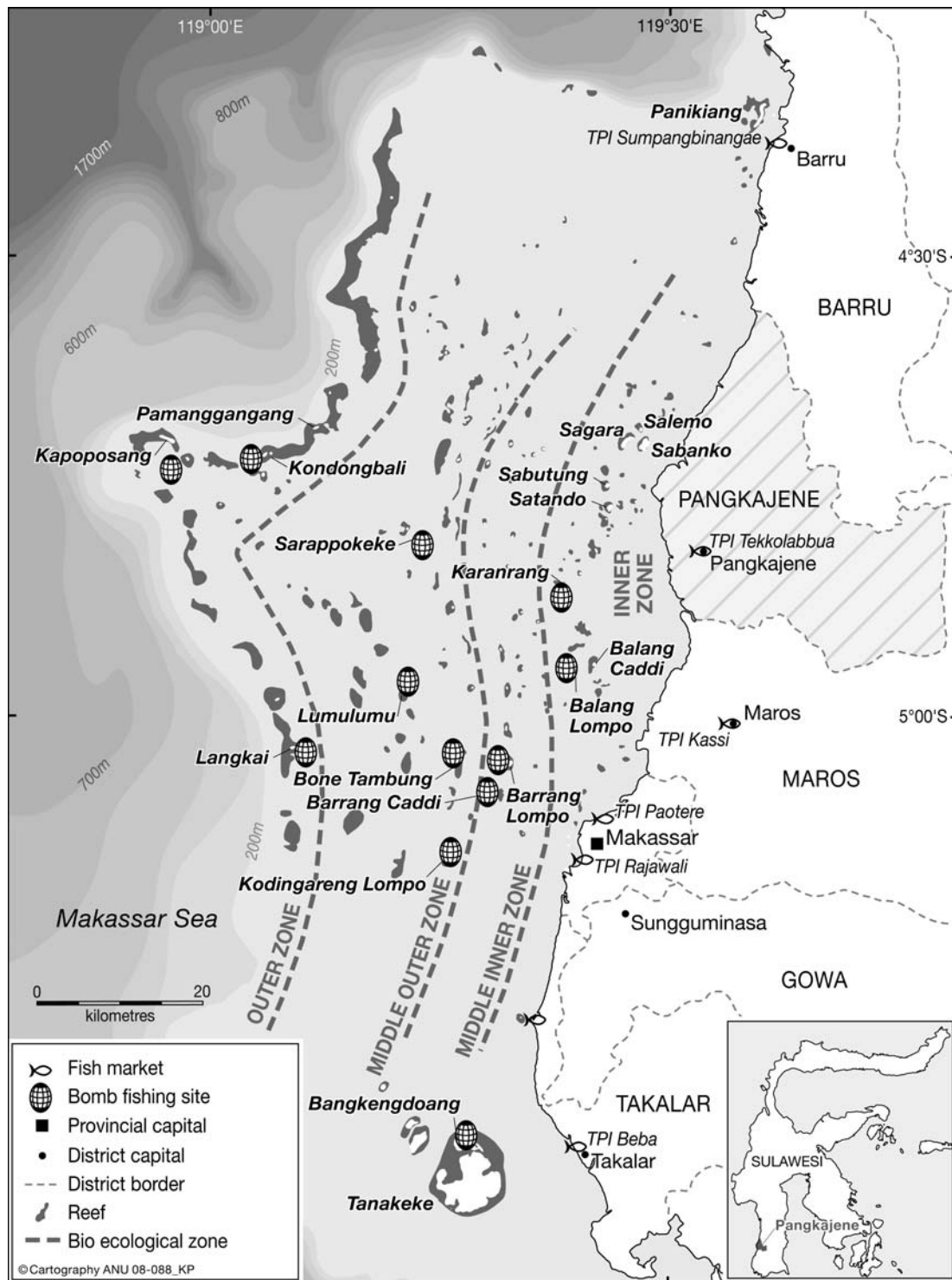


Figure 19. Map of islands of origin and the markets for bomb fishing in the Spermonde Archipelago.

5.7.1.7.2 Cyanide fishing

Cyanide fishing is a highly toxic method using cyanide salts to stun fish in the areas around and within coral reefs. The toxic impact of cyanide fishing is highly lethal. Even in low volumes, cyanide can kill coral reefs rapidly including small fish, coral polyps and symbiotic algae (Sadovy and Liu 2004). Because this method is very effective in killing target fish species, the method continues in Pangkep to ensure supply for the worldwide live fish trade (Sadovy and Liu 2004), which has a value of US \$ 1 billion annually (Burke and Spalding 2002).

Cyanide fishing is a lucrative form of fishing in Pangkep. This method became popular in Indonesia in the late 1980s (Johannes and Riepen 1995) and was mainly triggered by high demand from rich Chinese in Hong Kong for live reef fish (Sadovy and Liu 2004). In Pangkep, cyanide fishing started to flourish when the live reef fish food trade (known as LRFFT¹⁴⁴) began to focus on coral trout and groupers as promising commodities in 1990 (Sadovy and Liu 2004). At the same time, Makassar served as a tranship port for live reef fish, even from remote areas such as Kondongbali Island with holding tanks of about 100 kilograms that were emptied every 2-3 days (Sadovy and Liu 2004).

Most cyanide fishermen come from nine islands in Spermonde, five of which are under Pangkep administration (Sarrapo, Sarrapo Caddi, Doang-doangan, Gondong Bali and Karranrang), three under Makassar administration (Barrang Caddi, Lae-lae and Barrang Lompo) and one island, Satangga Island, under Takalar administration (Figure 20)

¹⁴⁴ LRFFT involves the catching and trading, including the export, of live reef fish for luxury retail markets. Supply chains for live fish trade involved foreign vessels and crew, and big investment for the handling and transport of live fishes (Donaldson et al. 2003). There is also a trend to train local fishers for more cost effective cyanide fishing (Donaldson et al. 2003; Sadovy and Liu 2004).

(DFW 2003). Clustered areas of cyanide fishing follow administrative boundaries because of the distances to target areas and markets for fish killed by cyanide (DFW 2003).

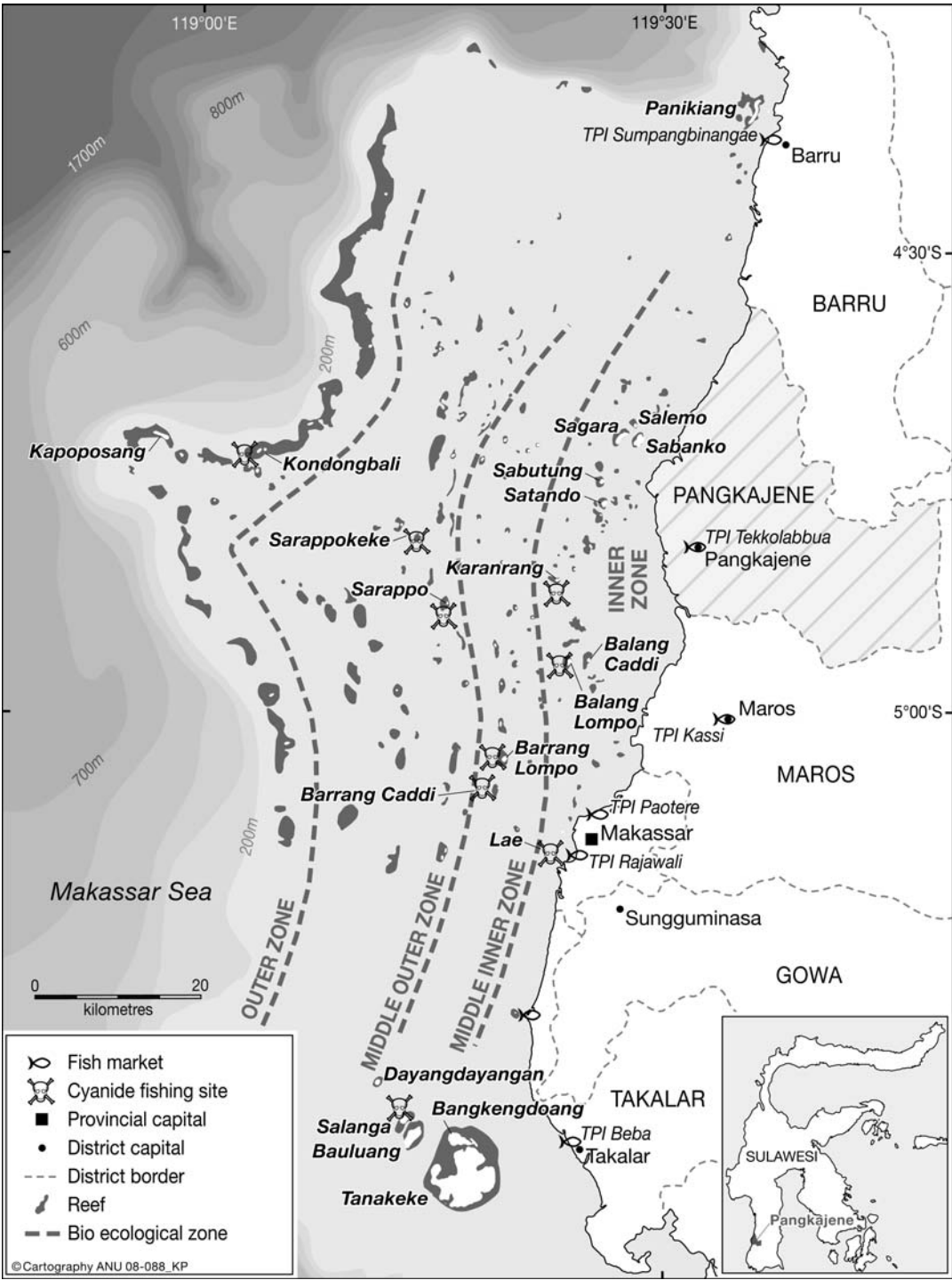


Figure 20. Map of the islands of origin and markets for cyanide fishing.
Source: DFW (2003)

The market chain for fish killed by cyanide is relatively shorter than for bombed fishes. Cyanide-killed fish are mostly export-oriented commodities that need the shortest possible chains to ensure freshness. Fish markets, such as *TPI* Rajawali and *TPI* Paotere, serve as transit points for these fish (DFW 2003) before they are exported to foreign markets such as Hong Kong and Singapore.

5.7.1.7.3 Deterrent actions for destructive fishing

In order to prevent bomb and cyanide fishing in Pangkep, the district government has prohibited these two types of destructive fishing practices. Local Regulation (*Perda*) 10/2001¹⁴⁵ makes bomb and cyanide fishing illegal within Pangkep waters especially in the coral reef ecosystem (Pemda Kabupaten Pangkep 2001). These destructive fishing practices, together with electric shock fishing, have a negative impact on coral reef ecosystems (Article 1 item 7 *Perda* 10/2001). The maximum sentence for using illegal fishing techniques is six month in jail or a fine of IDR 5 million (Article 6 *Perda* 10/2001). The local government can seize all fishing gear and vessels used in this illegal fishing (Article 7 *Perda* 10/2001).

Enforcement of this *Perda* has shown little progress. The *Perda* requires the civil servant inspector (*Penyidik Pegawai Negeri Sipil/PPNS*) to investigate any fishing violations related to *Perda*. However, as my informants confirmed, the number of qualified *PPNS* is insufficient and in many cases, the local police and navy officials have a definite conflict of interest as the law enforcement officers and endorsers of illegal fishing activities.

¹⁴⁵ Local Regulation 10/2001 on Prohibiting Coral Reef Exploitation and Destruction in Pangkep (Peraturan Daerah Kabupaten Pangkajene dan Kepulauan Nomor 10 Tahun 2001 Tentang Larangan Pengusahaan dan Perusakan Terumbu Karang dalam Wilayah Perairan Kabupaten Pangkajene dan Kepulauan).

The Pangkep government also applies the strategy of involving *pongawa* in coastal management committees in order to reduce destructive fishing. Appointed *pongawa* are involved in the Collaborative Forum for Kapoposang Marine Tourism Park Development¹⁴⁶ as committee members (Pemda Kabupaten Pangkep 2007e). One well-known *pongawa* in Saugi Island, *Haji M Tahir Daeng Ngitung*, has served for more than two years in the Pangkep Coastal Community Empowerment Council,¹⁴⁷ an intra-agency council for conserving coral reefs and other important coastal resources (Pemda Kabupaten Pangkep 2006c, 2007d). However, this strategy has had little impact on deterring illegal fishing. Coordination of practical and realistic solutions is the main issue in the committee rather than distribution of functional arrangements. The establishment of these committees is intended more for COREMAP project implementation requirements (Informant B-Gov-Pkp 2007)¹⁴⁸ rather than for strategic action by the Pangkep government to prevent illegal fishing and conserve the important coastal resources.

At the village level, the Pangkep government has promoted local sanctuaries for fishing nurseries and zoning plans for fishing activities¹⁴⁹. For example, in Mattiro Bombang Village¹⁵⁰, the village government and its community have set up protected areas in two reefs, Torajae and Gusung in 2004 (Sadovy and Liu 2004). The village passed the Village Regulation 078/DMBB/III/2004 and displayed it on the village billboard (Figure

¹⁴⁶ The Collaborative Forum for Kapoposang Marine Tourism Park Development (*Forum Kolaborasi Pengembangan Taman Wisata Alam (TWA) Kapopposang*) is a forum with 24 executive members and representatives from local government, branches of the local military, navy and police the university, NGOs, and the community (Pemda Kabupaten Pangkep 2007e)

¹⁴⁷ This committee has 32 members with the *Bupati* as chairperson. Membership of this committee is from local government, local military, navy and police branches, all heads of subdistricts in the three *kecamatan Kepulauan*, NGOs, and the community (Pemda Kabupaten Pangkep 2006c, 2007d).

¹⁴⁸ My informant confirmed that the idea of establishing the committees is “just to follow the guidelines (*juklak*) of COREMAP Project”. When I asked what the most important issues to strengthen the committees’ functions, he replied, “increasing honorarium is very important because the current honorarium is too small for committee members”.

¹⁴⁹ MCRMP supported Pangkep’s effort at promoting local sanctuaries.

¹⁵⁰ Mattiro Bombang is an island village near Sabangko, Sakoata, Sagara and Salemo islands.

21): it designated core and buffer zones. In the buffer zone, the village applies an open-closed system. Access for fishing is open for the whole year with the use of limited fishing gear. In the core zone, fishermen are allowed access for fishing only during *Syafar* (the fifth month of the Moslem calendar). In other months, fishing is prohibited. The regulation only allows hook-and-line and other recommended traditional fishing gear for fishing in buffer and core zones (Sadovy and Liu 2004).

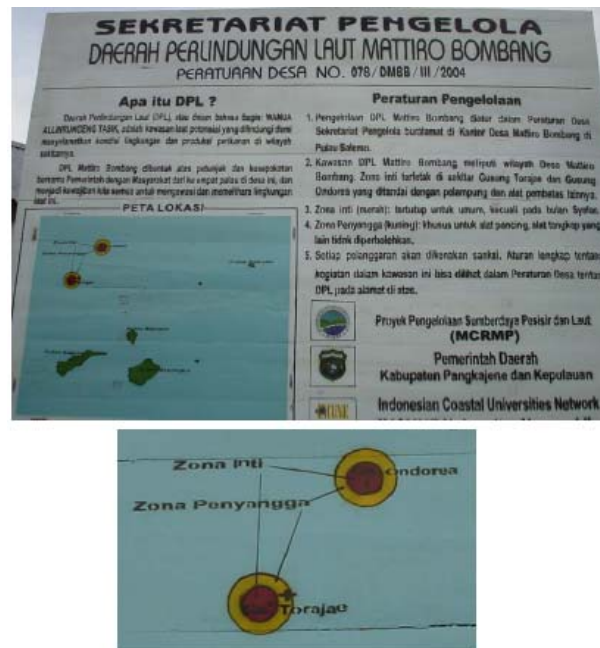


Figure 21. Posters illustrating the village regulation (*Perdes*) of Matiro Bombang Village, Pangkep provides information about detailed regulations and the location of core and buffer zones of the protected area.

Source: Sadovy and Liu (2004).

5.7.1.8 Unreported fishing

Unreported fishing is another major issue in Pangkep fisheries. Pangkep fishermen or fishermen fishing in Pangkep waters are reluctant to land their catches in Pangkep fish markets. They prefer to sell their catches to middleman (*pa'balolang*) or to land them at the fish market in Makassar. A combination of the long distances to the fish

landing station, poor post-catch handling facilities¹⁵¹ and unattractive prices are the major concerns of fishermen, prompting them to choose Maros or Makassar fish markets as their fish catch landing stations. This unreported fishing results in loss of revenue from fees for fish not landed in Pangkep. However, there are no exact figures on this loss of revenue due to the poor and out-dated data on the numbers of fishing vessels and fishermen involved and the gear used for this fishing.

5.7.2 Stakeholders in Pangkep

5.7.2.1 Local government institutions

Similar to Konawe (Section 4.7.2.1), there are several local government agencies involved in coastal management in Pangkep. The Pangkep Marine Affairs and Fisheries Service (*Dinas Kelautan dan Perikanan Pangkep/DKP Pangkep*) and Pangkep Planning and Development Agency (*Bappeda Pangkep*) are the two local government institutions directly involved in coastal and fisheries activities. These two institutions, according to their mandates, are supposed to provide resources (staff, planning, funding and infrastructure) for the coastal zone management programs.

Both *DKP Pangkep* and *Bappeda Pangkep* oversee important projects on marine and coastal resource management projects, COREMAP and MCRMP. *DKP Pangkep* administers the COREMAP Project, whose routine tasks are to encourage and provide technical services in developing marine and fisheries activities. *DKP Pangkep* is also responsible for issuing permits for marine and fisheries-related business activities within four nautical miles seaward.

¹⁵¹ Such as the lack of iceboxes for keeping the catch fresh.

Bappeda Pangkep is the executing agency for the Marine and Coastal Resources Management Project (MCRMP), an Asian Development Bank funded project tasked with strengthening local government capacity in coastal zone planning and management. With MCRMP assistance, *Bappeda* Pangkep has produced planning documentation on coastal zone management (Proyek MCRMP *Bappeda* Pangkep 2004, 2005), which was revised in 2006 (Pemda Kabupaten Pangkep 2006d, 2006e). As a coordinating body on planning and development at the district level, *Bappeda* Pangkep reports to the *Bupati* and plays an important role in coordinating the planning and budget allocation of marine, coastal zone and fisheries development.

Several local government organizations participate in the coastal zone management program in Pangkep. These organizations include (i) Pangkep Forestry and Plantation Service (*Dinas Kehutanan dan Perkebunan* Pangkep), (ii) Pangkep Environmental and Cleaning Service (*Dinas Lingkungan Hidup dan Kebersihan* Pangkep), (iii) Pangkep Tourism and Culture Service (*Dinas Pariwisata dan Budaya* Pangkep), (iv) Pangkep Public Works Enterprise (*Dinas Koperasi dan Pengusaha Kecil dan Menengah* Pangkep), (v) Pangkep Health Service (*Dinas Kesehatan* Pangkep) and (vi) Pangkep Education Service (*Dinas Pendidikan* Pangkep). These *dinas* are technical offices of the Pangkep local government that report to the *Bupati*, and include some programs related to fisheries and coastal zone management.

Dinas Kehutanan dan Pekebunan Pangkep has a program on mangrove rehabilitation and coral reef conservation. This *dinas* is responsible for slowing down mangrove conversion into *tambak* and ensuring that the green belt policy (*jalur hijau sempadan pantai*) applies in mangrove conversion.

Dinas Lingkungan Hidup dan Kebersihan Pangkep is involved in a beach cleaning program (*Program Bersih Pantai*) and supports mangrove ecotourism. This *dinas*

has a mandate to provide technical assistance for sanitation improvement for coastal communities.

Dinas Pariwisata dan Budaya Pangkep has the portfolio on marine and coastal tourism especially in Kapoposang Marine Tourism Park. This *dinas* also supports mangrove ecotourism, and has an active program to document and support the heritage of the Siang kingdom.

Dinas Koperasi dan Pengusaha Kecil dan Menengah Pangkep has the responsibility for providing technical assistance to small and medium scale productive enterprises for coastal and island communities. This *dinas* also promotes and gives technical and managerial assistance to *Kelompok Usaha Bersama* (enterprise groups) and has a revolving fund scheme for coastal and island communities.

Dinas Kesehatan Pangkep is responsible for ensuring health facilities and services reach the outer inhabited islands in Pangkep in the form of paramedic and health facilities in *kecamatan kepulauan*. This *dinas* also runs sanitation improvement programs especially in coastal slum areas.

Dinas Pendidikan Pangkep is engaged in the acceleration of the education system and facilities in the islands as a legacy of Gaffar's pro-island policy and the implementation of campaign promises by the current Bupati to exempt basic education from fees.

To coordinate coastal and fisheries programs, Pangkep has set up a supervisory team for marine and fisheries development that consists mostly of all these institutions (Pemda Kabupaten Pangkep 2007g). Pangkep has also established a development and service unit for aquaculture (*Unit Pelayanan Pengembangan/UPP Perikanan Budidaya*).

This unit seeks to strengthen market networks and develop partnerships in aquaculture activities including *tambak* culture (Pemda Kabupaten Pangkep 2007h).

5.7.2.2 *Non Governmental Organizations*

Only a few Pangkep-based non-governmental organizations (NGOs) are active in Pangkep CZM as most of them focus on local socio-political issues instead of fisheries and coastal issues. *Yayasan Wahana Lestari* (The Wahana Lestari Foundation) is probably the only Pangkep-based NGO that is active in fisheries and coastal issues. This NGO's representative serves as a member of the Pangkep Coastal Community Empowerment Council.

Most of the NGOs that work on fisheries and coastal resources in Pangkep are Makassar-based. These NGOs include *Yayasan Konservasi Laut* (Marine Conservation Foundation/YKL), Destructive Fishing Watch (DFW) Indonesia, *Yayasan Samudra Indonesia* (Samudra Indonesia Foundation/Yasindo), *Lembaga Maritim Nusantara* (Nusantara Maritime Foundation/Lemsa), *Lembaga Mitra Lingkungan Sulawesi Selatan* (Environmental Partner Institute/LML Sul-Sel), *Lembaga Pengkajian Pedesaan, Pantai dan Masyarakat* (Institute for Rural Coastal and Community Studies/LP3M) and *Konsorsium Permerhati Kapoposang* (Kapoposang Care Consortium). All these NGOs have links with the Marine Science Department, Hasanuddin University (*IK Unhas*) as most of the executive and staff members of the NGOs are alumni of *IK Unhas*. In most cases, *IK Unhas* lecturers are also engaged with the NGOs' projects or studies as experts (*tenaga ahli*).

Box 4. Kapoposang and Konsorsium Pemerhati Kapoposang

Kapoposang Island is an outer island in Mattiro Ujung village in Kecamatan Liukang Tuppabiring located at 119° 17' 00" to 119° 22' 25" east altitude and at latitude 4° 47' 00" to 4° 50' 10" south. This island has high coastal and marine biodiversity in good condition. Together with the Samalona and Kayangan islands, Kapoposang is part of a marine tourism park (*Taman Wisata Alam Laut/TWAL* Kapoposang) as stipulated by the Decree of the Minister of Forestry No. 588/Kpts-VI/1996 on 12 December 1996. The marine park covers an area of 50,000 hectares.

Travel to Kapoposang, an outer island, takes many hours even from the capitals of various subdistricts. Details of distance to Kapoposang distance are as follows:

Destination	Distance	Travel Distance
Makassar	112 kilometers	5 – 8 hours by <i>perahu</i> 42 horsepower 2 hours by speed boat (200 horsepower)
Pangkajene	60 kilometers	6 – 8 hours by <i>perahu</i> 66 horsepower 2 hours by speed boat (200 horsepower)
Balang Lompo	48 kilometers	5 – 8 hours with <i>perahu</i> 5 horsepower

There is no regular transportation service to Kapoposang. Fishing vessels and cargo vessels (*pete-pete*) are available to travel to Kapoposang for IDR 7,500 to 10,000 (USD 0.9 – 1.2) per person. Kapoposang people can also get a free lift from *pongawa pulau* fishing vessels that carrying grouper and cod (*kerapu sunu*).

Bugis dominate the demographic profile of this island. They account for almost 95 percent of the Kapoposang population. Most of them are fifth generation on this island. The Bugis dominance in Kapoposang dates back to the first settlement of Bugis fishermen on this island in the 16th century.

About 75 per cent (66 households) of Kapoposang people are engaged in fishing. Hand line (*pancing ulur*) and bottom gillnet (*jarring insang tetap*) are common fishing gear in Kapoposang, account for respectively, 44 per cent and 10 per cent of total fishing gear in Kecamatan Liukang Tapibirring. About 83 per cent of fishing vessels have only a one-tonne capacity and 4.3 per cent of fishing vessels have a capacity of 5 to 10 tonnes.

Migrants (*pendatang*) are considered a threat to social life in Kapoposang. Drugs, gambling and the use of alcohol have emerged as a new lifestyle for some of the younger generation in Kapoposang. Interaction with youth from Pandangan Island (the neighboring island only 0.5 miles from Kapoposang) has triggered this lifestyle.

PT Makassar Tirta Bahari (Makassar Diving Center/MDC), a Makassar based dive operator, has the tourism concession in TWAL Kapoposang. MDC has obtained its principal permit from *Bupati Pangkep (Surat Bupati KDH Pangkajene dan Kepulauan No. 55.10/10/Diparda on 25 January 1999)*. This has allowed MDC to build homestay accommodation in the eastern part of Kapoposang and function as a single dive operator. MDC pays retribution to the Pangkep government. There is no direct involvement of the local community in this diving tourism activity in TWAL Kapoposang run by MDC.

Dinas Pariwisata dan Budaya (Tourism and Culture Service) is reluctant to develop community tourism in Kapoposang. MDC also argued that community involvement in diving tourism would require a big step to pursue acceptably, high standards, such as training in customer services.

To empower the local community and to establish community authority in managing TWAL Kapoposang, an alliance of the two leading NGOs in coastal and marine, YKL and Yasindo established the *Konsorsium Pemerhati Kapoposang* (Kapoposang Care Consortium/KPK) in June 2000. KPK intends to adopt a conservation principle that is fairer for the community. In doing so, KPK has conducted a series of training programs that include: mariculture, coastal resources awareness, community awareness, village institutions management, participatory mapping, fish processing, diving and group management.

KPK also conducted a series of activities in community empowerment. KPK is running a pilot project on seaweed culture to generate additional or alternative income. KPK conducted participatory rural appraisal on local knowledge and norms of coastal resource management, and facilitated the empowerment of community institutions that include the enterprise group (*Kelompok usaha Bersama/KUB Karya Bersama*), the conservation group (*Kelompok Konservasi dan Pelopor Pelestarian Kuda Laut*) and the women's group (*Kelompok Perempuan Anggrek*).

Source: Tim Sosek Pokja Sulsel (2001) and Pusat Studi Terumbu Karang - Universitas Hasanuddin (2002, 2007)

A current common theme on the NGOs' program is to advocate community and village governments to set up marine and coastal management areas (*kawasan kelola laut/KKL*), to pass regulations to administer *KKL* and to implement law enforcement in *KKL*¹⁵². These programs are intended to reduce and prevent destructive fishing, especially in *KKL* areas. This is also part of raising community awareness of the importance of protecting the coastal ecosystem as the nursery and feeding grounds for high economic value species

5.7.2.3 *Academic institutions*

Pangkep has a *Politeknik Pertanian Negeri Pangkajene dan Kepulauan* (Pangkep Technical Agricultural College/*Poltan* Pangkep). This polytechnic is the only educational institution to focus on practical expertise and knowledge of the fisheries in Indonesia. Among its five departments, *Poltan* Pangkep has four departments that focus on fisheries: Aquaculture (*Budidaya Perikanan*), Fishing Technology (*Teknologi Penangkapan Ikan*), Fisheries Processing Technology (*Teknologi Pengolahan Hasil Perikanan*) and Aquabusiness (*Agribisnis Perikanan*). *Poltan Pangkep* is active in promoting *tambak* and fisheries development in Pangkep through the transfer of technology and by helping its alumni find fisheries jobs in Pangkep.

Makassar-based universities dominate the areas of scientific and policy studies in Pangkep CZM. Academics from Hasanuddin University (*Unhas*) often appear as technical experts in any of number of studies tendered by Pangkep local government. These academics are mostly based in the Marine Science Department of *Unhas* (IK *Unhas*). Some of them administer the Centre for Coral Reef Studies (*Pusat Studi Terumbu Karang*

¹⁵² In-depth discussion with Informants A NGO-Mak 2005 and B-NGO-Mak 2005.

Unhas/PSTK Unhas), a program supported by the Unhas Research Institute (*Lembaga Penelitian Unhas*).

As the leading academic institution on marine science and fisheries in eastern Indonesia, *IK Unhas* has done a number of studies on Pangkep coastal resource management particularly on the Spermonde archipelago¹⁵³ as part of its *Tri Dharma Perguruan Tinggi* commitments (The Three Elements of Indonesian Higher Education, which entail education, research and community service). Several studies were part of *IK Unhas*' strategic research program and others were student honours theses (*skripsi*). *IK Unhas* has also conducted collaborative research with foreign universities, national research institutions and independent researchers.

IK Unhas also manages the Indonesian Sea Partnership Program (*Program Mitra Bahari*) as Regional Coordinator for South Sulawesi province. *Program Mitra Bahari* is a national partnership program under an MMAF initiative involving more than 20 regional universities and local governments. This program implements locally developed applied research, outreach/extension, education and policy activities that are intended to solve local coastal problems or strengthen local economies through matching funds from national and local funding sources.

Several *Unhas* academics are involved in the coastal zone management policy process, mostly at the provincial level through their appointment as members of project implementation units. Currently, two of *IK Unhas* academics are members of the Provincial Steering Committee of the MCRMP Project and another two are key resource persons on the Provincial Task Force of MCRMP. Their educational background and

¹⁵³ *Unhas* has conducted intensive studies on the Spermonde archipelago, mostly for the COREMAP Project.

training in fisheries and coastal resources have amplified their involvement in coastal policy.

In the socio-cultural field, the former Social Science Research Training Center (*Pusat Latihan Penelitian Ilmu-ilmu Sosial/PLPIIS*) crafted a number of research studies in Pangkep. PLPIIS facilitated an exchange of scholars and researchers of universities in Indonesia to conduct research in South Sulawesi. This scheme was designed to provide a wide perspective on and insights into social and cultural aspects of life in South Sulawesi. The period 1975 – 1980 was the PLPIIS's most productive research period on Pangkep, when a number of research papers were produced.

5.7.3 Administering the coastal zone

The main references for reviewing the local government's commitment to financing coastal and fisheries programs are found in the local government budget documents (*Anggaran Penerimaan dan Belanja Daerah/APBD*). Pangkep APBD documents indicate a typical picture of high dependency of the local government budget on the central government's transfer of development funds for programs such as coastal management and fisheries. Pangkep APBD documents show that its own revenues from marine affairs and fisheries are insufficient to fund any coastal management or fisheries programs. Therefore, without stimulus funding for coastal zone management and fisheries programs, Pangkep coastal and fisheries development will remain stagnant. Similarly, without innovative ways, Pangkep revenues from coastal and fisheries will remain less significant for Pangkep local area revenues (*PAD*) and consequently coastal and fisheries programs will continue to be a neglected sector.

Pangkep APBD documents before *reformasi* make it clear that a large proportion of Pangkep's routine budget was spent for salary and ordinary public administration

instead of being invested in development activities. Funding for development was mostly allocated by central government through vertical institutions of the various ministries (*Kanwil or Kandep*) or through specific grants such as *Inpres* and *Banpres*. As *Kanwil* or *Kandep* were part of the central government, these funds did not appear as part of the local government budget. After *reformasi*, these funds were transferred to Pangkep local government, thus significantly increasing the local government budget. However, within the first five years of *reformasi*, a large proportion of the local government budget was allocated for routine task expenditures. For example, in 2002, more than 50 per cent of Pangkep's budget was spent for similar purposes through the General Allocation Fund (*DAU*).

5.7.3.1 Available funding

The Pangkep budget allocation for coastal and fisheries programs prior to the establishment of the MMAF in 1999 were part of the agriculture and forestry sector budget allocation (*Sektor Pertanian dan Kehutanan/SPK*). Despite the fact that fisheries and coastal production contributed a large proportion to the regional domestic product (*PDRB*), coastal and fisheries programs shared only a small proportion of total funding under *SPK* allocation. An army-based *Bupati* combined with less concern for coastal and fisheries programs contributed to this lack of Pangkep's financial commitment to developing its coastal and island.

By using the maximum pro-rata allocation (one third), the funding allocation for coastal and fisheries management programs in 1998 prior to MMAF establishment was only half of the available funding for coastal and fisheries after the establishment of the MMAF in 1999 (Table 33). Coastal and fisheries activities were neglected in favour of

revenue earning. Geographical conditions and the complexity of coastal issues in Pangkep led to neglect and ignorance of coastal and fisheries development.

The establishment of the MMAF was a crucial factor for acceleration of concerns about the marginalized coastal matters and fisheries. The MMAF pushed intensively an agenda for fiscal balance for coastal and fisheries programs within local government. The MMAF also provided deconcentration funds (*dana dekonsentrasi*) for local government to promote the Ministry's mandates in the region.

Table 33. Coastal and fisheries funding available for Pangkep 1994 - 2008

Fiscal Year	Annual Budget for Agriculture and Forestry Sector (including fisheries and coastal) (SPK)	Estimated budget allocation for fisheries and coastal management (33% of SPK)	Specific Allocation Fund (DAK)	Fisheries Sharing Revenue (DBH)	DAK + DBH
1994/1995	335,130,000	110,592,900			
1995/1996	133,460,000	44,041,800			
1996/1997	425,090,000	140,279,700			
1997/1998	378,980,000	125,063,400			
1998/1999	452,300,000	149,259,000			
1999/2000	924,870,000	305,207,100			
2000/2001	1,407,240,000	464,389,200		684,390,000	684,390,000
2002	901,450,000			679,740,980	679,740,980
2003*	-			960,000,000	960,000,000
2004			1,040,000,000	2,012,989,358	3,052,989,358
2005			1,200,000,000	1,272,727,000	2,472,727,000
2006			3,750,000,000	752,992,730	4,502,992,730
2007			3,506,000,000	454,545,454	3,960,545,454
2008			3,506,000,000	454,545,454	3,960,545,454

Sources:

Data 1994 - 2000 are from website of Directorate General of Budget, Ministry of Finance

Data 2001 based on revenue sharing of natural resources and mining.

Data 2002 refers to Keputusan Menteri Keuangan Republik Indonesia Nomor 214/KMK.O6/2002 tentang Penetapan Perkiraan Jumlah Dana Bagian Daerah dari Sumber Daya Alam Minyak Bumi dan Gas Alam, Pertambangan Umum serta Perikanan Tahun Anggaran 2002

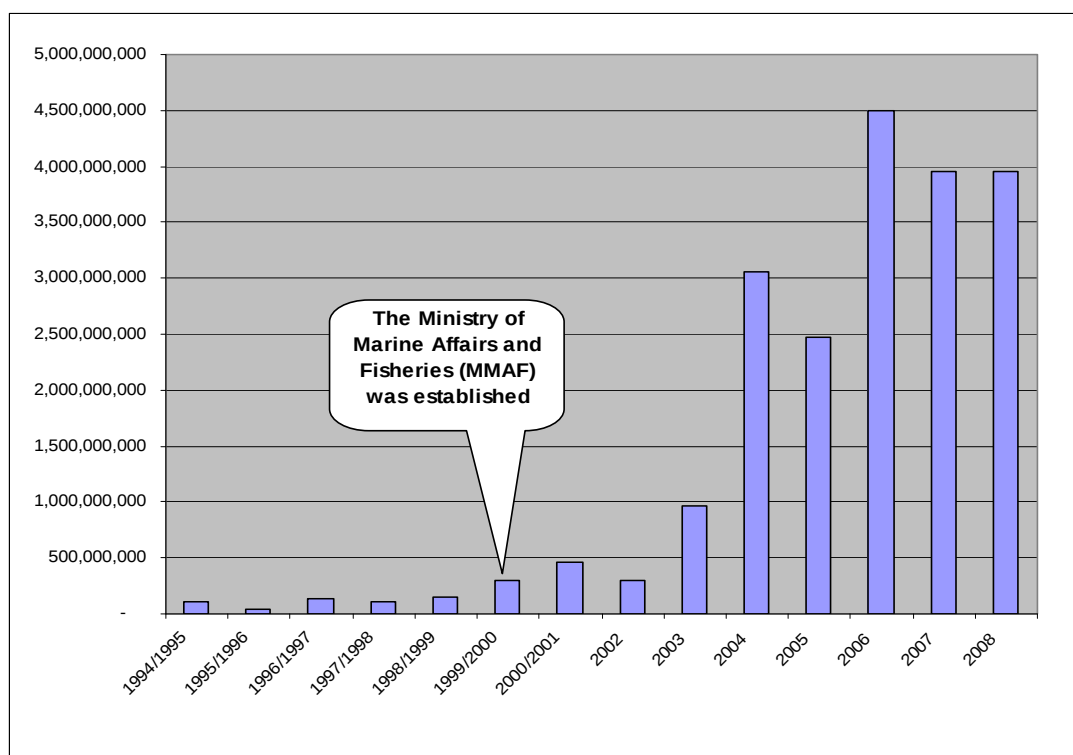
Data 2004 accounted from part of revenue sharing from natural resources.

Data 2007 refers to Peraturan Menteri Keuangan Republik Indonesia Nomor 141 / PMK.07 / 2006 Tentang Penetapan Perkiraan Alokasi Dana Bagi Hasil Sumber Daya Alam Perikanan Tahun Anggaran 2007

Data 2008 refers to Peraturan Menteri Keuangan 142/PMK.07.2007 tentang Penetapan Alokasi Dana Alokasi Khusus Tahun 2008

The MMAF provided more additional funding for Pangkep to engage in coastal and fisheries development programs through the establishment of the Fisheries Revenues Sharing (*Dana Bagi Hasil Perikanan*) in 2000 and the Specific Allocation Fund on Marine Affairs and Fisheries (*Dana Alokasi Khusus/DAK Bidang Kelautan dan Perikanan*) in 2004. These two types of funding consistently allocate funding for coastal and fisheries programs. Commencing in 2003, funding available for coastal and fisheries programs has increased significantly, especially when compared to the 1999/2000 budget. However, these two types of funding have slowed down, and shown a steep decline since 2005. Despite the fluctuation in funding for Pangkep coastal and fisheries management programs, the general figures on the budget allocation for coastal and fisheries increased within a decade (1998 – 2008) (Figure 22). This increase also corresponds to the devaluation of the Indonesian currency during a time of economic crisis.¹⁵⁴ The actual purchasing power of allocated funding remains similar to the budget before the economic crisis.

¹⁵⁴ The economic upheaval in 1997 is known as *krisis moneter* or *krismon* (literally means monetary crisis) in Indonesia.



Note: All the figures are in Indonesian Rupiahs (IDR)

Figure 22. Estimated funding available for coastal and fisheries programs in Pangkep (1994 – 2008).

5.7.3.2 Budget allocation

The budget allocation for coastal and fisheries programs in Pangkep has steadily increased since 2003 despite the budget allocation declining in 2005 (Table 34). By 2006, the budget allocation for coastal and fisheries programs amounted to 2.08 per cent of the total Pangkep budget. This proportion decreased to 1.82 per cent in 2007 but the nominal allocation increased by almost five per cent.

Table 34. Pangkep Local Government Budget (APBD) 2003 - 2007

No.	Items	2003	2004	2005	2006	2007
1	Budget Allocation for DKP Pangkep	831,061,627	3,292,472,023	3,825,103,903	7,039,995,959	7,359,489,566
	Detailed allocations					
a.	Salary, lump sum and office operation and maintenance	473,061,627	594,092,023	657,753,903	823,320,959	886,289,566
b.	Assets and maintenance costs	223,420,000	1,194,075,000	2,987,350,000	5,770,349,600	6,092,700,000
c.	Operational costs for coastal and fisheries facilities	64,050,000	497,025,000	137,575,000	260,425,000	380,500,000
d.	Travelling costs	70,530,000	1,007,280,000	42,425,000	180,900,400	Distributed in asset and operational cost
2	Total Pangkep Budget (APBD)	203,315,802,212	221,576,050,923	245,560,731,641	338,893,089,231	403,664,141,043
3	Percentage DKP Budget (1) to Total Budget (2)	0.41	1.49	1.56	2.08	1.82
4	Revenue from DKP	21,500,000	33,038,500	30,038,500	56,000,000	31,100,000
	Detailed revenues sources					
a.	Coastal and fisheries extraction tax (<i>Pajak pengambilan hasil kekayaan laut</i>)	-	2,500,000	2,500,000	-	-
b.	Levies on fisheries administration services	6,500,000	6,000,000	6,000,000	5,500,000	5,500,000
c.	Asset sales (Hasil penjualan aset daerah yang tidak dipisahkan)	15,000,000	24,538,500	19,038,500	Not listed anymore	Not listed anymore
d.	Tambak rental fees	-	-	2,500,000	50,500,000	25,600,000
5	Total Pangkep Revenue	24,641,687,234	24,801,287,634	27,841,391,113	31,750,807,292	40,257,959,558
6	Percentage DKP Revenue (4) to Total Revenue (5)	0.09	0.13	0.11	0.18	0.08
7	Percentage DKP Revenue (4) to DKP Budget (1)	2.59	1.00	0.79	0.80	0.42

Source: Pemda Kabupaten Pangkep (2003a, 2004a, 2004b, 2005a, 2005b, 2006a, 2006b, 2007a, 2007b)

Pangkep budget allocation for coastal and fisheries programs consists of four categories. These are: (i) salary and office operational and maintenance costs, (ii) assets and maintenance cost, (iii) operational costs for coastal and fisheries facilities and (iv) travelling costs. Sources for this budget allocation came mostly from the block grant allocation (*Dana Alokasi Umum*), *DAK Bidang Kelautan*, *PAD* and *Dana Bagi Hasil Perikanan*. The block grant allocation (*Dana Alokasi Umum*) was used mostly for paying civil servant salaries and office operational costs. On the revenue side, the sources of revenues were from (i) coastal and fisheries extraction tax, (ii) levies on fisheries administrative services, (iii) asset sales and (iv) *tambak* rental fees.

In 2003, Pangkep's allocated budget for coastal and fisheries programs were more than three times the estimated budget in 1999/2000. The budget for 2003 was 0.41 per cent of the total Pangkep budget. More than half of the budget was spent on routine expenditures (salary and office operational and maintenance costs). Spending on assets and their maintenance costs constituted the second largest proportion (27 %) of the annual budget. Revenue for coastal and fisheries programs came from asset sales (70 %) and levy on fisheries administration services (30 %). The total annual revenue share was only 0.09 per cent of total Pangkep revenues.

In 2004, the budget allocation for coastal and fisheries increased significantly compared to 2003 budget allocation. In year 2004, Pangkep allocated IDR 898,580,000 (USD 103,825) for matching funds to the COREMAP Project Preparation funding as part of the local government's contribution to the COREMAP Project. This matching fund was labelled in the APBD as travel costs for COREMAP Project assistance. The travel costs for the 2004 year budget were remarkably high: 30.59 per cent of total the budget allocation for coastal and fisheries. There is no further explanation in the detailed Pangkep *APBD* or confirmation from my informants regarding these high travel costs.

The largest proportion allocated in the 2004 budget was for asset and maintenance costs (36.27 %): most of these expenditures were spent for multi-year financed irrigation channels for *tambak*. The budget allocation for routine tasks also increased almost 20 per cent. Operational costs for coastal and fisheries facilities increased significantly, by 67.6 per cent. Revenues in the 2004 annual budget saw an increase with large proportion coming from asset sales¹⁵⁵ (74.4 %) while fees from coastal and fisheries extraction (7.5 %) and retribution of fisheries administrative services (18.1 %) increased.

The development of irrigation channels continued to constitute the largest proportion in the budget allocation for coastal and fisheries programs in the 2005 fiscal year. Pangkep spent IDR 1,320,000,000 (USD 151,724) for irrigation channels. This amount, combined with other asset and maintenance costs, constituted 78 per cent of the total budget for coastal and fisheries programs. Operational costs for coastal and fisheries facilities dropped by half for the 2005-year budget. Total budget allocation for coastal and fisheries program in 2005 amounted to 1.56 per cent of the total Pangkep budget.

The revenue from coastal and fisheries activities in 2005 increased with the introduction of *tambak* rental fees that contributed eight per cent of annual revenues. Two other revenue sources, coastal and fisheries extraction taxes and levies for fisheries administrative services, remained the same as in the previous year. There was also a revenue decrease on asset sales. Total revenue from coastal and fisheries activities for the 2005 fiscal year decreased by nine per cent of 2004 revenues.

In 2006, the total budget for coastal and fisheries almost doubled with spending on asset and maintenance costs forming the largest proportion of the budget. Pangkep spent IDR 3,575,000,000 (USD 410,919) for the development of irrigation channels. Pangkep

¹⁵⁵ Asset sales category in Pangkep APBD Budget refers to selling disposal of redundant inventories which are mostly office furniture, stationary and vehicles.

also allocated funding for the reclamation of a fish landing port (*PPI*). Other items in this budget increased, for example routine task expenditures rose by 25 per cent. Similarly, coastal and fisheries facilities' operational costs increased by 89 per cent and travel costs rose significantly. These increased costs brought the budget for coastal and fisheries activities to 2.08 per cent of the total Pangkep budget.

Sources of revenue from coastal activities and fisheries in 2006 came only from levies for fisheries administrative services and *tambak* rental fees. Pangkep received 90 per cent of these revenues from *tambak* rental fees. This significant increase corresponded with the increase in *tambak* area in 2006, amounting to 1,215.48 hectares of new *tambak* areas. These expanding *tambak* areas produced a significant revenue increase from *tambak* rental fees, which increased the proportion of coastal and fisheries revenues to 18 per cent of total Pangkep revenues. These two types of revenue remained the main revenue sources from the coastal and fisheries activities in fiscal year 2007.

The budget allocation for coastal and fisheries programs in 2007 was almost ten times greater when compared to the budget allocation in 2003. The 2007 budget allocation for irrigation development amounted to IDR 2,945,454,000 (USD 338,558) or 40 per cent of the total budget allocation for coastal activities and fisheries. The combination of this budget allocation with high expenditures for fishing port (*PPI*) development and other asset expenses consumed 82.78 per cent of the total budget for coastal and fisheries activities.

Routine expenditure in 2007 remained similar to that of the previous year with only a small increase. Operational costs for coastal and fisheries facilities increased by 46 per cent compared to the 2006 figure. Travelling costs were distributed over asset and operational costs. *Tambak* rental fees were still the main contributor to Pangkep coastal and fisheries revenue although this source of revenue dropped by about half. This decrease corresponded to only two hectares of new *tambak* developed in 2007. This resulted in less

registration and administration as well as rental fees from *tambak*. This decrease led to a decrease from 18 to 8 per cent in the proportion that Pangkep fisheries and coastal revenue contributed to total Pangkep revenues.

There are several remarks that need to be made about the Pangkep budget figures as a whole. In 2003, there was a surplus of IDR 802,103,190 (USD 92,125). In 2005 and 2006, the Pangkep government invested part of its budget as shares in Bank BPD (a provincially owned bank), *Bank Perkreditan Rakyat* (The People's Credit Bank) and *Perusda Mappatuwo* (a local government owned company). Pangkep invested IDR 6,876,800,000 (USD 790,436) in 2005 and increased this to IDR 6,985,120,877 (USD 802,877) in 2006. These investments provide a safe way for the Pangkep administration to proceed instead of being subject to investigation by the Corruption Eradication Commission (*Komisi Pemberantasan Korupsi/KPK*).

Pangkep's budget allocations for coastal and fisheries activities provide an illustration of the high dependency of the local government budget on central government transfers. The Pangkep budget contains a large proportion of funding from the general block grant allocation (*DAU*) and the specific allocation fund (*DAK*). Most of the Pangkep expenditure assignments for coastal and fisheries activities contain only a small proportion of local revenues (*PAD*). Central government transfers are dominant. Revenues from coastal and fisheries constituted only a small proportion of the total Pangkep budget.

The calculations for *DAU* have two important components, namely total area and number of population. *DAU* for Pangkep did not take into account Pangkep's physical landscape with its 117 islands that require more attention and special treatment, including funding. The allocation of *DAU* only referred to total land area and the number of the population. Therefore the *Bupati* Pangkep sent a letter to the National Coordinating Agency for Surveys and Mapping (*Badan Koordinasi Survei dan Pemetaan*

Nasional/Bakosurtanal) to ascertain Pangkep's total area including its marine and coastal areas as a basis for calculating the 2008 *DAU* allocation. By reference to satellite images and maps issued by *Bakosurtanal*, the total Pangkep area is 11,035.80 square kilometres which includes 892.36 square kilometres of land area¹⁵⁶ and 10,143.44 square kilometres¹⁵⁷ of marine and coastal areas (Pemda Kabupaten Pangkep 2007c). If *Bakosurtanal* confirms Pangkep calculation, then this could be an important reference for Pangkep to obtain more funding from *DAU*, as well as *DAK* and *DBH*. There could be a significant increase in the *DAU* transfer if the central government approves Pangkep proposal.

5.7.3.3 *Progress so far*

“Development of mainland and islands *kecamatan* [in Pangkep] needs to address each context and characteristic. [I believe] that the islands *kecamatan* will be in more need of accelerating marine and fishery sectors.

Pattape 2004b. *Pengabdianku untuk Rakyat* p.79.

Despite significant increases in Pangkep's budget for coastal and fisheries programs, *DKP* Pangkep's position in the Pangkep local government has remained relatively constant. *DKP* Pangkep continues as one of the important *dinas*. There was less political motive in reappointing the Head of *DKP* Pangkep when the *Bupati* position changed. Natsir Sulaiman, the current Head of *DKP* Pangkep has served in the same position that he held since Gaffar's term as *Bupati*.

The current *Bupati* Pangkep, Syafruddin Nur, has tended to keep upper echelon appointees including the Head of *DKP* Pangkep and the Local Secretary (*Sekda*) as part of his cabinet rather than changing them or imposing his interest by appointing his own men

¹⁵⁶ The land area includes coastal and mountainous areas (801.50 square kilometres) and islands (90.86 square kilometres).

¹⁵⁷ This figure is calculated by measuring up to four nautical miles seaward from each island at low tide.

to the upper echelon of the local bureaucracy. Restructuring of the upper echelon in Pangkep's administration has mostly followed the rotation of jobs according to the "tour of duty and tour of areas" policy (Informant K-Gov-Pkp 2007). Syafrudddin's policy to keep the upper echelon legacy of Gaffar's administration can be said to lead to stability in administration. However, it could also raise problems through the lack of control of professional performance and constrain career pathway development (*penjenjangan*) for other potential staff.

The current Pangkep *Sekda*, Surya Agraria, who served in this position under *Bupati* Gaffar must be willing to translate the new *Bupati*'s promises into action, especially those made during the local election campaign. In his campaign, Syafruddin¹⁵⁸ promised to waive school fees for elementary and high schools and to provide free medical check-up fees in the public health centre. He also pledged to improve regulations on mining and plantations (Informant E-Gov-Pkp 2008). His campaign promises also placed emphasis on the islands as a basis for development (Informant D-Gov-Pkp 2007, Informant E-Gov-Pkp 2008). Syafruddin has acted on several of his promises and is still working to fulfil more of his campaign promises. One of these tangible campaign promises, to waive education fees,¹⁵⁹ was intended to provide a model for provincial government (Tribun Timur 2008).

Syafruddin demonstrated his leadership in Pangkep with some achievements. The MMAF awarded him second place in the 2008 Coastal Award (*Adibhakti Mina Bahari*) in the governmental category. His commitment to continue the Gaffar policy on coastal and small island management was the main consideration for this award. He rehabilitated degraded mangrove areas and provided a 30 kilometre-long access road for *tambak* breeders (Pemda Kabupaten Pangkep 2008b). His policy on providing free school and

¹⁵⁸ Syafruddin Nur was the candidate of an alliance Golkar, PAN and PKB.

¹⁵⁹ *Instruksi Bupati Pangkajene dan Kepulauan Nomor 440/125/Hukum Tertanggal 24 Desember 2005.*

health fees for islanders as well as providing subsidies for diesel and gasoline to fishermen were key aspects in the assessment of his success for the Coastal Award. He was also granted a Forestry award in 2008 from the Ministry of Forestry for his re-greening effort in unproductive areas in Pangkep (Fajar On-line 2008).

In some echelons of the *DKP* Pangkep administration, the significant increase in the budget available for coastal and fisheries program was not immediately associated with the competency needed to manage the budget. Implementation of programs involved few effective, creative and innovative ways for spending the budget on coastal and fisheries activities. In fact, the “wait for *pedum and juknis* ¹⁶⁰ from the *pusat* (central government)” is still a common bureaucratic illness. This illness exists mostly among senior civil servants. New graduates who have recently joined the *DKP* Pangkep and *Bappeda* Pangkep have contributed more dynamic approach to *DKP* Pangkep and *Bappeda* Pangkep in the implementation of coastal and fisheries programs.

As in Konawe, the earlier Corruption Eradication Commission (*KPK*) actions against corruption that put many local civil servants in jail have created a fear factor in managing the local budget (*APBD*). The *KPK* actions proved to be effective shock therapy. It frightened the program managers and heads of offices in Pangkep local government. Now, program managers and office heads are sometimes too worried to spend the budget for planned programs. For them, it is better to have an unspent budget rather than being the target of an investigation by the *KPK* that sometimes acts with highly political motives.

¹⁶⁰ *Pedum* is *Pedoman Umum*, an implementation guidelines document. *Juknis* is *Petunjuk Teknis*, a technical guideline document that contains technical aspects for some project or program activities.

5.7.4 Local regulations in Pangkep

Pangkep has issued a number of local regulations (*Peraturan Daerah/Perda*) on coastal and fisheries management. In 1998, Pangkep issued *Perda* 19/1998 on levies for the fish landing port (Pemda Kabupaten Pangkep 1998). Three years later, Pangkep passed *Perda* 10/2001¹⁶¹ that prohibited coral reef exploitation and destruction in Pangkep (Section 5.7.1.7.3). This *Perda* bans destructive fishing methods and gear in coral reef, such as bombs, cyanide and electric shock fishing (Pemda Kabupaten Pangkep 2001). It gives exemptions to research activities, sea-lanes, conservation and protection of genetic resources (Article 4). This *Perda* imposed a maximum sentence of six months in jail or a fine for IDR 5 million (Article 6) for violations and the seizure of all fishing gear and vessels (Article 7). However, this *Perda* failed to identify in detail the destructive fishing gear and methods that have various local names and usages in Pangkep.

In 2002, Pangkep endorsed *Perda* 10/2002 on levies for administrative services. Under this *Perda*, there are three types of levy: (i) licenses (*surat izin*) with charges of IDR 25,000 – 150,000, (ii) recommendations (*rekomendasi*) IDR 50,000 – 150,000 and (iii) certificates (*surat keterangan/surat keterangan asal*) IDR 5,000 – 50,000 (Pemda Kabupaten Pangkep 2002). Pangkep administration only issues fishing licenses (*Surat Izin Usaha Perikanan*) for fishing vessels less than 10 Gross Tonnage (GT) (Table 35). Similarly, recommendations and certificates are only related to the Pangkep local government's authority on coastal and fisheries activities.

¹⁶¹ Local Regulation 10/2001 on Prohibiting Coral Reef Exploitation and Destruction in Pangkep (*Peraturan Daerah Kabupaten Pangkajene dan Kepulauan Nomor 10 Tahun 2001 Tentang Larangan Pengusahaan dan Perusakan Terumbu Karang dalam Wilayah Perairan Kabupaten Pangkajene dan Kepulauan*).

Table 35. Annual levy for fishing license vessels in Pangkep.

Fishing Vessel Gross Tonnages	Annual Levies
1 to 2 GT	IDR 25,000
3 to 4 GT	IDR 30,000
5 to 6 GT	IDR 40,000
7 to 8 GT	IDR 50,000
9 to 10 GT	IDR 150,000

Source: Pemda Kabupaten Pangkep (2008c)

Pangkep revised *Perda* 10/2002 into *Perda* 9/2006 changing several items as objects for tax. Through this revised *Perda*, Pangkep has a new set of retributions from *tambak* rental fees (Pemda Kabupaten Pangkep 2006f).

In 2003, Pangkep issued two *Perda* on coastal activities and fisheries. The first was *Perda* 03/2003 on coastal and marine resources extraction taxes (Pemda Kabupaten Pangkep 2003b). Another *Perda* was *Perda* 5/2003 that regulated tariffs for the measurement, registration and certification of fishing vessels of less than seven gross tonnes (Pemda Kabupaten Pangkep 2003c).

In *Perda* 03/2003, there are 22 types of resources subject to tax, such as prawn, sea cucumber, crab, crocodile, flying fish egg, sea snake, shells and seaweed. *Perda* exempts taxes on these resources when they are for personal consumption and not for export purposes. This *Perda* identified these resources as a broad category for tax purposes without specifically mentioning either the scientific or the local names. To provide technical details of this *Perda*, Pangkep issued technical guidelines through *Bupati Decree* 197/2004¹⁶² (Pemda Kabupaten Pangkep 2004c).

The amounts of the taxes set out in *Perda* 03/2003 are calculated from an appraisal of the volume of resource extraction multiplied by current market price or

¹⁶² Surat Keputusan Bupati Pangkajene dan Kepulauan, Nomor 197 Tahun 2004 tentang Petunjuk Teknis Pelaksanaan Peraturan Daerah Kabupaten Pangkajene dan Kepulauan, Nomor 3 Tahun 2003 tentang Pajak Pengambilan Hasil Kekayaan Laut.

standard price (Article 4). The *Bupati* annually issues these market or standard prices and then the Pangkep administration applies the percentage for tax. Taxes on fish, animals and seaweed are 1.5 per cent of total market value. For mariculture or aquaculture products, the figure is one percent of total production value (Article 5). Punishment of violations of this *Perda* is six months in jail or a fine of IDR 5,000,000 and seizure of fishing gear and vessels (Article 27).

In 2005, *Bupati* Pangkep issued a decree on administering permits for harvesting non-timber products including mangrove forests (Pemda Kabupaten Pangkep 2005d). A high-level of mangrove conversion in Pangkep is the cause of this decree but it is also intended to lessen upstream deforestation activities that can have destructive impacts on the coastal zone.

The latest *Perda* is Local Government Regulation 6/2007 on Coastal Zone Management (Pemda Kabupaten Pangkep 2007i). This *Perda* deals with various aspects of coastal zone management, such as management of boundaries, local government authority, planning, utilizing, controlling, disaster mitigation and organization of coastal zone management. Pangkep also revised its coastal zone planning and management policy including its strategic plan, management plan and action plan (Proyek MCRMP Bappeda Pangkep 2004, 2005). These documents express Pangkep's political, financial and institutional commitment to marine and coastal management.

5.8 Concluding Remarks

This chapter has focused on Pangkep as a case study area. Pangkep experienced military dominance in the *Bupati* position for more than three decades during the New Order. The position of the *Bupati* Pangkep was a part of *kekaryaan* (career) policy for military personnel, which was also known as *dwi fungsi ABRI* (the dual function of the

military). Pangkep experienced serious neglect of coastal and fisheries management during the time of the previous army-based *Bupatis* Pangkep whose primary doctrine was territorial and terrestrial in emphasis. This was also a reflection of previous national political policy that ignored marine and coastal resources, despite the fact that two-thirds of Indonesia's area is marine. Because of the neglect and ignorance, island, coastal and fisheries resources in Pangkep were marginalized. To overcome these disadvantages required more resources (financial, human and institutional) as well as a political commitment.

The role of *Bupati* has been proven to have an influence on coastal and fisheries policies. Changing leadership from army supremacy in the *Bupati* Pangkep position to a civil leader in the post-*reformasi* era opened up new horizons for coastal and fisheries management, supported by strong political and financial commitments to coastal and fisheries management. One previous and one current *Bupati*, Gaffar and Syafruddin, established a positive political commitment to island and coastal policy. Their public administration experiences as senior bureaucrats enabled them to adapt their commitment to practical spheres. Both of them had spent most part of their careers in Pangkep, which was also an important factor in running Pangkep district.

The MMAF in 2008 awarded the current Bupati, Syafruddin Nur, the Coastal Award (*Adibhakti Mina Bahari*) in appreciation of his efforts in accelerating the development of the small islands and for promoting coastal and fisheries management in Pangkep. This award should be seen as recognition of the continuous efforts of Pangkep administration on small islands, coastal and fisheries management since *Bupati* Gaffar Pattape who had laid down the pathway.

The chapter concludes that the *Bupati* can exert a highly significant influence on coastal and fisheries policy at the district level. If the momentum for strong political,

financial and institutional commitment remains at the same level or is increased, it will enhance coastal and fisheries activities as a promising sector. It seems that if the *Bupati* has a strong public administration background, it makes it easier to implement his political manifesto in local administration tasks. It would be different if the *Bupati* had only a political party background. This would make implementation tasks as the *Bupati* more challenging as they would require an adaptation process in the first phase of a *Bupati*'s time in office. The transition period can sometimes take a long time and it can be abused by rent seekers if the *Bupati* has no capability and capacity in public administration. If this happens, then innovative and effective programs to deliver better service remain as unachievable targets or irrelevant to reform.

Coastal and fisheries activities in Pangkep generate a large proportion of the gross domestic products (*PDRB*). Milk-fish and prawns are two important commodities in Pangkep as well as live coral fish. Coastal and fisheries activities have been the source of income and livelihood for most Pangkep coastal communities. These activities also have a trickle-down effect on other coastal and fisheries-related activities. However, the funding availability for coastal and fisheries management during the New Order period was only a very small proportion of the local budget. The MMAF policy, as well as strong local political commitments, has increased significantly the budget allocation for coastal and fisheries management since 2000.

These budget allocations require professionalism in bureaucracy to administer funding and to spend the budget in innovative and effective ways (*tepat guna dan sasaran*). Despite some cases of a lack of professionalism in service delivery,

professionalism in Pangkep administration is promising¹⁶³ but there is also reluctance among staff who are averse to change.

Professionalism is required to handle and deal with one of the most important issues in Pangkep coastal and fisheries management: destructive fishing from dynamite bombs and cyanide fishing. Pangkep has been known as one of hot spots for destructive fishing in Indonesia. To deter destructive fishing is the main challenging task for the Pangkep administration. It cannot be done by the Pangkep administration alone, but requires strong commitment from other institutions at various levels, especially law enforcement agencies.

There are many factors involved in destructive fishing: the problem is a combination of economic, cultural and law enforcement dimensions. In the economic dimension, poverty is the main reason why many fishermen engage in destructive fishing. Poverty combined with the patron-client (*pongawa - sawi*) relationships provide a social safety net for poor clients (*sawi*) but allow exploitation of resources by richer patrons (*pongawa*). This combination creates a vicious cycle (*lingkaran setan*) that makes it difficult for *sawi* to exit.

The next chapter discusses the general implications of the two case studies by returning to the main research questions identified in Chapter 1. The chapter will compare the case studies of Konawe and Pangkep and will pull together the strands of the arguments developed in earlier chapters.

¹⁶³ There are some fresh and innovative staff who have joined the Pangkep administration. Most of them are keen to learn and to exercise professionalism in service delivery.

6 A TALE OF TWO DISTRICTS: COMPARATIVE PERSPECTIVES

Understanding local socio-political contexts sheds light on the dynamic of decentralized CZM in Konawe and Pangkep (Chapters 4 and 5). That is, the approaches taken by Konawe and Pangkep administrations on decentralized CZM reflect wider developments in local governance. The case studies of decentralized CZM in Konawe and Pangkep thus provide significant insight into a wide variety of historical and contemporary socio-political processes related to decentralized CZM, and provide an understanding of the major emerging trends in decentralized CZM.

This chapter presents a synthesis of the key insights of the two case studies. I review the case studies' findings and examine thematic similarities and differences between the operation of decentralized CZM in Konawe and Pangkep, particularly by comparing the need for decentralized CZM, the role of *Bupati* and local government commitments. This chapter is divided into three sections. I first identify the similarities and differences between CZM in Konawe and Pangkep and then I discuss the lessons that can be learned from this comparison. Overall, I argue that the local socio-political contexts in Konawe and Pangkep have determined the style and pathway of decentralized CZM implementation.

6.1 Common and distinct themes

The Konawe and Pangkep governments are dealing with new legal administrative domains with regard to CZM that require political, financial and institutional commitments. These new domains have transformed the setting of the local governments' management of their coastal resources. The administration of CZM is entering a new

phase, which gives more responsibility to Konawe and Pangkep for the management of their designated areas and resources. The following sections describe in more detail the similarities and differences in decentralized CZM in Konawe and Pangkep, which highlight three important themes, namely motivation, the role of *Bupati* and local commitments to decentralized CZM.

6.1.1 Motivation for decentralized CZM

Konawe and Pangkep share the assumption that decentralized CZM is necessary to deal with their extensive geographical areas and to address local coastal issues that rely heavily on the local socio-political contexts. However, this assumption can seem an overly optimistic view of independent decentralization in CZM for Konawe and Pangkep. Motivation for decentralized CZM in Konawe and Pangkep gives the impression that decentralized CZM is demanded by the central government to foster and accelerate coastal management and solve coastal problems through lower government levels, rather than articulating the real desires of these *kabupaten* to manage their coastal resources and address local coastal issues. In other words, it can look as if the central government is simply imposing their agenda on the local governments. Meanwhile, Konawe and Pangkep meet these demands by providing partial commitments, a legacy of the New Order's bureaucratic illnesses (corruption, collusion and nepotism) that still exist in the implementation of decentralized CZM. In most cases, the local administrations act unilaterally and with superiority towards communities, rather than as service providers and partners in resource management.

Motivation for decentralized CZM in Konawe and Pangkep is part of an awakening to the need to formally manage the long-neglected coastal resources. However, much of the coastal resources are already degraded and it is difficult to affirm whether the

resources can provide economic return in a short period after financial commitments have been made or not. The time span for economic returns might take longer than predicted and, most importantly, the impacts of resource degradation appear quickly if there are no immediate resource recovery actions. Therefore, the argument for maintaining decentralized CZM in Konawe and Pangkep rests not on short-term economic return on investment, but on long-term restoration of the ecological functions of coastal resources that are not easy to quantify and are more abstract. This situation means the efforts to make real local government commitments on decentralized CZM are more challenging; many local government commitments to decentralized CZM are merely rhetorical, and occasion only sporadic, rather than holistic and integrated, responses to address coastal issues.

The Konawe case study underpins the view that decentralized CZM requires a reorientation and refocus from its current strategies due to administrative proliferation (*pemekaran*). Despite the significant reduction of its coastal areas because of the *pemekaran* process, Konawe still regards decentralized CZM as one way to improve its disadvantaged coastal areas, such as along the coast of Soropia and Wawonii Island. However, motivation for decentralized CZM in Konawe appears as just an additional task in the climate of “business as usual”.

From a technical point of view, several Konawe coastal planning documents contain high quality mapping and simulation for planning purposes. As my informants confirm, most of these documents lack updated data and information, and have had little input from community participation and other stakeholders. Local government planning officers commonly cite difficulties in reaching the silent majority in communities and technical hitches in stakeholders’ inputs into programs and projects as excuses for these oversights. There are fears that these documents will be no more than artificial documents stacked in office bookshelves, rather than becoming the main references for policy-making

processes in CZM. In order to obtain new information and gain useful input from communities and stakeholders, the Konawe government needs to expand its approaches to CZM.

The Pangkep case study highlights that in Pangkep, decentralized CZM is a vibrant concept in addressing its geographic challenges and the disadvantages of its 112 islands. Motivation for decentralized CZM in Pangkep is occasioned by a combination of the fate of Pangkep as an archipelagic district (*kabupaten kepulauan*), the necessity to accelerate small islands development, and the order of Law 32/2004. Immediate actions were also required to address the degradation of resources caused by destructive fishing. Confusion and awkwardness in dealing with decentralized CZM was common in the initial phase of decentralized CZM.

From another perspective, decentralized CZM in Pangkep is like shifting the responsibility for fixing a corrosive and fragile resource to a district government that has just realized its identity as an archipelagic district (Informant G-Gov-Pkp 2005). With limited resources for example bureaucratic administrative experience and qualified human resources, Pangkep was asked by the central government, communities and stakeholders to address coastal degradation and, at the same time, to maintain the condition of the existing good resources and to improve living conditions and income generation of coastal communities. In this sense, the central government is less concerned about the capability and capacity of the Pangkep government for multi-task assignments (informant G-Gov-Pkp 2005). Pangkep is struggling to define priority issues that, in many cases, are complex and interdependent.

The motivation for decentralized CZM in Konawe appears to be an artificial commitment to manage the coastal zone in a sustainable and integrated manner because of the lack enthusiasm from the Konawe local government to reform its local bureaucracy to

be more responsive and accountable. Meanwhile, motivation for decentralized CZM in Pangkep corresponded with the necessity to address the acceleration of coastal and small island development that required Pangkep local government to initiate real improvement and better practices for a decentralized CZM.

6.1.2 The Role of *Bupati*

The *Bupati* is the most important actor in the decision-making process of decentralized CZM in Konawe and Pangkep. With legitimate power through direct election (*pilkada*), the *Bupati* holds the strategic role of directing the pathway of decentralized CZM. The *Bupati* is now accountable to local voters and has to fulfil his or her political campaign promises, many based on popular issues to obtain more votes, as part of their accountability to constituents and local parliaments.

The *Bupati's* strategic role can support or oppose decentralized CZM depending on the *Bupati's* leadership and background. The *Bupati's* strategic role operates within the framework of a five-year term in office and must be based on pragmatic political calculation. Thus, the *Bupati* is tempted to select only those programs that will benefit his or her political image, and in most cases, programs on CZM are less politically expedient than other more popular programs. As a result, decentralized CZM programs are less important to the agenda of the *Bupati*, and this can lead to less political, financial and institutional commitment to decentralized CZM.

In Konawe and Pangkep, decentralized CZM was not part of the current *Bupati* political manifesto or their election campaigns. If there was a link to coasts or fisheries, it was only brief and did not address the existing resources and the way to manage them for the benefit of local development. Selling and marketing decentralized CZM for the *Bupati* campaign are difficult tasks because it is an unpopular issue and would only contribute a

limited share to their election votes. Indeed, it is difficult to formulate decentralized CZM into achievable programs within one period of a *Bupati*'s term.

The victories of the current Konawe *Bupati* and Pangkep *Bupati* in the first direct elections in their districts were connected to campaign issues unrelated to decentralization of CZM. Their victories were linked to the influence of the *Golkar* party¹⁶⁴. As candidates of the *Golkar* party, these *Bupati* had backup from loyal voters and a strong campaign team because the *Golkar* party still exert a strong influence in both districts, as it does in other parts of Sulawesi.

The current *Bupati* of Konawe and Pangkep have bureaucratic experience as they have spent most of their careers in local government administrations. However, their leadership styles provide different tales. The *Bupati* of Konawe applies his 'extended family' style in his leadership ambitions in competition against other Tolaki clans and politicians from other archipelagic *kabupaten (kabupaten kepulauan)* in Southeast Sulawesi (Chapter 4). He seems more concerned with the maintenance of his political position and influence over bureaucracy than with improving administrative capability and reforming the bureaucracy. The way he appointed his allies and extended family to the top Konawe positions without a transparent and merit-based process shows his authoritarian power in Konawe. He also tends to expand his political influence to new *pemekaran kabupaten* by maximizing his rights to propose the interim *Bupati (Pejabat Bupati Sementara)* for *Kabupaten* Konawe Utara (Section 4.5).

On the other hand, the *Bupati* of Pangkep tends to maintain stability within the bureaucracy through not rotating Pangkep's upper echelon officials (Section 5.4). That is,

¹⁶⁴ Sulawesi is known for its strategic bases for the *Golkar* party in eastern Indonesia even post-*reformasi*.

he has kept several key people in the same positions they had under the previous *Bupati* to prevent the administration from falling into disarray.

In his election campaign, the *Bupati* of Pangkep promised to provide a waiver policy for several government services fees for Pangkep citizens such as education and medical check-up fees. Now he needs to realize his campaign promises that will be indicators for leadership. His five-year term until 2010 is the test of his leadership capacity and will be important for his popularity if he chooses to run for *Bupati* a second time. To this end, he involves the administration in the pursuance of his political promises. Most of his promises can benefit Pangkep citizens as well as providing positive impacts on the local bureaucracy. His policy on decentralized CZM is a legacy of the previous *Bupati*, but with updated and modified approaches. He is continuing the pro-island policy that has provided many benefits to islanders. He still maintains budget allocations for coastal and fisheries management above 1.5 per cent of total Pangkep budget.

To sum up, strong leadership through good policy as shown by the Pangkep *Bupati* will be an important investment in implementing decentralized CZM. The decision to continue rather than change the previous program that benefited decentralized CZM is the most important part of his policy that supports decentralized CZM.

6.1.3 Local commitments

Local political, financial and institutional commitments are essential to decentralized CZM. These three types of commitment are indispensable and dependent upon each other. Local political commitments are mostly from the *Bupati* as the chief executive in the district. Local political commitments relate to the willingness of the local parliament to commit to the *Bupati*'s programs on decentralized CZM. It then depends on

capability and capacity of local administration to translate the *Bupati*'s commitments into programs and projects that are expressed in the local budget (*APBD*).

Local financial commitments are reflected in the local budget (*APBD*). The amount and shared percentages of coastal and fisheries management programs in the total budget are the main references for these financial commitments. However, they should be followed by the effectiveness and efficiency of the budget in funding CZM programs. The CZM budget spending falls within local governments' discretionary functions. To measure the local financial commitments to decentralized CZM, the budget allocation must be closely compared with other priority or obligatory decentralization mandates, such as education and health.

Local institutional commitments include the existence of a functional organization, a level of institutional support from both the executive and the legislative and local administration policy on coastal and fishery management. Institutional commitments ensure that local political and financial commitments support decentralized CZM. The existence of a functional organization for decentralized CZM provides the assurance of an appropriate channel for funding coastal and fisheries management. It can also be a suitable channel for translating political commitments on decentralized CZM into programs and projects.

In Konawe and Pangkep, political commitments provide different pathways while financial and institutional commitments share similar pathways. The different local political contexts in Konawe and Pangkep influence the pathways of the political commitments. Financial commitments in Konawe and Pangkep benefit from extended financial commitments from the central government that allocates more funding for CZM programs through the general allocation fund (*DAU*), specific allocation fund (*DAK*), revenue sharing (*DBH*) and ad hoc allocation budgets (Sections 4.7 and 5.7).

Konawe and Pangkep also have specific functional organizations for coastal and fisheries management, *Dinas Kelautan dan Perikanan* (*Dinas KP*/Marine Affairs and Fisheries Services), a part of their institutional commitment. The establishment of *Dinas KP* was a breakthrough and became an important step in decentralized CZM in Konawe and Pangkep. Establishing *Dinas KP* represented a big effort by the local government that required political will to deal with CZM affairs that were handled by specific *dinas*. *Dinas KP* fell into the category of an additional service for the local government.

Government Regulation (*PP*) 8/2003¹⁶⁵ is the primary reference for local government to establish the number and types of *dinas* according to their capacity. *PP* 8/2003 limits local government to establishing a maximum of 14 *dinas*, which comprise 11 *dinas* to conduct compulsory authorizations (*kewenangan wajib*) and three *dinas* to conduct additional authorizations (*kewenangan tambahan*).¹⁶⁶ To establish *Dinas KP*, each *kabupaten* has to have a 750 score from six indicators from general criteria and eleven indicators from specific criteria (Table 35). Local government can only establish a functional organization as an office (*kantor*) at a lower level than a *dinas* in terms of budget, authority and responsibility if its total score is 500 to 750. Local government cannot establish a functional organization for CZM affairs if its score is less than 500. In this case, CZM affairs will then be carried out by functional organization similar to a division or sub-division.

¹⁶⁵ The Government Regulation (*PP*) 8/2003 is a revised version of Government Regulation (*PP*) 84/2000 that served as the previous government regulation on local government organizations. *PP* 84/2000 adopts “wide discretion [principles] on how to set up [local government] administrative structures” (DRSP 2006:49). *PP* 84/2000 led to a race by local government to set up organizations and positions beyond their needs and ability to fund (Pujiono 2006). At the same time, central government “reassert[s] central control by imposing restrictions and embracing a much stronger regulatory role [that] reduc[es] the discretion of [local government] in reforming their organization” (DRSP 2006:49). *PP* 84/2000 introduced uniformity of echelon structure that was less concerned with workload, scope, complexity, challenging tasks and level of responsibilities (Pujiono 2006). This uniformity created jealousy especially in local governments with more complex issues and responsibilities but earned similar remuneration as less complex and with fewer responsibilities (DRSP 2006; Pujiono 2006).

The general criteria for establishing *dinas* correspond to spatial area, population, administrative features and *APBD* budget for staff expenditure. These indicators contribute 20 per cent of the total score in establishing the *dinas*. Specific criteria for establishing *Dinas KP* contribute 80 per cent to the total score, which is determined by the size of coastal, and fisheries resources, production and administration. With refers to general and specific criteria score for the establishment of *Dinas KP* at the district level (Table 36), the score for establishing *Dinas KP* in Konawe was 777 and in Pangkep 803. The score was adequate to establish a specific *dinas* on CZM affairs. This scoring also illustrates the greater magnitude of the *Dinas KP* in Pangkep compared with Konawe (Table 37).

As DRSP (2006) reported, the scoring system in the Government Regulation (*PP*) 8/2003 provided a rigid blueprint and limited local government in setting up organizations that met “their [local] characteristics and the core services that they must deliver” (DRSP 2006: 52). To address these issues and to follow up on the new law on Regional Government (Law 32/2004), the central government withdraw *PP* 8/2003 and passed Government Regulation (*PP*) 41/2007 concerning Regional Government Organizations (*Organisasi Perangkat Daerah*). According to this *PP*, local government can “establish any type of organizations as long as the total number does not exceed that corresponding to the score determined by their spatial area, population density and *APBD* budget” (DRSP 2006:51). Population density contributes the highest percentage (40 %) of the score for determining local government organization; spatial area contributes 35 per cent; and local budget/*APBD* 25 per cent. The *PP* also distinguishes between Java and outer islands classifications in regard to density of population.

¹⁶⁶ At the provincial level, this regulation sets a limit of a maximum 10 *dinas* that primarily deal with multi-sectoral or intra-kabupaten issues.

Table 36. General and specific criteria score for the establishment of *Dinas KP* (Marine Affairs and Fisheries Services) at the district level.

No.	Indicators		Scale	Percentage (%)	Scores
GENERAL CRITERIA					
1	Total Areas (Km2)		4		
	< 15,000	400		16 Score	
	15,000 – 30,000	700		28 Score	
	> 30,000	1000		40 Score	
2	Number of population (persons)		2		
	< 400,000	400		8 Score	
	400,000 – 750,000	700		14 Score	
	> 750,000	1000		20 Score	
3	Ratio of Apparatus Expenditure in Local budget/APBD (%)		4		
	> 50	400		16 Score	
	30 – 50	700		28 Score	
	< 30	1000		40 Score	
4	Number of kecamatan		2		
	3 – 9	400		8 Score	
	10 – 20	700		14 Score	
	> 20	1000		20 Score	
5	Number of villages		4		
	< 50	400		16 Score	
	50 – 100	700		28 Score	
	> 100	1000		40 Score	
6	Characteristics aspect in regional development		4		
	Local/regional	400		16 Score	
	National	700		28 Score	
	International	1000		40 Score	
SPECIFIC CRITERIA					
7	Marine Resource Utilization		8		
	Exploration	400		32 Score	
	Exploration and exploitation	700		56 Score	
	Exploration, exploitation and conservation	1000		80 Score	
8	Numbers of permits and licenses on aquaculture and capture fisheries		8		
	< 5	400		32 Score	
	5 -10	700		56 Score	
	> 10	1000		80 Score	

No.	Indicators	Scale	Percentage (%)	Score
9	Marine resources		8	
	Capture fisheries	400		32 Score
	Capture fisheries and aquaculture	700		56 Score
	Capture fisheries, aquaculture, oil and minerals	1000		80 Score
10	Number of non-motorized fishing vessels		7	
	< 100	400		28 Score
	100 – 200	700		49 Score
	> 200	1000		70 Score
11	Number of motorized fishing vessels (<i>armada kapal motor temple</i>)		7	
	< 50	400		28 Score
	50 – 100	700		49 Score
	> 100	1000		70 Score
12	Number of Fish Landing Markets (<i>Tempat Pelelangan Ikan/TPI</i>)		7	
	< 5	400		28 Score
	5 – 10	700		49 Score
	> 10	1000		70 Score
13	Marine Fisheries Production (Tons/year)		7	
	< 2,000	400		28 Score
	2,000 – 5,000	700		49 Score
	> 5,000	1000		70 Score
14	Total areas (Km2)		6	
	< 3,000	400		24 Score
	3,000 – 7,500	700		42 Score
	> 7,500	1000		60 Score
15	Total areas of inland waters (Km2)		8	
	< 500	400		32 Score
	500 – 1,000	700		56 Score
	> 1,000	1000		80 Score
16	Inland fisheries resources		7	
	Modern	400		28 Score
	Traditional	100		70 Score
17	Total fisheries processing products (Tons/year)		7	
	< 2,000	400		28 Score
	2,000 – 4,000	700		49 Score
	> 4000	1000		70 Score

Source: Government of Indonesia (2000)

Table 37. Scoring for the establishment of *Dinas KP* (Marine Affairs and Fisheries Services) in Konawe and Pangkep.

No.	Indicators	Konawe	Pangkep
General criterion			
1	Total Areas (Km2)	28 Score	28 Score
2	Number of population (persons)	8 Score	8 Score
3	Ratio of Apparatus Expenditure in Local budget (APBD) (%)	16 Score	16 Score
4	Number of <i>kecamatan</i>	20 Score	14 Score
5	Number of Villages	40 Score	28 Score
6	Characteristics aspect in regional development	28 Score	40 Score
Specific criterion			
1	Marine Resources Utilization	80 Score	80 Score
1	Marine Resources Utilization	80 Score	80 Score
2	Numbers of permits and licenses on aquaculture and capture fisheries	60 Score	60 Score
3	Marine Resources	56 Score	80 Score
4	Number of non-motorized fishing vessels	80 Score	70 Score
5	Number of motorized fishing vessels (armada kapal motor temple)	70 Score	70 Score
6	Number of Fish Landing Markets (Tempat Pelelangan Ikan/TPI)	49 Score	28 Score
7	Marine Fisheries Production (Tons/year)	70 Score	70 Score
8	Total Areas (Km2)	42 Score	60 Score
9	Total areas of inland waters (Km2)	32 Score	32 Score
10	Freshwater fisheries resources	70 Score	70 Score
11	Fisheries processing (Tons/year)	28 Score	49 Score
TOTAL		777 Score	803 Score

The Konawe case study shows that Konawe local government's commitment to decentralized CZM focuses heavily on a short-term target such as increasing its local revenues (*PAD*) from fisheries taxes with less consideration of long-term and strategic aspects of coastal and fisheries management. This lesser focus has an impact on its commitment to multiyear projects or providing matching funds (*dana pendamping*) for coastal management projects (Informant D-Exp-Kdi 2005) as economic returns will not

appear over a short term period. While Konawe passed its local regulation (*Perda*) on CZM, this regulation only contains the general principle for CZM rather than any locally practical administration for coastal resources.

The case of Konawe reflects the intervention of the local parliament in executive administration that is mostly related to money politics (Informant A-Exp-Kdi 2005). The local parliament used its extended powers to push the *Bupati* and to impose its agenda on the appointment of the Project Manager for a big loan project in 2002 - 2003. The local parliament preferred to choose a Project Manager who could provide financial benefits for them or their parties (Informant A-Exp-Kdi 2005). The Konawe local parliament also demonstrated its power by giving hard time on the discussion of the proposed matching funds for coastal and fisheries management and revising the proposal without consultation with the executive (Informant D-Exp-Kdi 2005).

The Pangkep case study shows stronger and more continuous political commitment to decentralized CZM from the current *Bupati* and administration. In the pre-*reformasi* period (pre-1998), coastal and island policies were neglected, and were met with rhetorical promises of small island acceleration. The military background of the pre-*reformasi* *Bupati* contributed to this ignorance of the needs of the small islands.

The first Pangkep *Bupati* in post-*reformasi* era, Gaffar Patappe, who had a bureaucratic background made a commitment to a pro-island policy and coastal and fisheries management in his political manifesto. The current *Bupati* follows and maintains the legacy of his predecessor on decentralized CZM with a similar commitment on pro-island and pro-coastal policies. Although there has been no new effort made on his pro-island and pro-coastal policies, his local political commitments have benefited decentralized CZM and are in keeping with his financial commitments.

Starting from fiscal year 2004, Pangkep's financial commitments on coastal and fisheries management attached to *Dinas KP* Pangkep have remained above 1.5 per cent of the total Pangkep budget (Section 5.7.3.2). However, institutional commitments continue using less effective approaches, such as establishing adhoc committees based only on project targets rather than preparing a committee as the forum for collaboration and coordination for strengthening coastal and fisheries management. To set up the ideal committee would require small incentives for committee members (Informant B-Gov-Pkp 2007) and coordination.

The Pangkep case study highlights the need to reformulate the financial commitment of the central government with regard to Pangkep's geographic position as an archipelagic district (*kabupaten kepulauan*). The *Bupati* Pangkep has already sent an inquiry letter to verify Pangkep administrative areas including coastal and marine waters to obtain additional general allocation funding (*DAU*) from the central government. The Pangkep local government argues that the islands and the coastal waters between the islands significantly increase the total area of Pangkep's administration. But this is not reflected in the *DAU* allocation.

Ideally, funding for an archipelagic *kabupaten* like Pangkep should be treated as a special case with particular geographic constraints that require additional funding. This request should reinforce Pangkep's financial commitments once the central government has approved it. Pangkep will have to expand its political and financial commitment in budget allocations to *kecamatan kepulauan* and coastal management if Pangkep obtains additional *DAU* as a *kabupaten kepulauan*.

6.2 Which one is better?

A comparison of Konawe's and Pangkep's efforts at decentralized CZM requires a close examination of their local socio-political contexts. To do the comparison, it is necessary to take account of several indicators related to reform of bureaucratic governance in the public sector (Table 38). Bureaucratic reform factors need to include how the local administration deals with decentralized CZM. Bureaucratic reform factors include staffing, procurement, participation, planning and budgeting procedures (World Bank 2006b).

The outcome of implementing the bureaucratic reforms might not impact in the short term, but such reforms contribute to making decentralized CZM work at the district level. Bureaucratic reforms can also craft achievable decentralized CZM targets through minimizing informal patronage behavior and corrupt practices (unofficial payments, bribery and economic returns from rent-seeking) that prevent innovation, block greater participation and undermine accountability (World Bank 2006b). However, bureaucratic reform in Konawe and Pangkep is still uncommon, although there are some signs of the beginning of an adoption of bureaucratic reforms.

Based on the discussion in the previous section and on the analysis tabulated in Table 38, it is clear that Pangkep scored better than Konawe on many criteria. Although Pangkep is relatively new in endorsing its local regulation (*Perda*) on CZM and in producing adequate technical coastal planning documents, the promise of bureaucratic reforms has made the biggest contribution to Pangkep's score.

Table 38. Comparison of Konawe and Pangkep in decentralized CZM

Factors	Konawe	Pangkep
Political dimensions		
Style of <i>Bupati</i> and political commitments	• Role of <i>Bupati</i> is very significant for local political commitments. • <i>Bupati</i> is authoritarian and controls the local bureaucracy for his political expediency. • <i>Bupati</i> has less commitment to decentralized CZM • DPRD demonstrated its power in administering coastal and fisheries management	• Role of <i>Bupati</i> is very significant despite the fact that some programs are still just rhetoric. <i>Bupati</i> is more concerned about the stability in bureaucracy. • <i>Bupati</i> continues his predecessor's pro-island and pro-coastal policies as part of his commitment to decentralized CZM
Stakeholders participation	• Still limited	• Still limited, but with intention to accommodate greater participation
Accountability pressures	• Internal monitoring from <i>Bawasda</i> (Local Monitoring Agency) is less well performed • Lack of press and community pressures	• Makassar-based press and online community offer pressure and monitoring.
Financial dimensions		
Funding	• Available and allocated funding for coastal and fisheries management increased significantly.	• Available and allocated funding for coastal and fisheries management increased significantly.
<i>Pakta integritas</i> (integrity pact) for transaction with the public and private sector	• Exist in some transactions, but collusion still involved	• Exists in some transactions
Performance based budgeting (<i>Anggaran berbasis kinerja</i>)	• On-going process	• On-going process
Strengthen procurement process (Presidential Decree No. 80/2000)	• Exists, but needs improvement	• Exists, but needs improvement
Percentage of CZM budget to total kabupaten budget	• Average more than 2 percent.	• Average more than 1.5 percent
Institutional dimensions		
Structure	• Bappeda and <i>Dinas KP</i> are two important institutions in decentralized CZM. • Bappeda administers the MCRM Project and <i>Dinas KP</i> manages the infrastructure development assistance from the MMAF. • <i>Dinas KP</i> was established from the extended functional tasks of previous <i>Dinas Perikanan</i>.	• Bappeda and <i>Dinas KP</i> are two important institutions in decentralized CZM. • Bappeda administers the MCRM Project and <i>Dinas KP</i> manages the COREMAP Project. • <i>Dinas KP</i> was established from the extended functional tasks of previous <i>Dinas Perikanan</i>.
Staff	• Lack of qualified staff. • Tendency for exclusivity in managing CZM projects both in Bappeda and <i>Dinas KP</i>.	• There are additional young and enthusiastic staff joining the Bappeda and <i>Dinas KP</i>.

Factors	Konawe	Pangkep
Institutional dimensions		
Neutrality in bureaucracy	Less neutral, bureaucracy tends to follow patrimonial culture	Moderately neutral as there is some stability in bureaucracy
Professionalism	- Less professional, exclusiveness in lucrative projects, rare critics from inside and outside bureaucracy - Paternalistic behavior in bureaucracy is still common, exemplified by <i>menunggu arahan lebih lanjut dari pusat</i> (waiting for further guidance from central government) and intense direction from <i>Bupati</i>. - Lack of initiative in reaction to vital needs, is instead passively responsive.	- Moderate professionalism with local wisdom for strengthening professionalism - In some parts, the legacy of <i>juklak juknis</i> still exists.
Performance contract for Head of <i>Dinas</i> KP	Not yet	Not yet, but there is tendency
More equivalent distribution of incentive payments	Does not exist, still appears patrimonial in bureaucracy	Not yet equivalent
Proper test for lower echelon positions	Does not exist	Does not exist
External assessment for promotion	Does not exist	Does not exist
Performance base for service delivery	Does not exist	Does not exist
CZM Regulation (<i>Perda</i>) and CZM Documents		
Time to produce	Quick	Slow
Content	Contains highly technical views but misses stakeholders' participation and inputs	First documents released were too abstract, but the updated documents are more focused and concise
Implementation	Some are already implemented but highly dependent on the available and allocation funding	Some are already implemented, subject to maintaining commitment
CZM initiatives	Limited due to dynamic local socio-political contexts	Struggling to prioritize the issues to manage
Strategic issues	- Refocusing strategies and approaches on decentralized CZM due to the <i>pemekaran</i> process. - Poverty in coastal communities is an endemic problem due to the lack of infrastructure and access to market.	- Destructive fishing activities - Acceleration of small island development - Poverty in coastal communities especially in islands is common due to the limited work choices and need for alternative income generation, and patron-client relationship (<i>pongawa – sawi</i>)

Source: Extracted from interviews with informants in Konawe and Pangkep in 2005 and 2007, and observations.

Although Konawe has made significant steps and has developed better policy but this has been limited to the caucus of *Bappeda* Konawe staff and several agencies. Konawe efforts at translating decentralized CZM into the policy arena by endorsing *Perda* CZM and preparing planning documents have lacked participation by stakeholders. The products seemed to have been produced just to fulfill project requirements and just to have technical documents rather than realistic references for policy-making.

6.3 Lessons learned

The comparison of the approaches to the implementation of decentralized CZM in Konawe and Pangkep presents some salutary lessons. Both Konawe and Pangkep provide telling examples of local government efforts at implementing challenging decentralized CZM policy, but at the same time, the local governments also reveal a lack of bureaucratic reforms. This situation mirrors the central government bureaucracy, where bureaucratic reform is the forgotten agenda in the *reformasi*.

The cases studies illustrate both the significant role of the *Bupati* as the local chief executive and the dynamic adjustment of local actors during the transition to decentralized CZM. In brief, the case studies are an examination of local actors seizing and maximizing their interest and gaining personally from CZM in the face of demanding tasks. Indistinct and unsettling policies and regulations have arisen because of the transition in dealing with new administrative domains. In most cases, this has left the management of the coastal zone at the district level in limbo. The attitudes of “just another additional task (*hanya tambahan tugas baru*)”¹⁶⁷ and of the night market management (*manajemen pasar malam*)

¹⁶⁷ “....as long as money from central government is available for further personal benefits for local elites and the manager; the program [project] will be sustained. Once it finishes, involvement will end”. Informant C-Uni-Sulsel (2007).

in project implementation remain as big issues in the implementation of decentralized CZM.

My examination of the decentralized CZM approaches of these two *kabupaten* suggests that creating and maintaining ‘enabling conditions’ that allow local government to take more responsibility is a vital factor for success. The presumption is that decentralized CZM will generate funds and expand the power of local government and this should translate into adequate and competent staffing and programs. However, the continuing lack of local government capacity and capability will keep decentralized CZM as one of the more challenging tasks for government. Therefore, decentralized CZM requires the strengthening of local government capacity and capability that can be achieved through local bureaucracy reforms.

The case studies of Konawe and Pangkep also reveal the fact that the decentralized CZM programs are still driven by political calculations. Local leaders often use a personal cost and benefit analysis in their political calculation rather than improving policy implementations. Hidden agendas are a complementary puzzle for decentralized CZM implementation.

The case of Konawe’s decentralized CZM offers the lesson that decentralized CZM can be highly politicized by the *Bupati* in an implementation process rooted in patron/client arrangements and ethnicity-based policy. Although the financial resources for coastal related activities have increased significantly, it was not sufficiently embedded in programs of implementation. Local government tends to adopt and adapt cronyism in its bureaucracy, thus accommodating the *Bupati*’s political agenda as a priority rather than providing better quality services (Informant A-Exp-Kdi 2005).

The political will of the *Bupati* of Konawe in relation to CZM has been distracted by highly dynamic political change and his efforts to maintain his position as the ‘first man’ in Konawe. His manifesto and vision on coastal resources are likely to be refocussed due to the *pemekaran*. Several efforts and steps forward on decentralized CZM in Konawe need to be embedded in plausible implementation programs and downwards accountability.

The case of Pangkep emphasizes the need to address the structural imbalance of the general allocation fund (*DAU*) to further the coastal development program in its islands. The challenging tasks for Pangkep in fostering decentralized CZM are due to its geographic conditions and higher cost of service delivery in its islands. Therefore, the central government’s consideration and commitment are required on the Pangkep proposal to regard marine areas and islands as important components in *DAU* calculations. At the local level, Pangkep needs to encourage more localized and creative initiatives on CZM, such as revitalizing the *pongawa-sawi* relationship. All these challenges require a high degree of political will as well as a shift in the development paradigm from a terrestrial to a marine based framework.

Furthermore, decentralized CZM in these *kabupaten* highlights the importance of the central government, especially the Ministry of Marine Affairs and Fisheries (MMAF) as crucial actors in promoting decentralized CZM and providing capacity building and assistance in order to ensure the progress of decentralized CZM. This has to be achieved in parallel with building durable institutions that can persist beyond each leadership change. Central ministries and agencies, such as MMAF, Ministry of Home Affairs, Ministry of Finance, Regional Autonomy Review Board (*DPOD*) and National Planning and Development Agency (*Bappenas*) are key players in fostering decentralized CZM. At the local level, governments have to involve related and important stakeholders such as private sectors and coastal communities as indispensable partners in implementing CZM.

The relationship between local and central governments should be based on a partnership model rather than a supra and lower levels relationship. The nature of the present governance and *reformasi* mandates does not allow for the hegemony and intervention of central government in local government affairs as practiced during the New Order period. The relationship must follow lines of partnership and devolution.

6.4 Concluding Remarks

This chapter has examined the similarities and differences between the case studies of Konawe and Pangkep. Each case study highlights the importance of local socio-political contexts and the role of local actors in shaping pathways to decentralized CZM. The case studies also reemphasized the importance of the dynamic of local socio-political factors that frame the implementation of decentralized CZM at the district or municipal level.

Several factors contribute to making decentralized CZM work. The next chapter will discuss these factors and will suggest ways of making decentralized CZM work in Indonesia.

7 TOWARD EFFECTIVE DECENTRALIZED CZM

My investigation into the dynamic nature of decentralized CZM in two case studies, Konawe (Chapter 4) and Pangkep (Chapter 5), and the lessons learned from the case studies and beyond (Chapter 6) leads to a discussion in this chapter on how to make decentralized CZM work for Indonesia. Effective decentralized CZM depends heavily on local socio-political frameworks. Further, several other requirements and conditions frame the work of decentralized CZM such as an understanding of the expectations of decentralized CZM, accountability and mechanisms for task and authority assignments. Effective decentralized CZM will be achievable when local leadership and incentives mechanisms are combined together with clear rules and mechanisms for assigning responsibility, authority and resources for decentralized CZM.

This chapter describes the factors affecting decentralized CZM in the current Indonesian situation and draws some implications to achieve effective decentralized CZM. This chapter is divided into two sections. The first section explains and elaborates the factors that make effective decentralized CZM. This follows the logic of my argument that effective decentralized CZM implementation can occur when factors affecting effective decentralized CZM (understanding, accountability and clear mechanisms of role assignment) appear as pre-conditional factors of decentralized CZM. Local leadership, and incentives can then stream decentralized CZM into effective implementation.

The second section describes the implementation of decentralized CZM from a broader perspective that involves a wide-ranging discourse on co-management, the need for bureaucratic reform, and on the logical consequences of the newly-enacted CZM law, *UU-PWPPK*. All these elements will contribute to the articulation of a decentralized CZM framework.

7.1 Toward Effective Decentralized CZM

Decentralized CZM ties in with the administrative boundaries. The nature and characteristics of coastal resources require special treatment in decentralized CZM.

(Informant H-Gov-Nat 2005)

Decentralized CZM can not be standardized because not all local governments are ready to implement decentralized policy.

(Informant D-Gov-Nat 2005)

In the future, local government will have a critical role in assistance, mediation and facilitation in building common sense and trust

(Informant F-Gov-Nat 2005)

Based on the examination of two case studies and lessons learned (Chapter 6), there are three factors that require careful consideration in achieving decentralized CZM: (i) understanding of the expectations of decentralized CZM; (ii) upward and downward accountability; and (iii) mechanisms for assigning responsibilities, authority and resources. The central and local governments can only work in tandem and develop good decentralized CZM strategies when these three factors are fulfilled. Fulfilling the requirements and creating conditions for effective decentralized CZM relies on the process of choosing strategies for CZM. This process should include learning by doing, team building, building durable institutions beyond leadership change, and educating multiple stakeholders at different levels of involvement.

Effective decentralized CZM relies on effective intergovernmental relationships and the efficient functioning of all levels of government in dealing with and taking part in managing coastal zones according to decentralization principles (Lowry 2000; Lowry, Jarman, and Machida 1993). Understanding the expectations of decentralized CZM, accountability and the mechanisms for assigning tasks and responsibilities contributes to

achieving effective intergovernmental relationships and efficient distribution of functions. These features require strong political commitment and consistency to make progress in the implementation of decentralized CZM (see also Lowry 2000). From this perspective, effective implementation of decentralized CZM corresponds to the establishment of consistent, accepted rules, the assignment of adequate and appropriate responsibilities, authority and resources. Several crosscutting features contribute to effective decentralized CZM implementation.

The following subsections delineate the three crosscutting factors influencing the extent of effective decentralized CZM in Indonesia. I then examine those crosscutting features that help determine effective decentralized CZM: local leadership, incentives and innovations.

7.1.1 Understanding of the expectations of decentralized CZM

Decentralized CZM [so far] is like giving cosmetics to a baby girl. Local governments, as the baby girl, are not ready yet to apply the cosmetics to improve their performances. It is because they lack understanding of how their performances can be improved by implemented decentralized CZM.

(Informant B-Gov-Mak 2005).

The above comment from one of my informants on the implementation of decentralized CZM exemplifies the current situation of most local governments in Indonesia in dealing with the new administrative domain, CZM. His comment also emphasises the importance of local governments' understanding of the expectations of decentralized CZM for its workability. Without this understanding, there might be a lack of genuine interest in and recognition of the possibility for decentralized CZM to empower local governments to effectively manage their coastal resources and deal with their local coastal issues. The absence of genuine interest will eventually hamper the effort toward effective decentralized CZM and create difficulties in setting up clear strategies to

implement it. As a result, there are the associated risks of blocking further progress in decentralized CZM.

The expectations of decentralized CZM derive from the main expectation of decentralized policy in Indonesia that is intended to build local government capacity for managing coastal zones as well as to improve resource allocation and accountability (Dahuri and Dutton 2000; Dutton 2005; Idris, Ginting, and Budiman 2007; Siry 2006). These expectations are based on the assumption that local governments will have a better understanding than the central government of local needs and preferences, and this allows the application of more localized and effective management.

With reference to this perspective, decentralized CZM is intended to make local governments more responsive to local coastal issues and needs and is “not about weakening the central [government] authority and preferring local elite” (Azis 2003:8). Indeed, decentralized CZM provides opportunities for local communities to become actively involved in local government activities and local issues. In this sense, decentralized CZM can be the catalyst in creating harmony and synergy between central, provincial and local governments as well as in empowering communities and other stakeholders to get involved in CZM.¹⁶⁸

Expectations for decentralized CZM rely on a well-articulated legal and policy framework as the guideline with clear directions on fulfilling the expectations of decentralized CZM. The absence of a well-articulated legal and policy framework causes local government to misinterpret or lack an understanding of the expectations of

¹⁶⁸ Based on the purposes of coastal zone and small island management, decentralization is one of eleven principles in the management of coastal zones and small islands (Article 3 Law 27/2007). The other principles are sustainability, consistency, integration, legal certainty, partnership, equality, community/public participation, transparency, accountability and justice.

decentralized CZM. These conditions have the potential to create conflicts of interest and authority especially with the central government. As one of my informants noted:

[d]espite claiming coastal and marine authority areas (*pengkavlingan laut dan pesisir*), in practice conflicts arose as a result of diverse interpretations of the right to manage and acceptance of the right to manage because of the lack of clarity from a legal framework.

(Informant A-Exp-Nat, 2005)

Misinterpretation or lack of understanding of the expectations of decentralized CZM causes at least two misleading actions. On one side, local governments might interpret the legal and policy framework only to benefit themselves and ignore the consequences and responsibilities involved in decentralized CZM. On the other side, local government might interpret decentralized CZM as shifting a problem to be solved instead providing opportunities to empower local government capacity. Then, the expectations of decentralized CZM remain as hollow rhetoric.

The situation becomes worse when populist and opportunistic actors in local government dominate the local authority's interpretation of the legal and policy framework, which can be counter-productive to the expectations of decentralized policy. Their misinterpretation or lack of understanding may persuade the local government to oppose the expectations of decentralized CZM. Local government might consequently ignore the role of coastal zones as a potential asset for local development or be reluctant to build a partnership with the central government and other stakeholders to fulfil the expectations of decentralized CZM.

All these possibilities emphasize that a well-articulated legal and policy framework can prevent legal ambiguities in interpreting the expectations of decentralized CZM. Legal ambiguities can harm the process of decentralization because they create uncertainty in local government action. The labelling of actions as "illegal" by the central

government will occur if local government implements unregulated activities. Therefore, unclear and grey areas in the legal and policy framework need to be reformed in a minimalist and concise style to avoid ineffective decentralization.

As the process of transition towards a more decentralized CZM has just begun, there is a variety of local government's understandings of the expectations of decentralized CZM. Some local governments have an understanding of their mandates to fulfil the expectations of decentralized CZM but have little concern for managing coastal resources. Some are unclear about their mandates and how to accomplish them. Others are involved in the race to gain local revenue by legalizing a proliferation of permits and rights for extracting coastal resources with little interest in resource conservation and sustainability (Siry 2005). These experiences indicate that decentralized CZM has taken place with a less than adequate understanding of the expectations of decentralized CZM.

These experiences exist in both case studies. Konawe local government has a partial understanding of the expectations of decentralized CZM and the ways in which Konawe can fulfil these expectations. This has resulted in a combination of disinterest and efforts to carry on with "business as usual". While the degree of understanding in Pangkep is similar, the ways of fulfilling of these expectations of decentralized CZM have benefited from the *Bupati's* leadership to maintain the momentum of pro-coastal and pro-island policies.

7.1.2 Upward and downward accountability

Accountability¹⁶⁹ is a critical factor for making decentralized CZM work. Accountability is about the obligation of power holders to keep stakeholders and the public

¹⁶⁹ Study by Mulgan (2000, 2003) are good references that discusses the scope and meaning of accountability and the emergence of the concept of accountability in various academic discourses.

informed of the implementation of their mandates. Accountability also refers to the assurance to be able to apply a 'check and recheck mechanism' (Mulgan 2003) on CZM programs. This perspective brings forward answerability and enforcement (Resosudarmo 2007) into the implementation of decentralized CZM.

In the current Indonesian climate of decentralized natural resource management, accountability consists of formal and informal accountability (Resosudarmo 2007). Formal accountability refers to the legal regulatory framework that requires the formal authorities managing CZM to provide reports and information on a regular basis and to clarify specific issues concerning the implementation of decentralized CZM, mostly to upper level authorities or legislative bodies. Informal accountability is related to non-governmental stakeholders monitoring the implementation of decentralized CZM. Informal accountability is mostly done by the mass media, NGOs, and community groups (Resosudarmo 2007).

Implementation of decentralized CZM requires both upward and downward accountability from formal and informal bodies within a mechanism of checks and balances on its progress. Upward accountability is associated with the accountability to the upper level of government and downward accountability refers to the accountability to lower levels of governments, communities, NGOs, academics and the mass media. Without upward and downward accountability, decentralized CZM will be unlikely to provide benefits to local people and stakeholders or to maintain sustainable utilization of the coastal zone and its resources. Decentralized CZM then will just benefit selected local elites (bureaucrats, NGOs, entrepreneurs, politicians and community leaders) and the impacts of decentralized CZM will remain insignificant for communities, stakeholders and the resources themselves. The absence of accountability prompts the treatment of

decentralized CZM as another “business as usual” issue and as a source of lucrative informal and illegal income for several local elites.

Upward and downward accountability is an essential factor in decentralized CZM as many actors at both the local and national levels merge in coastal and fisheries programs because more resources become available and are allocated to accelerate programs. Interaction and relationships among the actors should combine with mechanisms for downward and upward accountability to ensure the goals of decentralized CZM are achievable.

The goal of decentralized CZM will fail if decentralized CZM lacks upward and downward accountability. Without accountability, there will be little or no trust in the authority for decentralized CZM policies and programs. Then, without the obligation to be accountable upwardly and downwardly, local government and local elites will tend to perform as new local dictators. Corruption, collusion and nepotism will occur at local levels as logical consequences of no accountability. From this perspective, it is important to address and pay close attention to accountability in the early stages of decentralized CZM. A significant shifting of power, resources and responsibility in decentralized CZM is not only an opportunity to empower local government, but in the absence of upward and downward accountability, it is also a chance for rent seeking, especially by local elites.

Local government’s upward accountability is related to the control mechanisms of central and provincial governments in implementing mandates on CZM programs. These mechanisms refer to the obligation of the *Bupati/Walikota* to submit reports on the local administration to the Minister of Home Affairs through the Governor once a year (Article 27 item 3 Law 32/2004). This report is the basis for the evaluation of local government administration and for enhancement of compliance of prevailing laws and regulations (Article 27 item 4 Law 32/2004). The provisions in the report on the running of the local

government administration allow the report to be made at the *Bupati/Walikota's* own initiative or at the central government's request (Elucidation Article 27 item 3 Law 32/2004).

Local government's upward accountability is also tied to the duties and authority of the local legislative (*DPRD*) in monitoring the implementation of development programs and local regulations (Article 27 item 2 Law 32/2004). As an element of local government (Article 40 Law 32/2004), the *DPRD* has the authority on to inquiry into formal accountability by local government and must supervise the implementation of local regulations, budgets, policies, programs and international cooperation at the district level (Article 42 Law 32/2004). However, the *DPRD's* duties and authority often involve a story of contested power and can highlight its role as a power and project broker rather than as a supervisory executive.

Local government's downward accountability is related to the roles of NGOs, communities, mass media and academics in assessing and pushing local government accountability by pressuring local government to inform stakeholders on the implementation of decentralized CZM. The stakeholders can then provide comments and raise issues related to the implementation of decentralized CZM. Their pressure can be asserted directly or indirectly through the *DPRD*.

On many occasions, community voices and pressure from the mass media and NGOs can provide a powerful check and balance mechanism on local government's downward accountability. However, this mechanism also has the potential for misdirection and misguidance. For example, local government can purchase media space to promote its counter arguments without following proper journalism ethics and transparency in order to maintain its image (Resosudarmo 2007).

Misdirection and misguidance in local government's downward accountability exist in the opportunistic behaviour of newly emerging local actors in dealing with local government. The case study of decentralized CZM in Konawe exemplifies a common failure of downward accountability. Accountability in the Konawe case study provides an illustration of the emergence of new local actors who had been neglected in the previous era and who now engage in opportunistic behaviour and rogue involvement in decentralized CZM. The absence of accountability can lead to decentralized CZM benefiting only selected local elite players. A study by the World Bank (2007) of ten local and provincial government corruption cases found that corruption surrounding decentralized management occurs when there is a lack of accountability and a monitoring agency. The disclosure of corruption cases and the commencement of legal action against offenders is achieved because of the strong roles played by NGOs, academics and community groups in querying and overseeing the governance process as part of local government's downward accountability (World Bank 2007).

Accountability is a pre-condition for maintaining effective decentralized CZM. A professional and neutral bureaucracy is crucial for implementing decentralized CZM and more broadly for administering local government (Ratnawati 2006a). Under the direct election system, the *Bupati* holds a highly political position for a five-year term. Each *Bupati* has a political manifesto and a different political style that can influence the local bureaucracy. Without strong professionalism and neutrality, the *Bupati* can exploit the local bureaucracy as his/her political tool in order to maximize his/her political and financial benefit with little concern for local development issues. In the absence of accountability and check and balance mechanisms, the *Bupati* becomes a newly-emerged local authoritarian who can control the local bureaucracy with his/her political calculations and short-term pragmatic choices.

The presence of a professional and neutral bureaucracy is an important factor in dealing with dynamic local political contexts where community, NGOs, mass media and academics are now more critical in watching and monitoring local government as it runs its administration and deals with local issues. A study of four provinces (East Java, Bali, East Kalimantan and West Sumatera) found that a professional and neutral bureaucracy has a positive correlation with strong downward accountability to community, NGOs, mass media, students and academics in overseeing local government affairs (Zuhro, Juoro, and Chaniago 2007). A professional and neutral bureaucracy can lead the process toward effective decentralization and democratization (Ratnawati 2006a).

To pursue this desired professionalism and neutrality, the local bureaucracy can absorb local norms and values as long as they are in line with the principles of effective, efficient and transparent government. In Sulawesi where Bugis and Makassar ethnic groups are dominant in the bureaucracy, adopting local values, such as revitalizing the value of *siri*¹⁷⁰ (honour/dignity), can be beneficial in achieving professionalism and neutrality in bureaucracy (Ratnawati 2006a).

Achieving a professional and neutral bureaucracy in the districts of my case studies, as well as in Indonesia in general, is a challenging task because it requires a shift in the bureaucratic culture from one of patronage to one rooted in pluralism¹⁷¹ (Zuhro, Juoro, and Chaniago 2007). This shift requires a strong political will, capacity building and enhancement of human resources in a bureaucracy that is framed by commitment, consistency and transparency. .

¹⁷⁰ For more detail about *siri*, see the discussions in Mattulada (1978), Mattulada and Abdullah (1983), Pelras (1996) and Tangke et al. (2003).

¹⁷¹ Pluralism in bureaucracy refers to a bureaucracy that is highly influenced by non-bureaucracy or societal forces in its decision making process (Zuhro, Juoro, and Chaniago 2007:203).

To shift the Konawe local government toward pluralism, its bureaucracy requires more steps than Pangkep has undertaken. Konawe needs to complete its partial understanding of the expectations of decentralized CZM and improve downward and informal accountability. The *Bupati* Konawe needs to take the lead in keeping matters on track to create a professional and neutral bureaucracy. If lack of accountability especially downward accountability remains a problem for the bureaucracy in Konawe, pluralism in the bureaucracy will not be realised.

Pangkep local government has a similar understanding of the expectations of decentralized CZM to Konawe local government. However, the Pangkep case study shows the importance of maintaining the seeds of accountability in the local bureaucracy. The *Bupati* has demonstrated that he heads a professional and neutral bureaucracy on several occasions by making non-partisan appointments to important upper echelon positions. Indeed, this *Bupati*'s actions have provided helpful conditions for the bureaucracy to administer local issues and avoid unnecessary disruption.

7.1.3 Mechanisms for assigning responsibility, authority and resources

Decentralized CZM has so far lacked clarity on the rules of the game, on who is doing what, how to play fairly. Decentralized CZM ignored the fact that the government will operate under a constellation of authority in applying decentralized policy in the coastal zone.

(Informant K-Gov-Nat 2005).

As a part of government affairs, decentralized CZM is about the arrangement and setting up of mechanisms for assigning to all levels of government the responsibility, authority and resources for managing the coastal zone. Arranging and setting up these mechanisms requires norms, standards and criteria about what level of responsibility, authority and resources should be assigned to particular levels of government. In order to

maintain a harmonious relationship between inter-government structures, the division of responsibilities, authorities and resources in Indonesian decentralized policy should follow three criteria: transparency, accountability and efficiency¹⁷² (Article 11 Law 32/2004). These three criteria determine the type and scale of delegation to local government. This should include funding sources, transfer of means and facilities, and human resources (Article 12 Law 32/2004).

The mechanisms for assigning government affairs are stipulated in Government Regulation 38/2007 or *PP 38/2007* (see Section 3.4.6). This regulation divides both mandatory and voluntary government affairs between central, provincial and local governments. *PP 38/2007* emphasizes that each division of government affairs should be accompanied by financial sources, sufficient infrastructures and supporting systems, and adequate human resources (Article 3 *PP 38/2007*).

The mechanisms for assigning CZM responsibilities in *PP 38/2007* are divided into those that are optional (*urusan pilihan*) and seven others that are obligatory (Article 7 item 4 *PP 38/2007*).¹⁷³ It is up to local governments whether to include the optional mechanisms in their administration. If local governments think that it is not worthwhile or not necessary to undertake CZM, this may be because of geographic conditions or capacity. If local governments need to undertake CZM in their administration, then these local governments should declare CZM in their local regulations (*Perda*) as a government responsibility and implement the delegations to carry out these responsibilities within one

¹⁷² Elucidation of Law 32/2004 on externality criteria refers to the organization of government affairs determined pursuant to the size, volume and scope of impacts that arise due to the running of government affairs. Accountability criteria refer to the accountability of running government affairs that is determined pursuant to the proximity of the size, volume and scope of impacts that arise due to the running of government affairs. Efficiency criteria refer to the running of government affairs that are determined pursuant to the comparison of the highest level of effectiveness that may be gained.

¹⁷³ The other voluntary government responsibilities are: (i) agriculture; (ii) forestry; (iii) energy and mineral; (iv) tourism; (v) industry; (vi) trade; and (vii) transmigration.

year by establishing an organization and structure specifically assigned to administer CZM (Article 12 PP 38/2007).

The role of the central government in the *PP 38/2007* lies mostly in regard to the establishment of policies, norms, standards, procedures and criteria for managing marine, coastal and fisheries affairs. Central government has the responsibility for the implementation of coastal disaster mitigation that requires coordination with provincial and local governments. *PP 38/2007* stipulates that the central government has exclusive authority in ratifying international treaties, fisheries quarantine from domestic and international intake, the appointment of official fish-port masters (*syahbandar pelabuhan perikanan*) and the approval for importing fishing vessels.

Provincial governments' roles are related to the implementation of policies, norms, standards, procedures and criteria for managing marine, coastal and fisheries affairs within provincial areas and in inter-district or inter-municipality issues. Local governments have a similar scope of authority to provincial governments in their assigned authority areas.

The section on CZM in the *PP 38/2007* discusses the administration of a broad spectrum of marine, coastal and fisheries affairs. The PP sets forth that technical details will be regulated through ministry rules (Article 15 PP 38/2007). However, it only includes a vague allocation of CZM tasks and responsibilities that follow the arrangements in the management authority of provincial and local governments, as stipulated at Article 18 Law 32/2004. The scale of the authority is limited by the boundaries within which CZM applies. Local governments have primary responsibility for implementing CZM policy and conducting law enforcement efforts within areas of one third of the provincial authority, which generally equates to four nautical miles seaward from the coastline. Provincial

governments have the authority to implement CZM and conduct law enforcement within 12 nautical miles beyond local government authority or one-third of its authorities' areas.

However, these CZM responsibilities and authorities as set down in *PP 38/2007* need to be expanded in more detail in the ministerial decree framework. Such detail should include the dimensions of the CZM as well as the tasks that are carried out at the edges of these areas.

If such detail were available, it would require that the central government produce specific consistent, clear and tangible divisions for operating decentralized CZM. This challenging task needs wise perspectives and future-oriented thinking, especially from the central government. The dynamic of coastal zone issues also requires local government to deal with the challenging tasks and to anticipate unforeseen future responsibilities. Without clear demarcation of responsibilities and the allocation of power and resource distribution, many ambiguities on who takes what role in decentralized CZM will appear, leading to confusion and non-compliance. This also opens the possibility of power struggle between central, provincial and local governments. This situation also has the potential, ultimately, to halt the implementation of decentralized CZM.

The MMAF had passed several ministerial decrees addressing the administration of the division of marine, coastal and fisheries affairs before the issuance of *PP 38/2007*. These decrees also followed the mandated arrangements set down in previous laws and regulations such as Law 22/1999 and *PP 25/2000* that explicitly divided management authority for central, provincial and local governments. Most of these decrees do not contradict the *PP* in terms of division of authority. In fact, these decrees are still the main references for marine, coastal and fisheries affairs in the *PP*.

Mechanisms put in place for assigning responsibility, authority and resources in both case studies show some promising progress. However, this progress could be speeded up if local government had a better understanding of the expectations of decentralized CZM and if true accountability existed within the local bureaucracy.

7.1.4 Local leadership

“Good [leadership] from the *Bupati* provides a stimulus for implementing decentralized CZM”

(Informant A-Exp-Kdi 2005)

Pursuing effective decentralized CZM should take into account the possibility of competition among different vested interests (Fox et al. 2005) that places political will, rational choices and sometimes pragmatic calculations as key considerations. Failure to address this possibility could cause an imbalance in power distribution and encourage the emergence of local elites. If the power imbalance combines with the absence of upward and downward accountability, then effective decentralized CZM must struggle with traditional decentralization problems such as the misuse of power and resources by those with newly-acquired responsibilities and authority (DRSP 2006). Furthermore, if a lack of accountability persists without consequences, it then can make vulnerable the implementation of effective decentralized CZM.

To avoid these core problems and to pursue effective decentralized CZM, local chief executives (*Bupati/Walikota*) must play crucial roles. Leadership by local chief executives determines the quality of governance (voice and accountability, political stability, government effectiveness, regulatory quality, rule of law and control of corruption), which has a strong positive correlation with decentralization (Kaufmann, Kraay, and Mastruzzi 2005).

Leadership by local chief executives should also contribute to the maintenance of discipline and consistency in implementing effective decentralized CZM. Discipline and consistency can moderate ineffective behaviour in decentralized CZM. In this view, the *Bupati/Walikota* has the right to put in place the necessary institutional arrangements and oversight mechanisms for pursuing effective decentralized CZM.

Disconnections, as well as trial and error (*bongkar pasang*), among policies are the hallmarks of relatively new administrations dealing with issues such as decentralized CZM¹⁷⁴. To limit the constraints on effective decentralized CZM, innovation by local government administration¹⁷⁵ can have positive resonances in the implementation of effective decentralized CZM. In this context, innovation “can be used to encourage and facilitate improvement and change” (Patel 2006:31) though applying new concepts and tools.

Innovation is contextual (Patel 2006). It can exist as part of the diversity of CZM practices. This perspective places innovation in line with the acknowledgement and awareness of the importance of local knowledge, norms, livelihoods and identities in the day-to-day activity of resource management. Addressing these local features can be beneficial in moderating, and even reducing conflicts in resource utilization and

¹⁷⁴ Summarized from discussion with Informant B-Exp-Nat and Informant E-Exp-Nat in 2005.

¹⁷⁵ Well-known case studies in Solok, West Sumatera (World Bank 2007), Jembrana, Bali (Prasojo, Kurniawan, and Hasan 2004) and Sragen, Central Java (Prasojo, Kurniawan, and Holidin 2007) suggest that innovations exist that are in line with and can support decentralized policy without contravening laws and regulations. Innovation is the key ingredient in making decentralized policy work effectively in these three *kabupaten*.

The Jembrana case study suggests that innovation in its bureaucratic reform improved its budget efficiency and staff performance in providing better service delivery to stakeholders, despite the fact that this *kabupaten* faced several constraints (Prasojo, Kurniawan, and Hasan 2004). This case study suggests that innovation can exist even under non-ideal conditions for decentralized policy as long as strong political will and commitment are available, especially from local chief executives.

management (Informant A-Exp-Nat 2005) that contribute to ineffective decentralized CZM.

To create enabling conditions for innovation, rewards and incentives are essential. Innovation also needs adequate skills in change management and a willingness to take risks (Patel 2006: 39). Furthermore, innovation requires appropriate access to resource development and testing (Patel 2006). All these required conditions can exist and be conducive, if the *Bupati* exerts political will and commitment to remove barriers for innovation.

Behind the success of local innovation in handling local problems in decentralization, there was strong local commitment, consistency and leadership from the *Bupati/Walikota* (Prasojo, Kurniawan, and Hasan 2004; Prasojo, Kurniawan, and Holidin 2007; World Bank 2007; Zuhro, Juoro, and Chaniago 2007). The *Bupati/Walikota* plays an important role as motivator and initiator, or even trailblazer, in shaping the culture of the local administration and responding to external challenges. In this sense, the role of *Bupati/Walikota* is crucial to initiating, shaping and creating enabling conditions for innovation in decentralized CZM.

The case studies of Konawe and Pangkep confirm that local leadership is an important factor for bureaucratic reform and for effective decentralized CZM. Strong local leadership can ensure the existence of necessary and gradual change in the local administration. Rapid changes and reform in the implementation of effective decentralized CZM can occur if the local leader can adopt and commit to these changes (Informant B-Exp-Kdi 2005). If a leader continues to carry on in an exclusive bureaucratic style, then change will rarely take place (Informant B-Exp-Kdi 2005).

7.1.5 Incentives

Effective decentralized CZM needs incentives as part of a reward-and-punishment mechanism to encourage its implementation (Lowry 2000; Lowry, Jarman, and Machida 1993). Maintaining commitment and consistency in decentralized CZM depends on the existence of “psychological, political and financial incentives” (Lowry 2000: 34). These incentives are also crucial as a stimulus for local governments in implementing decentralized CZM where conditions for effective decentralized CZM remain unbalanced. Local governments are expected to carry out the multiple tasks and objectives of decentralized CZM. However, the actual conditions, such as the lack of revenue, or the lack of qualified human resources and technical capacity and capability, are still major issues.

MMAF initiatives to confer Coastal Awards (*Adibhakti Mina Bahari*) has proven to be a valuable initiative for encouraging local governments in dealing with the implementation of effective decentralized CZM. These Coastal Awards were initiated in 2000 and launched at the Second National Conference on Coastal Zone Management (*Konferensi Nasional Pengelolaan Wilayah Pesisir*) (Ditjen KP3K DKP 2004). This biennial award has the following two objectives: first, it is to provide motivation and encouragement to primary stakeholders to implement integrated CZM; and second, it is to encourage primary stakeholders and journalists from the print media and TV to disseminate the concept of integrated CZM.

There are four categories of Coastal Awardees, divided into ten groups (Ditjen KP3K DKP 2004). They are:

1. Coastal zone management category (Governor/*Bupati*/*Walikota*, community leaders and NGOs);
2. Coastal and marine research (researchers, university students and high school students);

3. Journalists (from print media and TV)
4. Coastal community empowerment (entrepreneurs and local governments that care about the coastal community).

Assessment for conferring these Coastal Awards is based on three criteria: general, specific and supporting (Ditjen KP3K DKP 2004). General criteria are applied to eligible people who are Indonesian citizens and are living in Indonesia and not facing any criminal charges. Specific criteria are (i) the awardees' activities; (ii) orientation of the activities on sustainable development principles; (iii) coastal empowerment; and (iv) impact of activities on resources, socio-economic conditions and coastal communities' welfare.

Supporting criteria refer to the pre-requirements, conditions and technical aspects for each category of award. For example, to be considered for an award the Governor, *Bupati* or *Walikota* has to have initiated CZM program that uses resources for implementing CZM program (facilities, personals and funding) that come from the local budget (*APBD*). In addition, they must be active in coordinating and initiating their administration and community in implementing integrated CZM. There are minimum time requirements for NGOs if they are to be eligible. The NGOs must at least have three consecutive years working on CZM programs, including conservation, rehabilitation and sustainable utilization of coastal resources. For journalists, consideration is given to the number and quality of published articles, features and TV documentary programs on CZM.

Assessors (technical team) for this award comprise CZM experts and the MMAF staff that work collaboratively and intensively for almost four months during the award selection process (Ditjen KP3K DKP 2004). With thirteen questions in the questionnaire form, the assessors probe the proposed awardees on scope, scale, frequency, duration, and required and allocated funding of their contribution to the benefits and impacts of CZM and coastal communities (Ditjen KP3K DKP 2004).

The results from this probing are the main references for assessing the applicants. Assessors conduct a compilation and ranking based on the number of submitted and eligible proposals. Verification is done by visiting locations and conducting ground checking. The MMAF does not have any baseline and regular updated rating information on local governments' performances in implementing decentralized CZM. If the MMAF had this rating information and were to publish it, there would be additional pressure for local governments to implement effective decentralized CZM. Local governments would seriously take into account a published performance rating as they "tend to be sensitive to adverse policy" (Balakrishnan 2006: 178). Making information on performance readily available can also be an aid to implementing necessary reform in a bureaucracy (Balakrishnan 2006).

Another initiative of the MMAF that provides incentives for implementing effective decentralized CZM is the accreditation program on coastal zone and small island management (Article 40 Law 27/2007). Accreditation is a recognition procedure for an activity that consistently meets the required standard of coastal zone and small island management (Article 1 Law 27/2007). This accreditation procedure is intended to strengthen the surveillance and control of coastal zone and small island resources (Article 36 item 1 Law 27/2007). The procedure includes appraisal, valuation and incentives for management programs carried out voluntarily by the community (Article 1 item 40 Law 27/2007). All levels of government can conduct accreditation and provide certification to endorsed coastal zone and small island management in their respective authority areas. The accreditation system follows the division of management areas as stipulated at Article 18 Law 32/2004.

The MMAF passed a ministerial decree¹⁷⁶ as technical guidelines to conduct accreditation for coastal zone and small island management that considers six aspects:

1. relevance to priority issues;
2. public consultation process;
3. positive impact on the preservation of coastal zone and small island resources;
4. impact on the coastal community welfare;
5. appropriate implementation capacity; and
6. policy and program support from central government and/or local government.

A recommendation for accreditation follows the hierarchy of government, from lower to upper levels, with the approval for decisions being the right of the higher government level. For example, the *Bupati/Walikota* has the authority to formulate and propose recommendations for accreditation for the district/municipality level to the Governor or central government for approval (Article 40 item 6 Law 27/2007). At the provincial level, the Governor can formulate and propose accreditation of coastal zone and small island management programs within the provincial areas to the central government for approval (Article 40 item 5 Law 27/2007). At the community level, community organizations can submit their proposal for accreditation to the central government and/or provincial and local governments. Standards and guidelines for assessing accreditation for coastal zone and small island management program consist of six assessed aspects (Table 39).

¹⁷⁶ Peraturan Menteri Kelautan dan Perikanan Nomor PER.18/MEN/2008 tentang Akreditasi terhadap Program Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil.

Table 39. Standards and guidelines for assessing accreditation coastal zone and small island management program.

Aspect assessed	Score	Value	Criteria (Scale 1 – 5)	Result (Score X Value)
1. Relevance to regional development plans	15			
• Relevance to priority issues as stipulated in Long Term Regional Development Plan (RPJPD) and Strategic Plan for Coastal Zone and Small Island Management (RSWP-3-K)	5		5: Highly relevant 1: Not relevant	
• Relevance to spatial plan (RTRW) and zoning systems (RZWP-3-K)	5		5: Highly relevant 1: Not relevant	
• Relevance to related law and regulations on coastal zone and small island management	5		5: Highly relevant 1: Not relevant	
2. Public consultation process	5			
• Community consultation	2		5: Have consultation 1: No consultation	
• Using information or mass media	3		5: Use 1: Not use	
3. Positive impacts of program on conservation	30			
• Reduced pollution level in water body	10		5: Pollution reduced 1: No reduction	
• Reduced air pollution level	10		5: Pollution reduced 1: No reduction	
• Reduced soil pollution level	10		5: Pollution reduced 1: No reduction	
4. Positive impact of program on community welfare	30			
• Initiation and development in community of entrepreneurship	15		5: Provide initiation 1: No initiation	
• Enhance education and training	10		5: Increase 1: Not increase	
• Improve health conditions	5		5: improve 1: Not improve	
5. Appropriate implementation capacity	10			
• Financial resources	4		5: Available 1: Not available	
• Infrastructure	3		5: Available 1: Not available	
• Human resources	3		5: Available 1: Not available	
• Policy and program support from Central Government and Local Government	10		5: Available 1: Not available	

Passing grade depends on the assessor

Source: Departemen Kelautan dan Perikanan (2008)

Accredited or certified coastal zone and small island management programs can get incentives from the endorsing government. The incentives can be a program and or a form of technical assistance (Article 40 item 4 Law 27/2007). Program assistance includes (i) support in tailoring the program to the proposed activity, (ii) formal recognition in the form of an endorsement or certification, and (iii) support in achieving consistency between central and local governments in the program implementation. Technical assistance includes support for human resources, equipment, knowledge improvement, communication and dissemination. This accreditation procedure provides new incentives to local governments to be active and adaptive to local needs and to local conditions.

7.2 Beyond Konawe and Pangkep

In this section, I draw on the conclusions from my comparative analysis of Konawe and Pangkep to take a broader look at CZM policy and practice in eastern Indonesia. I also relate the decentralization process in CZM to the decentralization of governments' other natural resource management responsibilities, such as forestry, and to the possibilities for community-based management. The implementation of decentralized CZM in both case study areas as well as beyond Konawe and Pangkep should consider discourses on co-management, the need for bureaucratic reform, and logical consequences of the newly-enacted CZM law in 2007, *UU-PWPPK*.

Konawe and Pangkep represent typical local administrations in eastern Indonesia, which are dominated by the influence of the previous ruling party, *Golkar*, and military penetration (mostly from the army) of the bureaucracy. These two types of hegemonic rule in eastern Indonesian local governments have contributed to the infertility of bureaucracy reforms.

The case studies show that the decentralization policy does not necessarily or immediately swing the pendulum of local government toward committed, effective and efficient local government implementation of decentralized CZM. The swing of the pendulum is influenced by local socio-political contexts. Local socio-political contexts rely heavily on the quality of the *Bupati* and the local parliament, as well as peer pressure from communities, NGOs and related stakeholders in order to ensure that the mandate for decentralized CZM takes the right path. However, the quality of the *Bupati* and the local parliament members is quite often unsatisfactory.

As these case studies have indicated, recognition of CZM as a new domain of local administration is still embryonic in Indonesia. Central and local governments, for more than three decades during the New Order, neglected CZM. During that period, policies and commitments were more rhetorical: there was systemic gap between policy and practices.

The recognition of CZM as part of the decentralization package is not as developed as other decentralized natural resource management processes such as decentralized forestry. Power plays and contests of interest between central and local governments (*tarik ulur kepentingan dan kekuasaan*) and the partial application of selected decentralized policy have brought financial benefits to new emerging local actors in decentralized forestry management (Resosudarmo 2007). On the other hand, in decentralized CZM, the process contains some blurring and partial adjustment, even ignorance, as the coastal resources are less attractive than forests in term of economic returns to local governments.

Decentralized CZM is also less lucrative than forestry management¹⁷⁷ as the harvest of coastal resources is less stable and less predictable. Decentralized CZM experiences fewer power struggles between central and local governments and between local actors, but this happens because the local governments often do not engage in CZM. In most cases, CZM suffers the effects of local government neglect of coastal resources. To run CZM as a new administrative domain after more than three decades of paternalistic bureaucracy is a challenging task for local governments that have limited technical capacity and capability to manage resources that are already degraded.

Decentralized CZM in Konawe and Pangkep as well as in almost all Indonesian local government areas falls into the category of the early stage of “cooperative devolution” according to the classification by Lowry (2000) (Section 3.3). Within this category, central government still plays a significant role in decentralized CZM by providing general concepts, standards, norms, guidelines and procedures for a full range of planning, design and implementation responsibilities, thus providing authorization and resources to local governments that in turn make some contributions.

In the early stage of cooperative devolution, central and local governments are involved in exploring the causes and consequences of CZM issues at the local level, and developing consensus views through collaborative planning and problem solving. Building local commitment through on-going interaction with the central government is a key factor in reaching cooperative devolution. The process involves providing incentives for local government and gradually increasing the authority of management. For Indonesia,

¹⁷⁷ To avoid similar failure in managing resources such as in forestry, it needs to recognize the concept of ecosystem based management that “promotes a holistic approach to manag[e] ecosystems” (Kay and Alder 2005: 63). Based on this concept, goals for managing coastal resources are measurable for ecosystems process with regard to dynamic of coastal ecosystems, its complexity and interconnectedness in maintaining intergenerational utilization of resources. Human dimensions in this concept appear as important components as well as contexts and scale. It indeed allows adaptable and accountable approaches (Kay and Alder 2005).

cooperative devolution in decentralized CZM is more appropriate as it includes the notion of mutual partnership in decentralized CZM that is important in the central-local government relationship in the post-*reformasi* era.

7.2.1 Community based management and co-management in decentralized CZM

Collaboration is an appropriate management tool [that] is visible in the current Indonesia situation in decentralized CZM. There will certainly be some conflicts in collaborative management; however, conflict should be seen as a process toward collaborative management. Seeing conflict from a negative angle will lead to unresolved results. Therefore, if conflict can be managed to common agreement, then it will be good foundation for co-management.

Informant A-Exp-Nat 2005

The experiences from the Konawe and Pangkep case studies affirm the significance of stakeholder-oriented and resource-based principles. These principles concern the involvement of various stakeholders through the idea of shared responsibilities and authority to manage the resources. Successful decentralized CZM requires stakeholders' involvement. More stakeholder involvement and more participatory management should in theory bring many advantages to local stakeholders and communities and this, in turn, should enhance marine and coastal resources and strengthen conservation efforts (UNDP 1998a)¹⁷⁸. More stakeholder involvement and participatory management has been the mantra in broad conservation strategies worldwide. Community-based management (CBM) and co-management are two approaches in these strategies that have been acknowledged as alternative solutions for managing natural resources.¹⁷⁹ As

¹⁷⁸ This premise has been a major driving force in the decisions by many international donor organizations to support natural resource management projects. The Coastal Resources Management Project (CRMP/Proyek Pesisir) of the United States Agency for International Development (USAID), for example, uses an adaptive community-based approach in their project in North Sulawesi (Erdmann, Merrill, and Arsyad 2004).

¹⁷⁹ This has been acknowledged by a variety of authors such as Berkes (1989, 1994); Pomeroy (1994); Pomeroy and Williams (1994); Pomeroy (1995); Nikijuluw (1996); Pomeroy and Carlos (1996); Butarbutar et al. (1997); Nikijuluw (1997); Crawford et al. (1998); Jentoft et al. (1998); Kuperan et al. (1998); Pomeroy (1998); Crean (1999); Berkes et al. (2001); Elliott et al. (2001); Israel (2001); Pomeroy (2001); Thorburn (2002); Berkes (2003); Crawford et al. (2004); and Nielsen et al. (2004).

discussed in Section 3.3, the nature of CBM is people-centred. The local community should take primary responsibility for major decision-making, while co-management rests on the concept of the sharing of responsibility.

To adopt and adapt either CBM or co-management is one of the major concerns in decentralized CZM at present. The concern is complex and important because it must take into account how to integrate an appropriate approach into the formal government structures of such a diverse, multi-layered administrative system.

Answer to the question of whether to apply CBM or co-management in the current Indonesian context should consider customary ecological knowledge and the management of coastal resources by incorporating local management practices¹⁸⁰ into a framework of environmental law (Siry 2003). The decision then needs to integrate informal institutions, such as *pongawa-sawi* (as the patron-client relationship is known in South Sulawesi) (Pet-Soede and Erdman, 1998; Yusran, 2002), *julo-julo*, *arisan* (mutual revolving fund mechanisms), *yasinan* and *wirid pengajian* (Islamic community gathering) (Sujianto and Maulana, 2002), into the management of coastal resources. All these informal institutions play important roles in the current local socio-political and legal frameworks that regulate coastal and fishery management.

A promising option is to merge these informal institutions in coastal and fishery management as a way to reinvent coastal and fishery resources management (Purnomo 2000; Siry 2005; Yusran 2002). The *pongawa-sawi* relationship that for centuries has

¹⁸⁰ Examples for local management practices known in Bahasa Indonesia are *sasi* (an open-closed system in Maluku), *panglima laut* (traditional resource manager in Aceh), *malimau pasie*, *malimau kapa* and *alek pasie* (traditional fishing ritual in West Sumatera). By the 1980s, these practices had suffered from the application of the rigid, uniform development approaches imposed by Law Number 5/1979 regarding Village Administration. This law facilitated the disintegration of traditional institutions, rights and norms that had survived for centuries, led to a decline in respect for community values, and created the uniformity of village administration across the nation. Unique village management such as the “*nagari*” system in West Sumatera (Siry 2003) was eroded. Individuality was not respected.

been economically and culturally linked to coastal communities and the rural fishing economy in South Sulawesi and some part of eastern Indonesia is one example (Alder and Christanty, 1996; Yusran, 2002). Strengthening and integrating the *pongawa-sawi* relationship in fishery co-management could improve local leadership ability, provide for resource stability and give a measure of equity to resource access (Yusran, 2002). Ignoring the relationship or replacing it with new and alien concepts will incur resistance from coastal communities, which can lead to conflict.

Similarly, to replace or eliminate the role of *pongawa* in coastal communities without involving the *pongawa* themselves will incur high social costs especially when ensuring the new concept works in the community. New or revitalized concepts might not be sufficient in the social and economical values of coastal communities. Therefore, any effort to integrate informal institutions in CZM should not involve a new or unexpected concept that aims to totally change and replace the current system over a short period. Processes and strategies must involve existing local actors as stakeholders.

In Indonesia, institutionalizing CBM or co-management faces a number of obstacles. There is a great array of individual and community social and cultural differences across this vast archipelago of more than 17,000 islands. Local communities are generally not used to public participation in the environmental policy decision-making process. Local communities' participation is less examined, questioned or systematically investigated (Lindayanti, 2000). The legacy of years of centralist and controlling administration has made the community wary of participation and involvement. To determine community participation and involvement as well as strategies for coping with rapid social and political change requires understanding the diverse social, economic, cultural and political factors that govern the livelihoods of communities (Thorburn 2002; Yusran 2002).

CBM or co-management will be difficult to institutionalize in an environment where the bureaucracy is also learning to adapt to major decentralization strategies, where capacity building in regional areas is critically needed and where the community is unused to and untrained in exercising its political power. To institutionalize CBM or co-management one should consider the resources required for developing institutional capacity. These resources can be termed transaction costs.

There are three major categories of transaction costs: information costs, collective decision-making costs, and collective operational costs (Abdullah, Viswanathan, and Pomeroy 1998) (Table 40). In Indonesia, transaction costs in implementing and institutionalizing CBM are relative high because more expenditure on information and collective decision-making costs are required due to the time and complexity of getting the community ready.

Table 40. Transaction costs in CBM and co-management.

Information Costs	Collective Decision-Making Costs	Collective Operational Costs
• Unshared information • Searching and acquisition • Opportunist behaviour • Acquiring and integrating period	• Consensus and coordinating • Lack of consensus • Opportunist behaviour • Gaining acceptable agreement • Monitoring activities and evaluating performance	• Monitoring, enforcement and compliance costs • Resource maintenance costs • Resource distribution costs

Source: Adapted from Abdullah et al. (1998)

As Indonesia has just begun a major decentralization process, the shifting grounds of governance often transform into a lack of substantial support for new institutional arrangements. There is no movement of qualified government personnel to the community level. The initial adoption and adaptation processes of decentralization were not sufficiently clear although they have created ‘decentralization euphoria’. There has been a rush to pass local legislation permitting a range of coastal area developments. If the coastal

resources are mismanaged under this decentralization euphoria, it will continue the saga of uncontrolled coastal resource degradation.

To minimize the degradation of coastal resources and to ensure better coastal resources management, CBM and co-management can be powerful approaches in decentralized CZM. However, making a choice between CBM and co-management as the appropriate approach is not an easy decision. The decision should regard current socio-economic conditions, existing values and norms, and the legal system, all of which are indispensable.

In the current Indonesian situation, I argue that CBM is the less applicable approach for decentralized CZM. There are several reasons why CBM is not the recommended as ideal approach. The first reason is related to achieving the essential goal of 'community confidence', which does not exist at present. Community confidence is a term which describes the effort of government to engage communities for "their ideas, experience, values and capabilities on behalf of resource conservation objectives, at the same time it seeks ways for communities to become better remunerated and better served" (Uphoff 1998:5). To get community confidence, communities must first be empowered, financed and resourced. However, current changes in the legal and political structure have not been consolidated yet.

Second, in order to be successfully implemented, CBM must be carefully planned and prepared, sufficiently well-funded with effective monitoring and evaluation, and appropriately staffed (Pomeroy and Carlos 1996). Initiating and institutionalizing CBM is costly and time-consuming (Kuperan et al. 1998). The lack of incentives for communities, which are the primary beneficiaries, will cause CBM to fail, especially in protected area management. Strong governmental and inter-organizational support is also essential for the success of effective CBM. At present, this support does not exist at the local level in

Indonesia. If one or more of these important features is missing, then CBM programs or projects are set to fail.

Similarly, flexibility and responsiveness to change are fundamental to the success of community-based activities (Berkes et al. 2001). In most cases, the supporting systems frequently need significant and radical restructuring. Understanding the pre-existing conditions, such as the local organization and its ability to command respect and trust from community to enforce institutional arrangements, is an essential requirement for success. It is also necessary to determine the nature of the leadership of local organizations that can ensure the vitalization of community participation and provide for the recognition of proportionate rights and authorities. Local leadership must also understand that power devolution is deeply rooted in a complex system of laws, customary rights, policies and administrative procedures, at both national and local government levels.

CBM also requires supporting laws and regulations as enabling tools. In the absence of legal regimes, which is primarily the government's domain, CBM is unable "to define, preside over and redefine the rules of resource use" (Lindsay 1998:1). CBM also entails several stages in the development of different activities and interventions over time. A study by Satria and Matsuda (2004) on *awig-awig* (local rules and community institution on coastal resources management) in West Nusa Tenggara, Indonesia, mentioned that the growth of community institutions in managing coastal resources management requires government and other stakeholders' recognition.

To shift coastal resource management in Indonesia from government control to a more community-based orientation would require considerable change to the structure of administration as well as laws and policies to support the new management arrangements (Kuperan et al. 1998). Local power elites and structures that have embedded into the Indonesian political system would need to be shifted and adjusted. CBM becomes more

difficult to be implemented in the absence of, or through the inappropriate use of, incentives and rewards to provide economic benefits to the community in conserving and managing coastal resources (Bailey and Zerner 1992; Berkes 2003; Crawford et al. 1998).

Given such constraints, CBM is considerably less feasible than co-management for current decentralized CZM in Indonesia. Partnerships among stakeholders at multiple levels are required to deal with the huge complexity and specific locales of Indonesian coastal resources. Such complexity would need multiple network sites and tailor-made management strategies to fit each local situation and to build human resource capital at all levels of partnership. Co-management as a process better addresses these needs.

Co-management appears to be the most appropriate approach for decentralized CZM in Indonesia because co-management involves partnership arrangements between the various levels of government, the individual resource users, other stakeholders and the local communities. This partnership arrangement is essential in decentralized CZM implementation. Therefore, co-management has more chance of success than a more radically decentralized approach, such as total CBM, which would only place additional pressure on local communities during a period of considerable change.

Co-management stresses an impact-oriented, long-term approach and a process-oriented short-term model for multiple sites and multiple stakeholders at both local and national levels. Indeed, co-management, as Pomeroy and Rivera-Guieb (2005:11) point out, “addresses issues beyond the community level, at regional and national levels, and multiple stakeholders, and allows these issues, as they affect the community, to be brought more effectively into the domain of community”. These qualities make co-management much more suited than CBM to the current Indonesia situation, where coastal issues vary from local to national levels.

In an era of devolution, it seems incongruous that a call for central government intervention is a critical issue in the decentralization process. External factors, which are counter-productive to the efforts of decentralized CZM implementation, such as destructive fishing and the market-driven exploitation of fishing grounds, need central government intervention and a legislative framework. The co-management approach allows government intervention to deal with such external factors.

Central government intervention can take a number of forms, from more involvement at the education and information stages to large-scale inter-area coordination. This need not mean a return to centralist authoritarianism. In a legal framework, it is also apparent that compliance and enforcement of legislation governing the management of coastal resources cannot be completely decentralized.

As Indonesia has just recognized (*de jure* and *de facto*) the right of local communities in managing their coastal resources, it will be better to introduce gradually community involvement rather than try to change rapidly their mindset and interaction. Rapid change without preparing communities could lead to frustration and failure and, as a consequence, uneven community participation. Similarly, there is an even greater need to shift the government mindset regarding its relationship with communities, to be more willing to develop the communities' role and make communities important stakeholders in decentralized CZM.

Co-management is a process in which the respect accorded to various interests and stakeholders is part of an adaptive learning process that delivers better coastal resource management in Indonesia. The process of co-management also aims to improve compliance and enforcement of regulations and provide a more inclusive decision-making strategy. It will prove to be a valuable learning process for both governments and communities. It will enhance the chances, benefits and sense of ownership for better

coastal resource management. To ensure that the process runs well, early participation and involvement with multiple stakeholders and interests are needed.

In regard to current decentralized CZM in Indonesia, co-management is an appropriate approach as it allows for the development of a model containing a balance of power between governments, communities as a whole and a wide range of individual stakeholders. For communities that have had long experience suffering under hidden and shadowy disempowering programs, co-management can be an empowering tool for communities that have just entered the decentralization process.

Communities are still trying to adjust to a new social and political environment after three decades of centralized and repressive governmental control. Self-regulation and active participation in local management strategies at the local community level has not occurred yet. To ensure a significant improvement in community and stakeholder involvement in coastal resource management processes, a gradual process such as that promoted by co-management is essential. Empowerment and adjustment of community and stakeholders' roles in the decision-making process are important factors for local communities in Indonesia to deal with the shifting policy on CZM.

7.2.2 Bureaucracy reforms

Bureaucratic reforms are another important factor in decentralizing CZM. Bureaucratic reforms can foster or limit the implementation of decentralized CZM. An effective and accountable bureaucracy, as the main objective of such reforms, will provide a supporting strategy for better implementation of decentralized CZM through appropriate legal mandates, functions, roles and responsibilities as well as transparent and accountable personnel (DRSP 2006). Meanwhile, an absence of effective and accountable bureaucracy will jeopardize the implementation of decentralized CZM due to “the complexity and

ambiguities of the regulatory framework combined with a flagrant lack of enforcement of the rules and the presence of rent seeking” (DRSP 2006:47). This can only allow corruption, collusion and nepotism (*KKN Gaya Baru*) among local ethnic elites, district officials and entrepreneurs to further their own interests. Coastal resources and coastal communities will remain victims of development instead of actors in their own development. Local elites and stronger ethnic groups maximizing their collusive benefits from decentralized CZM process will persist and prosper.

To achieve an effective and accountable bureaucracy in decentralized CZM requires reforms to the bureaucracy that cover organizational, financial and legal areas. Bureaucracy reforms are a “[dynamic process] to organize the delivery services in a more efficient and effective way and to manage human resources and support government objectives” (DRSP 2006:47). This requires the adjustment of roles and responsibilities to perform new tasks in new organizational settings (DRSP 2006). In most cases, bureaucracy reforms are in line with the adoption of some new public management tools such as the performance-based staffing, budgeting and integrity pacts (*pakta integritas*) for project tenders. These tools can be steps forward and lead to more accountable district governments as they apply decentralized CZM. It also can put pressure on the bureaucracy to offer service-oriented administration.

To shift the government’s mindset and to come up with bureaucratic reforms in decentralized CZM requires strong political vision and commitment, especially from the *Bupati*, who is an important local actor. As DRSP (2006:58) noted, “[bureaucratic reforms] will be sustainable only if political leadership [from *Bupati*] is secured including the will to address the prevailing uncertainties”. It will be a challenging task to shift from a culture of ‘business as usual’ to an entrepreneurial bureaucracy with efficiency and effectiveness as key words. Consistent visions and commitments are keys to the bureaucracy reforms.

During the last seven years, learning from local social and political changes in better governance (such as direct election, more demand on local government accountability and smarter constituent of local parliament) actually provide enough ammunition to set in motion bureaucratic reform in decentralized CZM.

As bureaucracy reforms deal with new roles and responsibilities, learning by doing is important for reforms in local governments especially in dealing with a new administrative domain (*urusan baru*) such as CZM. For most local governments, CZM and the application of decentralization principles are new things in their administration. It takes time and requires more effort to accelerate factual and ideal expectations in decentralized CZM (Informant B-Gov-Kdi 2007).

Learning by doing can benefit from exposure to external driving forces, such as donor assistance for decentralization or CZM projects.¹⁸¹ Institutions exposed to external decentralization programs or assistance are relatively more ready to manage change and implement decentralized policy through their experiences during the project implementation and interaction with donors and the central government (Informant A-Exp-Kdi 2005). For example, both Konawe and Pangkep administer the MCRM Project. This project provides training and capacity building for local governments involved in decentralized CZM (Informant A-Gov-Nat 2005).

The MCRM Project also applied a more robust and predictable incentive scheme for local project managers, who are mostly from *Bappeda*, by offering them short courses overseas if they actively engage with CZM, support and facilitate the enactment of local government regulations (*Peraturan Daerah/Perda*) on CZM. The MCRM project

¹⁸¹ In most cases, CZM projects such as MCRMP conduct annual regional and national meetings for national and local project managers to share their experiences, success and failure stories in running the project, as well as dialogue with project partners. The projects usually organize training and study tours both domestically and internationally to enhance the capacity of local government staff.

managers have had the opportunity to study CZM and to observe day-to-day CZM application in another country. Because of the incentive of overseas training in the project scheme, there was increased motivation to do better and more effective work to achieve outputs for predictable incentives (Informant A-Gov-Nat 2005). Indeed, a short course overseas gave participants good perspectives on CZM as well as self-confidence to project managers for dealing with CZM. This exemplified how important it is to create robust and predictable incentives for civil service staff in the bureaucratic reform process.

One of the major issues in bureaucratic reform is to get the right person in the right place and at the right time (DRSP 2006). In decentralized CZM, the phenomenon of overstaffing with too many generalist staff and a lack of critically skilled staff with a coastal and fisheries background is an organizational constraint. This issue is not exclusive to local government, but also occurs in the central government, such as with the MMAF project when high numbers of academics transferred to the ministry to make up for the lack of critical skills for some ministry tasks.

Another major issue in bureaucratic reform is to improve the accountability at each level of government. Again, accountability is not an exclusive issue for local government but also applies to central government. Indeed, what has happened in local government is actually a mirror of the situation at the national level. Brokering and bribery in the national legislative assembly for additional funding (*DAU* and *DAK*) has been transformed at the local level through collusion, corruption and exclusiveness in tendering for projects. Most of the costs are still a mystery and stories are told just to ease suspicions and guilty consciences (*hanya pengobat telinga*) (Informant A-Exp-Kdi 2005). One of my informants emphasized:

Decentralized [CZM] also has the potential for decentralized corruption that makes a new king and queen at the local level. The *bupati* is a king and legislative members are the queen. Again, this is a reflection of the national level situation. My analogy is like this: if you want to check whether a fish is good, you just need check its head, no need to check all of its body. If it is good, then the rest should be good. Similarly, if you want to check accountability at the local level, you have to check it at the national level. If it is consistently implemented at the national level, then it must be the case at local levels.

(Informant A-Exp-Kdi 2005)

Accountability protects local and central governments against the ‘endemic illnesses in implementing decentralization such as mismanagement, low rates of target achievement and financial leakages in the implementation process (Informant F-Gov-Nat 2005)¹⁸². Accountability is also essential to prevent informal patronage behaviour in the bureaucracy that leads to power abuse, corruption and collusion for the sake of loyalty (World Bank 2006b). Accountability can minimize the existence of semi-formalized systems of financial benefits such as unofficial payments, bribery, graft, returns from the rent seeking (World Bank 2006b). Accountability can also limit people with informal patronage ties from holding key positions in the bureaucracy that creates extra-budgetary transactions and traps staff in a paternalistic loyalty network (World Bank 2006b).

Currently, accountability is an important part of the agenda in bureaucratic reform, including decentralized CZM and with regard to wider service delivery improvement (DRSP 2006). This agenda, however, still faces a barrier to implementation due to the lack of broad and comprehensive bureaucratic reform (DRSP 2006). To breakdown the barriers requires commitment and consistency in applying accountability. Improvements involve complexity and have consequences and impacts. Without commitment and consistency, bureaucratic reform will be lip-service only.

¹⁸² In many projects, achieving 20 percent of total targets can be categorized as success (Informant F-Gov-Nat 2005). This presents chronic unaccountability in project management and the bureaucracy.

7.2.3 Challenges to the implementation of Law 27/2007

The enactment of Law No. 27/2007 concerning Management of Coastal Zones and Small Islands (*Undang-undang No 27 tahun 2007 tentang Pengelolaan Wilayah Pesisir dan Pulau-pulau Kecil/UU-PWPPK*) is one big step forward in managing coastal resources and small islands in Indonesia. This law, together with Law 31/2004 concerning Fisheries, crafted the pathway for the MMAF in managing coastal zones, fisheries and small islands. The law provides a general framework for coastal zone and small island management. For effective implementation, the law requires 21 derivative regulation packages (4 government regulations, 6 presidential decrees and 11 ministerial decrees) that were supposed to be released within a year after the enactment. However, some of these regulations packages are still in the process of being enacted.

UU-PWPPK is one of the laws that has adopted a series of public consultations in its legal drafting process. The process applied a three-track public consultation strategy that consisted of (i) formal consultations with central government agencies and local government representatives, (ii) informal consultations with NGOs, universities, businesses, community leaders, and political parties and (iii) a mass media campaign to raise public awareness through television, print and radio (Idris et al. 2003). Twelve public consultations were conducted in 10 provinces, which engaged more than 1,100 active participants from NGOs, academia, communities, local governments and national stakeholders, who were part of a parallel involvement of local government staff from 15 provinces and 43 districts (Idris et al. 2003).

The development process of *UU-PWPPK* took almost seven years. The process began with a redefinition of the standard process in 2000 through preparing the *Naskah Akademis* (academic papers) which contained in-depth studies that supported and justified a new statute. The process benefited from the USAID project CRMP, known as *Proyek*

*Pesisir*¹⁸³, and the model of the US Coastal Zone Management Act (CZMA) of 1972 concerning voluntary initiatives and the certification process for coastal zone planning and management (Patlis 2005). Then, the draft of Law 27/2007 (*RUU Pesisir*) was discussed in legislative sessions and debated for six years (Siry 2005).

7.2.3.1 Boundaries

During the draft *UU-PWPPK* consultation, one of the issues under debate was the CZM boundaries for each level of government. The definition of coastal zones in Indonesia follows the dynamic of ecological processes in coastal zones as transition areas between land and sea (Article 1 item 2 Law 27/2007; see also Section 3.1). As transition areas, coastal zones are influenced by changes in the land and sea (Article 1 item 2 Law 27/2007); this implies a need for flexibility and the recognition of these changes in coastal zones. The changing factors can occur through human or natural causes, or both. This definition has become the standard definition in almost all coastal zone planning and management policy documents in Indonesia¹⁸⁴. The overlay of this definition onto administrative boundaries was a challenging task since ecological and administrative boundaries in many cases did not match.

To settle disputes over discrepancies between ecological and administrative boundaries, *UU-PWPPK* states that coastal zone management landward boundaries follow

¹⁸³ *Proyek Pesisir* facilitated the process of organizing *Naskah Akademis* and lesson learned experience for high ranks officers of the MMAF on US CZMA 1972.

¹⁸⁴ Rokhmin Dahuri, former the Minister of Marine Affairs and Fisheries and Director of the Center for Coastal and Marine Resources Studies, Bogor Agricultural University (CCMRS-IPB), was the pioneer in introducing this definition through his main reference book on Indonesia CZM, *Pengelolaan sumber daya wilayah pesisir dan lautan secara terpadu* (Integrated coastal zone and marine resource management) (Dahuri et al. 1995), his training course on Integrated Coastal Zone Planning and Management (ICZPM) and several studies and policy papers.

sub-district (*kecamatan*) boundaries (Article 2 Law 27/2007)¹⁸⁵ and seaward boundaries follow the stipulation of Law 32/2004 that provides up to 12 nautical miles for provinces and that one third of the provincial management areas come under district administration.

7.2.3.2 Planning instruments

UU-PWPPK provides the general provisions of CZM related to administration and implementation. The law stipulated the need for provincial and local governments to set up their coastal and small islands planning instruments (Article 7) to consist of four planning documents: strategic, zoning, management and action plans (Table 41). These planning documents must contain evidence of communities' involvement in their drafting process (Article 7 item 4 Law 27/2007) with technical details on how to involve the communities that will be regulated under these ministerial regulations (Article 7 item 2 Law 27/2007).

¹⁸⁵ Article 2 *UU-PWPPK* stipulated: “administrative areas from the sub-district to the sea as far as 12 nautical miles as measured from the coastline” (*Ruang lingkup pengaturan wilayah pesisir dan pulau-pulau kecil meliputi daerah peralihan antara ekosistem darat dan laut yang dipengaruhi oleh perubahan di darat dan laut, ke arah darat mencakup wilayah administrasi kecamatan dan ke arah laut sejauh 12 (dua belas) mil laut diukur dari garis pantai*).

Table 41. Coastal zone and Small Island planning documents.

Type of planning documents	Contents and remarks	Duration
Coastal and Small Island Strategic Plan (<i>Rencana Strategis Wilayah Pesisir dan Pulau-Pulau Kecil</i>)	Vision and mission of local government on coastal zone and small islands A part of local government's long term development plan Local government's interest and strategic issues related to coastal zone and small islands	20 years but can be reviewed at least every five (5) years.
Coastal and Small Island Zoning Plan (<i>Rencana Zonasi Wilayah Pesisir dan Pulau-Pulau Kecil</i>)	Direction for utilization coastal zone and small islands Space allocation in coastal zone and small islands Consideration and integration to other local government's plans. Must be established as Local Regulation (<i>Perda</i>)	20 years but can be reviewed at least every five (5) years.
Coastal and Small Island Management Plan (<i>Rencana Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)	Policy and administration procedures on managing coastal zone and small islands Priority scales on coastal zone and small islands management Report and surveillance mechanisms in coastal zone and small islands management Human resources allocation	Five years but can be reviewed at least once a year
Coastal and Small Island Action Plan (<i>Rencana Aksi Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)	Detail actions for achieving aims in zoning and management plans	One to three years

Sources: Articles 7 – 14 Law 27/2007

7.2.3.3 Accreditation

UU-PWPPK initiated accreditation mechanisms that apply voluntary and incentive-based mechanisms to boost local government's performance in managing coastal zones and small islands. There are six standards used for assessing accreditation: (i) relevance to priority issues, (ii) public consultation process, (iii) positive impacts on environmental protection, (iv) impacts on community welfare, (v) capability of implementation and (vi) program and policy support from the central and local governments (Departemen Kelautan dan Perikanan 2008). The accreditation mechanisms

also adopted the concept of minimum performance standards (*Standar Pelayanan Minimal/SPM*)¹⁸⁶ (Siry 2005).

7.2.3.4 Coastal Concessionaire

UU-PWPPK introduced a new scheme for central and local governments for managing coastal zones, the Concessionaire of Coastal Water (*Hak Pengelolaan Perairan Pesisir/HP3*). The *HP3* is a mechanism for granting rights to Indonesian citizens, legal entities and coastal communities (indigenous, traditional and local) to treat coastal zones as part of their property or to utilize coastal zones for their activities. These rights cover water areas, water columns, coastal seabeds and small islands (Article 16 item 2). *HP3* will be issued in the form of certificates (Article 20 item 2) that can be transferable and used as collateral for financial guarantees (Article 20 item 1). The maximum timeline for this right is 20 years, with a possible extension of another 20 years (Article 19). This right will be effective as soon as government regulation (PP) and guidelines on administering procedures to obtain, register and cancel the *HP3* becomes available (Article 20 item 4). The draft of the PP is now under discussion and is a priority for the MMAF to complete. The earliest implementation of this *HP3* will be 2010 (Informant V-Gov-Nat 2007).

Put simply, *HP3* is a ‘principle license’ (*izin prinsip*) for allocating spaces and suitable activities in a coastal zone. To conduct any activity in allocated coastal zones requires a ‘utilization license’ (*izin pemanfaatan*) that is administered by sectoral licensing. *HP3* will be granted if the activities match the zoning plan. Similarly, *HP3* will be rejected or cancelled if the activities are unacceptable in the coastal zone. *HP3* licensees must be concerned with the correct preservation of coastal and small island ecosystems, indigenous

¹⁸⁶ SPM is associated with its twin concept, obligatory functions (*kewenangan wajib*). These twin concepts are useful tools for improving local financial management (Ferrazzi 2005). The tools are also intended for accountability and measuring the elected local actors’ performances.

and traditional communities as well as the national interest and crossing rights for foreign ships (Article 17 item 2). *HP3* licenses cannot be granted in conservation zones, fish sanctuaries, service routes, harbours or beaches (Article 22).

The basic ideas underlying the *HP3* concept traditionally exist in some parts of Eastern Indonesia (Saad 2000a, 2000b, 2000c, 2003) such as *sasi* in Maluku and *bagang* in Selayar district that can be used as bride wealth (*mahar perkawinan*) (Saad 1994, 2000a, 2003). The concept of *HP3* also adopted the Individual Transferable Quota (ITQ) from fisheries management in Canada, New Zealand and Iceland (Idris et al. 2003). This concept is meant to solve the legal ambiguity in CZM by providing clarity for the management of coastal resources as well as in the identification of responsible stakeholders in cases of resource degradation. *HP3* also addresses the needs of current business communities in mariculture (seaweeds, pearls and oysters), *tambak* and tourism concerning legal security in the utilization of the coastal zone for these activities.

Despite some good intentions in the *HP3* concept, the licensing may stir up controversy among some environmental and community groups. Fisheries Justice Coalition (*Koalisi Rakyat untuk Keadilan Perikanan/KIARA*)¹⁸⁷ and the Indonesian Forum for Environment (*Wahana Lingkungan Hidup/WALHI* - Friends of the Earth Indonesia)¹⁸⁸ are

¹⁸⁷ KIARA was established in 2003 with initiation from several NGOs such as WALHI, Bina Desa, Federasi Serikat Nelayan Nusantara (FSNN) and persons concerned with marine affairs and fisheries. KIARA activities focus on (i) policy reforms, (ii) shrimp *tambak* and mangroves, (iii) illegal, unregulated, unreported fishing, (iv) coastal zone and small island management. For the first phase, KIARA funding obtained from the Netherlands Oxfam but the funding stopped due to internal financial issues (Informant J-Exp-Nat 2007). M Riza Damanik, WALHI's Manager for Coastal and Marine Campaign Affairs, took up KIARA leadership as the General Secretary and takes the militant opposite views on *UU-PWPPK* as his trademark (Informant J-Exp-Nat 2007).

¹⁸⁸ WALHI (<http://www.walhi.or.id>) is one of the largest forums of non-government and community-based organisations in Indonesia. WALHI has representatives in 25 provinces and has over 438 member organisations (as of June 2004). Its main agendas are social transformation, people's sovereignty, and sustainability of life and livelihoods, with special focus on defending local communities from injustice carried out in the name of economic development.

two active environmental groups that are sceptical about the *HP3* concept. They doubt the success of *HP3* implementation and argue that *HP3* will lead to competition for resource extraction, as already is the case with Forestry Concessionaire (*Hak Pengusahaan Hutan/HPH*).

The fact that marginalized local communities and fishermen have only limited access and resources to be able to apply for *HP3* is amongst the reasons for “*HP3* scepticism” (Informant J-Exp-Nat 2007). Opposition to *HP3* seems to be an outstanding feature of the agenda of KIARA and WALHI. WALHI is applying for a judicial review appeal on the *UU-PWPPK* to the Constitutional Court (Kompas 2008b).

KIARA and WALHI argue that the stated opportunity for indigenous, traditional and local communities to apply for *HP3* licenses is merely rhetoric because the *HP3* application gives priority to owners of capital rather than to communities. Competition between communities and capital owners or enterprises in *HP3* applications will leave communities in a marginal position due to their lack of resources. For KIARA and WALHI, *HP3* involves dishonesty and collusion between government and businessmen (*perselingkuhan penguasa dan pengusaha*) (Informant V-Gov-Nat 2007). They have criticized the narrow definition of indigenous (*adat*) communities (Article 18 item 2) that limits the opportunity of indigenous communities to obtain *HP3*. However, until now KIARA and WALHI have not provided any concrete revision of the *HP3* concept, nor an alternative concept. As my informants confirmed, cancellation of *UU-PWPPK* is a last-ditch stand (*harga mati*) for KIARA and WALHI.

With this scepticism, KIARA and WALHI have ignored the explicit stipulations of *UU-PWPPK* that placed priority on the community’s right of guarantee and the pro-community orientation in several of its articles (Informant L-Gov-Nat 2007, Informant V-Gov-Nat 2007). The explicit articles on community rights state that communities can

benefit from *UU-PWPPK* public consultation with AMAN (the Alliance of Customary Communities in Indonesia/*Aliansi Masyarakat Adat Nusantara*) and several other community groups. Several explicit articles in *UU-PWPPK* concern communities, such as:

- the community as primary stakeholder (Article 1 item 30);
- recognition of three types of community (indigenous/*adat*, traditional and local); to distinguish type of community and prevent any blurred definition of community (Article 1 item 32, 33 and 34);
- appreciation of local wisdom (Article 1 item 36), the importance of a community's involvement in the formulation of coastal planning documents (Article 7 item 4);
- the requirements to consider indigenous community (Article 17); and
- the privilege of indigenous communities in *HP3* process (Article 18).

7.2.3.5 Granting Process of Coastal Concessionaire

UU-PWPPK clearly stated the operational requirements on implementing *HP3* should empower and recognize traditional and local communities' existence and rights, as well as the protection of indigenous communities' rights (Article 21 item 4 a, b and c Law 27/2007). The *HP3* applicants need to take into account community rights to obtain access for coastal demarcation (*sempadan pantai*) and estuaries (Article 21 item 4d Law 27/2007). Apart from the community's concern in *HP3*, in *UU-PWPPK* 10 out of 80 articles are specifically on communities' rights, obligations and involvement (Articles 60,61 and 62), empowerment (Article 63), dispute settlement (Articles 64, 65, 66 and 67) and the possibility to appeal in class actions (Articles 68 and 69).

From a legal point of view, *UU-PWPPK* takes a highly precautionary approach to the potentiality of power abuse of community rights and misconduct in granting *HP3* by imposing a strictly multilayer process to *HP3* approvals. This regulatory framework cannot be implemented or applied in the absence of a competent and accountable local

government that must fulfil all the legal and administrative requirements before granting *HP3*.

The *HP3* granting process follows the decentralized CZM arrangements as stipulated in Law 32/2004 concerning Regional Government in accordance with the administrative jurisdiction at each level of government (Article 23 item 4 Law 27/2007). Central government, which in this case is the Ministry of Marine Affairs and Fisheries, has the authority to issue *HP3* for coastal zones and small islands located in the inter-province areas and in particular, in national strategic areas (*Kawasan Strategis Nasional Tertentu/KSNT*) (Article 50 item 1 Law 27/2007)¹⁸⁹ those are located under provincial or district administration. At the provincial level, the Governor has the authority to issue *HP3* for coastal zones up to 12 nautical miles seaward and in inter-district or inter-municipality coastal waters (Article 50 item 2 Law 27/2007). At district or municipal level, the *Bupati/Walikota* has the authority to issue *HP3* for coastal waters in one third of the area within the provincial jurisdiction (Article 50 item 3 Law 27/2007).

To have the authority to issue *HP3*, provincial and local governments must fulfil several requirements. Provincial and local governments must have four coastal zone planning and management documents (strategic, zoning, management and action plans) that in their formulation should contain community involvement and follows norms, standards and guidelines from the MMAF (Article 7 Law 27/2007). Because *HP3* is related to space allocation for suitable activities, then the zoning plans must be established as Local regulations (*Perda*) to satisfy its legal basis. Without *Perda* on coastal zoning plans

¹⁸⁹ Establishing KSNT requires approval from the national parliament and its process includes (i) submission of proposal consideration to the national parliament, (ii) hearing, (iii) establishment of an integrated and independent research team, which comprises representative from university, government and scientific authority, and (iv) issuance by the parliament of the consideration for granting the establishment of KSNT (Elucidation Article 50).

or the other three planning documents, provincial and local governments have no authority to issue *HP3*.

After fulfilling all the requirements of these four coastal planning documents, provincial and local governments must then take into account technical, administrative and operational requirements for assessing *HP3* applications (Article 21 Law 27/2007). Technical requirements include consistency of the zoning plan with the management plan, results of public consultation and analysis of coastal environmental impact assessment (Article 21 item 2 Law 27/2007). Administrative requirements cover the formulation of an implementation plan, analysis of the proposal's appropriateness for coastal carrying capacity and a system of surveillance and reporting (Article 21 item 3 Law 27/2007). Operational requirements include (i) empowerment of local communities, (ii) recognition, admiration and protection of the indigenous rights and local community's, and (iv) provision of access to coastal demarcation areas (*sempadan pantai*), estuaries and rehabilitation of degraded resources (Article 21 item 4). All these requirements are meant to ensure the *HP3* granting process matches the aim of providing legal clarity and security in utilizing coastal zones without ignoring the rights of indigenous, traditional and local communities (Informant V-Gov-Nat 2007).

However, there are five challenges facing provincial and local governments in implementing the *HP3*. First, the technical capacities and capabilities of provincial and local governments to formulate the four planning documents remain a major issue. Provincial and local governments must now deal with unfamiliar complex procedures that have possibilities for inaccuracy in their implementation. As discussed in the previous section, CZM is a new administrative domain that lacks the qualified human resources to deal with CZM or related matters.

Second, the quality and quantity of the data and information required formulating the planning documents is still unreliable and most of them are out of date. Provincial and local governments face the high costs of data collection and surveys that may cause them just to rely on old data or secondary data and information. Meanwhile, the dynamics of coastal zones under natural and human influences rapidly changes conditions and ecological interactions in coastal zones. This challenge could lead to the creation of poor quality planning documents and poor analysis of resource allocation.

Third, there is the possibility that the *HP3* will be treated as a competitor or barrier to sectoral licensing by other sectors (*dinas*) at the level of provincial and local governments. Some provincial and local governments have already issued sectoral licences operating in coastal zones. The introduction of the *HP3*, which concerns space utilization in coastal zones, could cause either mutual actions opposition efforts to the role of *Dinas KP* to issue *HP3* from other *dinas* within provincial and local governments. Not all sectors may agree and follow or adjust their sectoral licensing to integrate with the *HP3* mechanism. *HP3*, as product of marine affairs and fisheries sector, may continue to be treated as one among several development sectors rather than being adopted as an umbrella-licensing instrument in coastal zones.

Fourth, establishing boundaries in coastal zones for *HP3* requires highly skilled human resources and a spatial authority that still does not exist. Establishing *HP3* needs clear spatial boundaries to prevent potential future conflicts.

The last challenge is inherent in the set-up of coordination mechanisms for integrating *HP3* in provincial and local governments' licensing system and matching them with other sectors' licensing. Coordination mechanisms among various stakeholders in the coastal zone are important to decentralizing CZM. CZM cannot be done achieve by *Dinas KP* itself, but requires effective and strong coordination among *dinas* in local government

administrations, including neighbouring districts, provinces and at the national level. Indeed, it needs strong political will from the *Bupati*.

All these challenges illustrate that the implementation of *HP3* faces technical and institutional challenges that require careful attention and clarity to prevent possible technical and practical problems in implementation. Setting up clear, fair and transparent guidelines for *HP3* implementation will avoid predatory behaviour and unfair competition over obtaining *HP3*. The lessons learned and the traumatic experiences of the HPH granting process for forest resources that led to the massive destruction of forest resources and an imbalance of power and benefit should be remembered and taken into consideration in developing technical and detailed guidelines for the implementation of *HP3*. This process is critical and requires wide contributions from a wide range stakeholders including from the NGOs such as KIARA and WALHI. This process can be medium for KIARA and WALHI to demonstrate their critical thoughts by providing alternative or improvement inputs for the improvement of *HP3* granting process.

7.3 Concluding Remarks

We have to be optimistic with all the shortages [in the transition period of decentralization] because it is a process that will give us lessons to be learned and opportunities toward better [decentralized CZM]

(Informant D-Exp-Nat 2005)

This chapter has examined the key empirical factors that contribute to effective decentralized CZM. Three key factors (understanding and awareness, accountability, and mechanisms for assigning responsibilities, authorities and resources) are involved in effective decentralized CZM, and are indispensable to each other. These three factors are important in the current context of Indonesian decentralized CZM, but can only be

effective if crosscutting features such as local leadership and incentive also exist. The chapter also look beyond Konawe and Pangkep to the broader CZM situation in Indonesia.

The next chapter will present my concluding arguments on decentralized CZM in Indonesia; it summarizes the finding of the dissertation, draws out the importance of the local socio-political contexts in successful decentralized CZM and draws the implications of this research in both theory and in practice.

8 CONCLUSIONS

This dissertation has examined the dynamics of decentralized CZM in Indonesia as a newly devolved administration task for local government (Article 18 Law 32/2004). The dissertation has argued that effective decentralized CZM in Indonesia can be achieved when the presence of factors those explain in Section 7.1 combine with strong and committed local leadership and incentives mechanisms. This study has shown that the effectiveness of decentralized CZM relies heavily on local socio-political conditions. These local dynamics, in some cases, lead to an obfuscation of the issues and unclear management solutions. In other cases, these dynamics provide the pathway for pursuing the hopes and expectations directed toward the decentralized policy in CZM. This chapter summarizes the research results from the two case studies and highlights the key contributions to the discourse on decentralized CZM in Indonesia. This chapter then identifies areas for further research.

8.1 Dissertation summary

This dissertation seeks to understand decentralization policy in the context of CZM and is organized around the five following research questions:

1. What is the extent and nature of decentralized CZM in Indonesia?
2. How do the dynamics of local socio-political conditions affect decentralized CZM implementation?
3. How have district decision-making processes in coastal zone management been shaped in the context of decentralisation?
4. What are the theoretical and practical requirements for effective decentralized CZM?
5. What are the lessons that can be learned from the process of decentralized CZM implementation in the Indonesia context?

These five research questions were addressed in three connected parts. The first part (Chapters 1, 2 and 3) explained the research approach and methodology (Chapter 1). Chapters 2 and 3 set out the working definitions of the main concepts and current discourse on the theory and practice of decentralization, coastal management and decentralized CZM. The second part (Chapters 4 and 5) analysed two district case studies. The final part (Chapters 6, 7 and 8) attempted to synthesize the key themes of the research findings, drew policy implications and recommended areas for further investigation. The three parts of this dissertation offers eight contributions to the discourses of decentralized CZM in Indonesia by:

1. Illustrating the history of decentralization policy as the framework to understanding the context of dynamic decentralization policy (Chapter 2);
2. Defining decentralized CZM as it is constructed through a combination of concepts relating to decentralization, CZM, and integrated CZM (Chapter 3);
3. Outlining the evolution of CZM in Indonesia and the dynamic of its implementation (Chapter 3);
4. Providing two detailed case studies analysing the implementation of decentralized CZM, in Konawe and Pangkep, that show the dynamic of local socio-political and shifting power constellations at the local level (Chapters 4 and 5);
5. Drawing out key elements of the nature and drivers of comparative lessons learned from the two case studies (Chapter 6);
6. Identifying implications and overarching considerations for decentralized CZM (Chapter 6);
7. Extracting a synthesis of the dynamics of decentralized CZM implementation beyond the two case studies (Chapter 7); and
8. Outlining factors affecting the achievement of effective decentralized CZM (Chapter 7).

8.2 The extend and nature decentralized CZM

This dissertation finds that decentralized CZM will remain an important policy for archipelagic countries like Indonesia. The main rationale behind decentralized CZM is the need to address specific diverse local conditions in Indonesia. Management of these specific and diverse conditions cannot rely on a uniform and centralized approach. It requires locally tailored management. With limited administrative resources, it will not be possible for Indonesia to take on every coastal and marine management issue with the same degree of urgency.

Decentralized CZM is a new domain for local government in Indonesia which is intended to provide more sensitivity and awareness of local problems and to find local solutions as well as to cut through the administrative decision making process. Decentralized CZM implies fundamental changes for Indonesian governance systems and for the central-local government relationship now that coastal zones belong under local government. As a result, the nature of decentralized CZM is marked by a gradual shifting and learning process. The process offers challenges in its implementation due to the lack of capacity and the lack of attractiveness for the coastal zone and its resources in the local political and economy.

Local socio-political contexts and the role of central government in promoting decentralized CZM are equally important. Analysis of the two case studies suggests that the implementation of decentralized CZM is still in its early stages and will continue to require the presence of the MMAF to keep balance and consistency in maintaining political will, commitment and resource distribution in decentralized CZM implementation.

8.3 The importance of local socio-political contexts

The two case studies, of Konawe and Pangkep, highlight the importance of local socio-political contexts for investigating the implementation of decentralized CZM at district level in Indonesia. It outlines the importance of the role of the *Bupati* for decentralized CZM. The *Bupati* can be viewed as the new emerging local authoritarian whose highly politicized decision-making in regard to decentralized CZM leave little space for accountability and government improvement (Chapter 4). The *Bupati* can initiate and maintain the momentum of pro-coastal and pro-island policies by accelerating CZM in less-advantaged areas (Chapter 5). The *Bupati* can also be paragons for clean leadership that limits opportunistic behaviour from the local administration and local elites, who might capitalize on decentralized CZM for personal gain. However, effective decentralized CZM becomes even more difficult to achieve when the *Bupati* themselves accrue power for personal benefit only.

As the frontline of decentralized CZM implementation, the *Bupati* and local government administration determine the success or failure of decentralized CZM practices. The *Bupati* and the local government administration play significant roles in setting up policy, allocating and spending local budgets, providing technical assistance to the community, encouraging local CZM initiatives and integrating local values, norms and practices into local policy. The *Bupati* and local government administration can be an initiator, promoter and accelerator of innovation in the implementation of decentralized CZM. In order to do so, the *Bupati* and local government administration need qualified human resources responsive to and anticipative of the dynamic of local socio-political affairs as well as coastal zone conditions. The combination of innovations by qualified staff and technology investment will improve the efficiency of decentralized CZM. However, in

a contrary role, the *Bupati* and local government administration have the potential to steer the administration of CZM into short-term resource extraction through unsustainable policy and regulation of coastal zone utilization.

The two case studies raise the importance of formal and informal accountability in decentralized CZM implementation. Formal accountability mechanisms in the two cases studies highlight the importance of the local legislature (*DPRD*) in watching over decentralized CZM implementation by the *Bupati* and local government administration. To ensure the local legislature is reliable, the *DPRD* must be free from opportunistic behaviour and take seriously the mandates and authorizations of the *Bupati* and local government administration in carrying out fair and accountable governance. These cases studies also highlight the need for non-governmental stakeholders to share involvement in accountability mechanisms to make sure checks and balances are in place, as well as for pressuring local governments to implement effective decentralized CZM.

8.4 Shaping the decision-making process in decentralized CZM

Local socio-political contexts have shaped and influenced the extent and characteristics of decentralized CZM implementation through the quality of the local leadership, the dynamics of local stakeholders' interactions, power distribution among local stakeholders and local government interactions with higher levels of government (Section 7.1). The quality of local leadership especially as shown by the *Bupati* is vital in determining the direction of decentralized CZM implementation.

The district case studies showed that local leadership could either push the implementation of decentralized CZM in progressive ways or keep it as 'business as usual' with little improvement in management and governance of coastal zones. Thus, the quality of local leadership frames the conditions for enabling effective decentralized CZM. Local

leaders can be supportive, ignorant or even reluctant towards the process of implementing decentralized CZM. In most cases, the calculation of political benefits by local leaders (mostly from the *Bupati*) is the deepest motivation for setting up policy or making decisions about the implementation of decentralized CZM.

Local actors' interactions are mostly the result of shared organizational and personal interests and responsibilities among stakeholders. Shared interests and responsibilities define decentralized CZM as it is constructed through a combination of concepts relating to decentralization and the distribution of power among stakeholders. In some cases, distrust and power struggles exist in these interactions because of competing interests among stakeholders. This sometimes blurs the demarcation between organizational and personal interests and can lead to rent-seeking behaviour.

Power distribution among stakeholders is significant for the implementation of decentralized CZM (Section 7.1.3). Power distribution involves the distribution of benefits that, in many cases, can lead to competition for power and interest. Power distribution affects the decision-making process and the way that stakeholders interact among themselves. Therefore, setting up clear 'rules of the game' is necessary to avoid the abuse of power and the mixing of interests in the implementation of decentralized CZM. Analysis of the two cases studies suggests that political calculations remain as big challenges in the local government decision-making process including in the process of decentralized CZM. This is a logical consequence of more power devolution to local governments.

8.5 Theoretical and practical requirements for decentralized CZM

Decentralized CZM in practice relies heavily on a combination of enabling factors as explained in Section 7.1 especially in relation to the regulatory framework underpinning the process of decentralized CZM. A clear and firm legal regulatory framework is an important condition for ensuring that the processes of intergovernmental relationship exist in a fair, logical and appropriate order. Thus, the legal regulatory framework must contain both upward and downward accountability mechanisms (Section 7.1.2) as well as mechanisms for informal accountability from non-government stakeholders. Setting up accountability mechanisms, norms, standards and policies for decentralized CZM requires the role of central government.

In return, such a clear and firm legal regulatory framework must also involve consistency from the central government in arranging and distributing authority, responsibility and resources for decentralized CZM. Consistency among sectors in central government should provide clarity and assurance for local government to carry out its mandated powers and responsibilities and to utilize resources for decentralized CZM implementation.

The analysis in the cases studies provide evidence for the argument that effective decentralized CZM is inextricably linked with the role of local leaders and socio-political conditions at the local level. This finding further emphasises the importance of accountability mechanisms in decentralized CZM, and suggest further investigation into the issues of (i) whether the progress of decentralized CZM can be linear in its development with improving accountability mechanisms and (ii) whether the key to improvement will be a better understanding of role of various forms of accountability and the linkages between with local-central governance.

8.6 Lessons learned from decentralized CZM

The analysis of and lessons learned from the two districts suggests the importance of central government as an initiator, promoter, evaluator and creator of the ideas, regulatory frameworks, norms and standards necessary for the implementation of decentralized CZM. The role of the central government is vital to maintain a balance of control over the coastal zone and its resources.

The central government sets up and maintains a fiscal balance between local and central governments. The central government ensures that a local area revenues (*PAD*) and local government regulations (*Perda*) for *PAD* follow the regulatory framework and take into account ecological and social considerations. The central government's cancellation of many local governments *Perda* because of the lack of ecological concern (Appendix 1) clearly illustrates the significant role of central government in ensuring local governments follow the principles of good *PAD*¹⁹⁰ in their local law making process.

The case of Pangkep (Chapter 5) where a recalculation of the general allocation fund (*DAU*) to make it more relevant to the archipelagic district was required highlights the need for the central government to review current *DAU* applications in terms of fiscal balance. The central government can reformulate the *DAU* allocations to be more specific to archipelagic districts like Pangkep that face unusual geographic and development challenges. In addition, the central government can also take a vital role in the specific allocation fund (*DAK*), and establish mechanisms for revenue sharing (*DBH*) accruing from coasts and fisheries.

¹⁹⁰ Almost, if not all, *PADs* are tax bases. With reference to Article 2 Law 32/2004, local taxes should not (i) conflict with the public interest, (ii) exert economic distortion and (iii) stand in the way of sustainable environmental considerations.

The central government's role as the balancer of power distribution is useful to avoid excessive exploitation of coastal resources due to the significant power shift to local government. Maximizing the extraction of coastal resources without concern for ecological considerations during the transition period from centralistic to decentralized policy, as happened during 1999 – 2003, is evidence of the little concern by some governments for ecological considerations compared with the desire to earn local revenue and obtain short-term economic benefits.

The role of central government is also important in providing a clear and firm legal regulatory framework for decentralized CZM in order to provide stability and to guarantee the administrative devolution to CZM. In an absence of a clear and firm legal regulatory framework, there are opportunities for power abuse that tend to repeat the legacy of the New Order (corruption, collusion and nepotism - *KKN Gaya Baru*) but with a different locus and modus. Furthermore, power struggles can arise in the race to gain and maximize interests and benefits due to the misinterpretation of the regulatory framework. Distrust and reluctance to devolve authority, responsibility and resources are a logic consequence of power struggles that distract from the implementation of decentralized CZM.

The central government, in this case the MMAF, plays a considerable role in supporting the implementation of decentralized CZM. As described in Chapters 4 and 5, both Konawe and Pangkep districts have had significant increases in their budget allocations for coastal and fisheries affairs as part of the MMAF's agenda to accelerate coastal and fisheries development. The MMAF has played an avant-garde role in promoting revenue sharing (*DBH Perikanan*) and specific allocations funds (*DAK Kelautan*) for coastal and fisheries affairs. The MMAF also provides deconcentration funds

for provincial and local government to implement activities to achieve national targets on coasts and fisheries that cannot be covered by local government budgets.

The MMAF has actively established norms, standards and policies for decentralized CZM implementation. MMAF's efforts in proposing and supporting two laws on coastal and fisheries (Law 31/2004 on Fisheries and Law 27/2007 on Coastal Zone and Small Island Management) are evidence of the central government's significant role in promoting decentralized CZM. Both laws contain the underlying spirit of decentralized CZM that shifts responsibilities, authority and resources to local governments. The MMAF has developed specific implementation and technical guidelines for these two laws through government regulations, ministerial decrees and other general guidelines and regulatory instruments.

The MMAF is at the frontline of central government agencies that include community and public consultations in the law making process. The MMAF has shown its significant role on harmonizing the complex, inter-related laws and regulations on CZM that in some cases were contradictory. The MMAF has also worked in tandem with NGOs, academics and community representatives to ensure that the rights and privileges of indigenous, traditional and local communities are accommodated in the laws that neglected them for more than three decades.

A future role for the MMAF will still be necessary to set up and oversee the assignment of mechanisms for responsibilities, authority and resources. The provisions of Law 27/2007 clearly assigned the MMAF responsibility to generate technical details and guidelines for the implementation of coastal zone and small island management in decentralization contexts. Such technical details and guidelines include those for the coastal concessionaire (*HP3*) mechanisms, local marine conservation areas (*kawasan konservasi laut daerah/KKLD*), local planning for coastal zone and small island

management (strategic, zoning, management and action plans), and accreditation mechanisms.

The analysis of the two cases studies underlines the importance of the MMAF in promoting and raising the awareness among local governments about decentralized CZM. The MMAF's role is vital to encouraging local governments' understanding of the importance of managing coastal zones in sustainable ways and in an integrated manner. Indeed, the central government needs to ensure that for the local government every step forward in managing coastal zone in sustainable and integrated ways is beneficial for local development, local communities and local stakeholders as well as for coastal resources. The MMAF's initiation of the Coastal Award (*Adibhakti Mina Bahari*) exemplifies the importance of central government in promoting and encouraging local government awareness of the implementation of decentralized CZM through providing incentives and rewards for successful implementation and best practices.

The MMAF's involvement is particularly significant in the absence of local government awareness and commitment. As CZM is classified as an optional administrative task for local government, the MMAF can fill a vacuum and make up for the lack of commitment from local government to administering coastal zones (section 6.3.2 and 7.13). If conflicts occur across administration boundaries, the MMAF can intervene in inter-district CZM issues and conflicts through direct involvement or through the provincial government. The role of MMAF is thus strategically important for CZM in border districts or outer islands.

8.7 Policy and research implications

The two case studies address the question of whether the current implementation of decentralized CZM can provide positive outcomes and develop trends that can turn into

gradual improvement. Despite the existence of some unsuitable conditions for effective decentralized CZM, the two case studies suggest both promising and challenging aspects to the implementation of decentralized CZM.

The role of local government will become even more important in forthcoming years as a result of Law 27/2007. One of its most important roles is the entitlement of local government to manage and implement *HP3* (Coastal Concessionaire Right) in its assigned area (section 6.3.3). Local government capacity to manage and implement *HP3* has now become controversial. Therefore, it is essential to investigate (i) the workability of the implementation of *HP3* concepts at the local government level; and (ii) the appropriate mechanisms for the implementation of *HP3* that can avoid the pattern of power abuse similar to those experienced in forest concessions (*HPH*). This further investigation will be valuable to counter doubts about *HP3* implementation and more importantly, will stand as a precautionary approach to mismanagement of the coastal zones.

The two cases studies have identified the role of local stakeholders (NGOs, communities and academics) in district decision-making for decentralized CZM implementation. The level of their participation, how they have attempted to influence district decisions, and the extent to which these stakeholders influence decisions needs further investigation. An investigation of effective arrangements for local stakeholders' involvement can provide a better understanding on local dynamics of decentralized CZM. Co-management become visible as the most appropriate approaches for local stakeholders' involvement, which need further investigation on the appropriate level of the involvement of partnership arrangements between the various levels of government, the individual resource users, other stakeholders and the local communities.

Replicating this research in other parts of Indonesia will provide a more in-depth comparison of decentralized CZM implementation. It is important to canvass more case

studies to learn more about decentralized CZM implementation. Perhaps studies of other districts will reveal other insights even as they reemphasize the importance of local socio-political considerations in decentralized CZM implementation.

8.8 Concluding Remarks

Decentralized CZM will continue to be effective if responsive, and qualified local governments consistently cooperate with a committed central government to shift power to a new constellation of decentralized contexts. Both local and central governments must work together to shape the implementation of effective decentralized CZM.

The two cases studies in this dissertation have provided divergent examples of how local governments deal with their coastal zones in different coastal settings. Despite the being at an early stage, the signs and seeds for effective decentralized CZM implementation exist and can grow more significant in the future.

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Appendix 1. Recommendations for the cancelation and revision of *Perda* concerning marine and coastal resources 2003 – 2007

Cancelation

	Provinsi/ Kabupaten/Kota	Number	Concerning	Recommendation of Finance Minister (Number and Date)
1	Kabupaten Banyuasin	44/2003	<i>Retribusi Izin Pengangkutan Barang di Darat, Laut, Sungai, dan Penyeberangan dalam Kabupaten Banyuasin</i> (Fees on Permits for Goods Transportation on Road, Marine Water, River and Crossover within Banyuasin District)	S-015/MK.7/2004 7 June 2004
2	Kabupaten Jembrana	09/2003	<i>Retribusi Pelayanan Izin Usaha Perikanan</i> (Fees for Fishing Enterprise Administration)	S- 026/MK.10/2006 23 February 2006
3	Kabupaten Jeneponto	12/2003	<i>Izin Usaha Perikanan</i> (Permits for Fishing Enterprise)	S-017/MK.10/2005 8 March 2005
4	Kabupaten Kotawaringin Barat	16/2003	<i>Perubahan Pertama Atas Perda No. 15 Tahun 2002 tentang Retribusi Pengangkutan Hasil Hutan, Pertanian, Perkebunan, Perikanan dan Industri</i> (First Amendment on Local Regulation 15/2002 concerning Fees from Products of Forest, Agriculture, Plantation, Fisheries and Industries)	S-074/MK.10/2006 22 May 2006
5	Kabupaten Maluku Tengah	05/2003	<i>Retribusi Hasil Perikanan</i> (Fees on Fisheries Products)	S- 148/MK.7/2007 16 July 2007
6	Kabupaten Maluku Tengah	4/2003	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise)	S- 017/ MK.10/2005 8 March 2005
7	Kabupaten Serang	2/2003	<i>Retribusi Kegiatan Usaha Perikanan dan Kelautan</i> (Fees on Fisheries and Marine Enterprise)	Without recommendation
8	Kabupaten Tana Toraja	16/2003	<i>Retribusi Penyebaran/Pemasaran Benih Ikan Air Tawar dalam Kabupaten Tana Toraja</i> (Fees on Distribution and Marketing Freshwater Fish Seed within Tana Toraja District)	S-102A/MK.10/2005 29 August 2005
9	Kabupaten Tana Toraja	17/2003	<i>Retribusi Pemeriksaan Pengujian Mutu Ikan dalam Kabupaten Tana Toraja</i> (Fees on Fish Quality Control in Tona Toraja District)	S-102A/MK.10/2005 29 August 2005
10	Kabupaten Tanah Laut	04/2003	<i>Retribusi Penerbitan Surat Keterangan Kecakapan Kapal Motor Perairan Daratan dan Kelautan</i> (Fees on Issuance of Vessell Liability Pass)	S-05/MK.07/2006 14 December 2006
11	Kota Ambon	04/2003	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise)	S-017/MK.10/2005 8 March 2005

	Provinsi/ Kabupaten/Kota	Number	Concerning	Recommendation of Finance Minister (Number and Date)
12	Kota Ambon	14/2003	<i>Retribusi Izin Usaha dan Pungutan Hasil Perikanan</i> (Fees on Fisheries Enterprises and Fish Products)	S-017/MK.10/2005 8 March 2005
13	Kota Sibolga	06/2003	<i>Retribusi Hasil Perikanan</i> (Fees on Fish Products)	-
14	Kota Sorong	08/2003	<i>Retribusi Pendaratan dan Pelelangan Ikan</i> (Fees on Fish Landing and Auction Facilities)	S-090/MK.7/2007 20 April 2007
15	Provinsi Kalimantan Barat	7/2003	<i>Retribusi Pengujian Mutu Hasil Perikanan</i> (Fees on Quality Control of Fish Products)	S-23/MK.10/2005 14 April 2005
16	Provinsi Nusa Tenggara Timur	11/2003	<i>Retribusi Perizinan Usaha Perikanan</i> (Fees on Fisheries Enterprises)	S- 148/MK.7/2007 16 July 2007
2004				
17	Kabupaten Aceh Jaya	20/2004	<i>Pajak Hasil Usaha Perikanan Kabupaten Aceh Jaya</i> (Fisheries Enterprise and Fish Products Tax)	S~148/MK.7/ 2007 16 July 2007
18	Kabupaten Asahan	02/2004	<i>Perizinan Usaha Perikanan</i> (Permits on Fisheries Enterprise)	S~120/MK.10/2006 18 July 2006
19	Kabupaten Gunung Mas	21/2004	<i>Retribusi Pengangkutan Penjualan Hasil Hutan, Pertanian, Peternakan, Perkebunan, Perikanan dan Industri</i> (Fees on Goods Transportation on Products of Forests, Agriculture, Animal Husbandry, Plantation, Fisheries and Industry)	S~74/MK.10/2006 22 May 2006
20	Kabupaten Merauke	04/2004	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise Permits)	S~148/MK.7/2007 16 July 2007
21	Kabupaten Muna	4/2004	<i>Retribusi Izin Usaha Angkutan Laut Lokal dan Pelayaran Rakyat Lokal</i> (Fees on Permits for Local and People Shipping Enterprise)	~
22	Kabupaten Pulang Pisau	20/2004	<i>Pungutan Daerah Atas Pengangkutan dan atau Penjualan Hasil Pertanian, Peternakan, Perikanan, Hutan Ikutan dan hasil Industri Keluar daerah Kabupaten Pulang Pisau</i> (Output Tax on Transportation and or Sales of Products of Agriculture, Animal Husbandry, Forests and Industry in Pulang Pisau District)	S~74/MK.10/2006 22 May 2006

	Provinsi/ Kabupaten/Kota	Number	Concerning	Recommendation of Finance Minister (Number and Date)
23	Kabupaten Rote Ndao	24/2004	<i>Retribusi Pengambilan dan Pengeluaran Hasil Produksi Pertanian Tanaman Pangan dan Hortikultura, Perkebunan serta Kehutanan Kabupaten Rote Ndao</i> (Fees on Extracting and Exporting Products of Agriculture, Horticulture, Plantation and Forest in Rote Ndao District)	S-41/MK.10/2005 30 June 2005
24	Kabupaten Rote Ndao	34/2004	<i>Retribusi Izin Pengumpulan dan Pengeluaran Hasil Kelautan</i> (Fees on Collecting and Exporting Marine Products)	S-23/MK.10/2005 14 April 2005
25	Provinsi Kalimantan Selatan	2/2004	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise Permits)	S-093/MK.10/2006 23 June 2006
26	Provinsi Kalimantan Selatan	3/2004	<i>Retribusi Pengujian dan Sertifikasi Mutu Hasil Perikanan</i> (Fees on Fisheries Quality Control and Certification)	S-093/MK.10/2006 23 June 2006
27	Provinsi Kalimantan Selatan	4/2004	<i>Retribusi Penjualan Produksi Balai Benih Ikan Sentral</i> (Fees on Sales of Fish Fingerling Centre)	S-093/MK.10/2006 23 June 2006
28	Provinsi Maluku	11/2004	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise Permits)	S-23/MK.10/2005 14 April 2005
29	Provinsi Maluku	15/2004	<i>Retribusi Pemeriksaan Mutu dan Sertifikasi Hasil Perikanan</i> (Fees on Fisheries Quality Control and Certification)	S-018/MK.10/2005 15 March 2005
30	Provinsi Maluku Utara	9/2004	<i>Retribusi Izin Usaha Perikanan</i> (Fees on Fisheries Enterprise Permits)	S-017/MK.10/2005 8 March 2005
2005				
31	Kabupaten Cianjur	17/2005	<i>Perubahan Kedua atas Perda Nomor 18 / 2000 tentang Retribusi Usaha Perikanan</i> (Second Ammendment on Local Regulation 18/2000 concerning Fees of Fisheries Enterprise)	S- 148/MK.7/2007 16 July 2007
32	Kabupaten Kapuas	09/2005	<i>Perizinan Usaha Perikanan</i> (Fees on Fisheries Enterprise Permits)	S-093/MK.10/2006 23 June 2006
33	Kabupaten Sumbawa	18/2005	<i>Retribusi Jasa Transportasi Laut</i> (Fees on Sea Transportation Serivices)	-

	Provinsi/ Kabupaten/Kota	Number	Concerning	Recommendation of Finance Minister (Number and Date)
34	Kota Jayapura	05/2005	<i>Retribusi Penumpang Kapal Laut dan Pesawat Udara</i> (Fees for Ship and Aeroplane Passengers)	S-093/MK.10/2006 23 June 2006
35	Kota Pangkal Pinang	9/2005	<i>Kepelabuhan di Kota Pangkal Pinang</i> (Port Management in Pangkal Pinang Municipality)	S-093/MK.10/2006 23 June 2006
36	Kota Ternate	15/2005	<i>Retribusi Penyelenggaraan Pelelangan Ikan di Kota Ternate</i> (Fees for Fish Auction in Ternate Municipality)	S-026/MK.7/2007 1 February 2007
37	Provinsi Banten	8/2005	<i>Retribusi Pengujian Mutu Komoditi Hasil Perikanan</i> (Fees on Fisheries Product Quality Control)	S- 148/MK.7/2007 16 July 2007
	2006			
38	Kabupaten Toba Samosir	9/2006	<i>Retribusi Tempat Pendaratan Kapal</i> (Fees on Fishing Vessel Landing Port)	S- 199/MK.7/2007 17 September 2007
39	Kota Samarinda	20/2006	<i>Retribusi Pelelangan dan Pangkalan Pendaratan Ikan</i> (Fees on Fish Auction and Fishing Vessel Landing Port)	S- 148/MK.7/2007 16 July 2007
40	Provinsi Riau Kepulauan	6/2006	<i>Usaha Perikanan Provinsi Kepulauan Riau</i> (Fisheries Enterprise in Riau Kepulauan Province)	S-008/MK.7/2007 26 January 2007

Revision

	Provinsi/ Kabupaten/Kota	Number	Concerning	Recommendation of Finance Minister (Number and Date)
1	Kabupaten Lamongan	7/2004	<i>Retribusi Izin Usaha Perikanan dan Kelautan di Kabupaten Lamongan</i> (Fees on Fisheries and Marine Enterprise in Lamongan District)	S-132/MK.10/2005 13 October 2005

Sources:

http://www.djpk.depkeu.go.id/data/Perda_batal_2003.htm
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Appendix 2. Research aid memoir and general questions for informants



LISTS OF QUESTIONS

Making Decentralized Coastal Zone Management Works in Indonesia: Case Study of Kabupaten Konawe and Kabupaten Pangkajene Kepulauan

Brief Description:

This research is a study to examine and compare the effectiveness decentralization of coastal zone management in two districts of two provinces in eastern Indonesia by applying indicators and factors beyond the effective decentralization. This study aims to construct an analytical framework based on empirical work on how to make decentralization work in Indonesia, and to identify policy implication based on the results.

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Following the protocols elaborated in this document, this research will entail human subjects research that consists of a conversation with each participant for roughly thirty minutes. During the course of the conversation (which will be personalized toward each person, as I am not doing statistical research but rather in-depth interview), I will bring up a series of core issues related to decentralized coastal zone management.

Prior to all interviews where verbal consent is used, I will first confirm the following points:

- Do you feel you understand the nature of this research and are comfortable and willing to participate in this project?
- Do you understand that you are free to withdraw your participation at absolutely any time, or to refrain from answering certain questions that you would rather not answer?
- Do you have any questions about this project before we begin? You are free to ask me any questions throughout as they arise, as well.

General questions:

1. Can you explain about the existing institutions (formal/informal) functions in decentralized coastal zone management within various policy systems?
2. If alternative institutional arrangements are required, how to re-arrange the institutions? Can you give some examples?
3. To what extends, the existing institutions have capability and capacity to change and adapt re-arrangement? Can you give more explanations?
4. How do these institutions affect behavior related to resource management?
5. How do they interact with each other and with external institutions?
6. How to identify policy implications?
7. Does the institutional arrangement create conflicts?
8. What are the key influences on implementing decentralized coastal zone management have had/could have effectiveness?
9. How can appropriate indicators be designed to measure the effectiveness of decentralized coastal zone management?
10. Do you aware about co-management, which quite extensive promoted as a vogue alternative concept? Do you think co-management has been useful in promoting effective decentralized coastal zone management?
11. Can co-management handle cross-scale issues and deal with the scaling up issues? If it can, what kind of institutional arrangements are required? What are the prospects of co-management under that new arrangement?
12. As a part of decentralization spirit, do traditional rights and norms exist and play roles in the decentralization coastal zone management? What are the potential constraints in institutionalizing the traditional rights and norms on decentralization coastal zone management?
13. How effective is it using the traditional rights and norms on decentralization coastal zone management?
14. How have you assessed the successful level of the institutionalization of the traditional rights and norms?

Appendix 3. List of laws related to CZM during the New Order period

No.	Law	No/Date	Description
1.	Marine Water Act	4/1960* 6/1996	All coastal resources are under the central government for the prosperity of citizens and to regulate the use of marine water resources
2.	Basic Agrarian Act	5/1960	Land tenure system and land rights
3.	Forestry Act	5/1967* 41/1999	Basic provision for forestry management
4.	Mining Act	11/1967	Basic provision for mining management
5.	Oil and Gas Act	8/1971	Basic provision for oil and gas public company
6.	Continental Shelf Act	1/1973	The continental shelf of Indonesia
7.	Local Government Act	5/1974 22/1999*	Devolution of central government jurisdiction to provincial and district governments
8.	Environmental Management Act	4/1982* 23/1997	Basic provision for the management of the living environment
9.	National Defence Act	20/1982* 2/2001	Basic provision for national defence and the mobilization of citizens
10.	EEZ Act	5/1983	Indonesian exclusive economic zone
11.	Basic Industrial Act	5/1984	Basic provision for industrial development
12.	Fishery Act	9/1985	Basic provision for fishery management
13.	Basic Electricity Act	15/1985	Basic provision for electric power and supply management
14.	Living Resource Conservation Act	5/1990	Basic provision for the management of all designated protected areas, and conservation of living natural resources and their ecosystems
15.	Tourism Act	9/1990	Basic provision for tourism development and management
16.	Basic Agricultural Act	12/1992	Basic provision for agriculture and farming systems
17.	Livestock, Fish and Crops Quarantine Act	16/1992	Basic provision for livestock, fish and crop quarantine procedures
18.	Shipping Act	21/1992	Basic provision for shipping and port system
19.	Spatial Planning Act	24/1992	Basic provision for comprehensive and integrated approaches to the spatial plan and management of terrestrial resources
20.	Biodiversity Conservation Act	5/1994	Ratification of the convention on biodiversity
21.	Financial Balance Act	25/1999	Balancing the local and central government finances and revenue for development

Note: * means the act has been revised by the subsequent number

Source: Putra (2003: 82)

Appendix 4. List of Government Regulations and Presidential Decrees that regulate coastal resource usage during the New Order period

No.	Legislation	No/Date	Description
1.	Government Regulation	17/1974	Controlling the implementation of exploration and exploitation offshore oil and gas
2.	Government Regulation	29/1986	Analysis of impact to the environment
3.	Government Regulation	28/1985	Forest protection and sustainable use of forest products
4.	Government Regulation	6/1988	Coordination of sectoral and local government affairs and planning
5.	Government Regulation	20/1990	Water pollution control
6.	Government Regulation	51/1993	To impose environmental impact analysis for every new projects that harm the environment
7.	Government Regulation	19/1994	Hazardous and toxic waste management
8.	Government Regulation	25/2000	Jurisdiction and authority of Central and Provincial Governments
9.	Presidential Decree	32/1990	Management of protected areas and buffer zone
10.	Presidential Decree	77/1995	Environmental Impact Management Agencies
11.	Presidential Decree	77/1996	Decree for National Marine Council
12.	Presidential Decree	196/1998	Environmental Impact Control

Source: Putra (2003: 83)

Appendix 5. List of Local Regulations (*Peraturan Daerah/Perda*) on CZM

No	Provinsi/ Kabupaten/Kota	Status of <i>Perda</i> and Remark
1	Provinsi Sumatra Utara	Perda
2	Kabupaten Langkat	On-going process at local parliament (<i>DPRD</i>)
3	Kabupaten Deli Serdang	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
4	Kabupaten Asahan	On-going process at local parliament (<i>DPRD</i>)
5	Provinsi Sumatra Barat	On-going process at Bureau of Law, Provincial Secretariat (<i>Biro Hukum</i>)
6	Kota Padang	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
7	Kabupaten Pesisir Selatan	On-going process at local parliament (<i>DPRD</i>)
8	Kabupaten Padang Pariaman	Perda was granted. Local Regulation 5/2007 concerning Coastal and Marine Management in Padang Pariaman District (<i>Perda No 5 th 2007 tentang engelolaan Wilayah Pesisir dan Laut Kabupaten Padang Pariaman</i>)
9	Provinsi Riau	On-going process at Bureau of Law, Provincial Secretariat (<i>Biro Hukum</i>)
10	Kabupaten Indragiri Hilir	Perda was granted on 26 March 2008. Local Regulation 22/2008 concerning Coastal and Small Island Management (<i>Perda No 22 Th 2008 tentang Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)
11	Kabupaten Bengkalis	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
12	Provinsi Bengkulu	Perda was granted on 28 March 2007. Local Regulation 3/2007 concerning Coastal and Small Island Management (<i>Perda No 3 Th 2007 tentang Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)
13	Kota Bengkulu	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
14	Kabupaten Bengkulu Utara	On-going process at local parliament (<i>DPRD</i>)
15	Provinsi Jambi	Perda was granted on 3 March 2008. Local Regulation 3/2008 concerning Coastal and Small Island Management (<i>Perda No 3 Th 2008 tentang Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)
16	Kabupaten Tanjung Jabung Barat	Perda was granted on 15 December 2008. Local Regulation 4/2005 concerning Coastal and Marine Management (<i>Perda No 4 Th 2005 tentang Pengelolaan Wilayah Pesisir dan Laut</i>)
17	Kabupaten Tanjung Jabung Timur	Perda was granted. Local Regulation 5/2008 concerning Coastal Zone Management (<i>Perda No 5 Th 2008 tentang Pengelolaan Sumberdaya Pesisir</i>)
18	Provinsi Kalimantan Barat	On-going process at local parliament (<i>DPRD</i>)
19	Kabupaten Bengkayang	Perda was granted with local initiated. Local Regulation 14/2002 concerning Integrated Coastal Community-based Management in Bengkayang District (<i>Perda No 14 Th 2002 tentang Pengelolaan Sumberdaya Wilayah Pesisir Terpadu Berbasis Masyarakat di Kabupaten Bengkayang</i>)

No	Provinsi/ Kabupaten/Kota	Status of Perda and Remark
20	Kabupaten Pontianak	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
21	Kabupaten Ketapang	Perda was granted. Local Regulation 13/2006 concerning Integrated Coastal Management in Ketapang District (<i>Perda No 13 Th 2006 tentang Pengelolaan Sumberdaya Wilayah Pesisir Terpadu Kabupaten Ketapang</i>)
22	Provinsi Kalimantan Tengah	On-going process at Bureau of Law, Provincial Secretariat (<i>Biro Hukum</i>)
23	Kabupaten Kapuas	On-going process at local parliament (<i>DPRD</i>)
24	Kabupaten Kotawaringin Timur	Perda was granted on 14 February 2006. Local Regulation 1/2006 concerning Coastal and Marine Management in Kotawaringin Timur District (<i>Perda No 1 Th 2006 tentang Pengelolaan Wilayah Pesisir dan Laut Kabupaten Kotawaringin Timur</i>)
25	Kabupaten Kotawaringin Barat	On-going process at local parliament (<i>DPRD</i>)
26	Provinsi Kalimantan Timur	On-going process at Bureau of Law, Provincial Secretariat (<i>Biro Hukum</i>)
27	Kabupaten Tarakan	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
28	Kabupaten Kutai Timur	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
29	Provinsi Nusa Tenggara Timur	Perda was granted on September 2007. Local Regulation 4/2007 concerning Coastal and Marine Management (<i>Perda No 4 Th 2007 tentang Pengelolaan Wilayah Pesisir dan Laut</i>)
30	Kota Kupang	Perda was granted on September 2007. Local Regulation 21/2007 concerning Coastal and Marine Management (<i>Perda No 21 Th 2007 tentang Pengelolaan Wilayah Pesisir dan Laut</i>)
31	Kabupaten Kupang	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
32	Kabupaten Timor Tengah Utara	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
33	Provinsi Nusa Tenggara Barat	Perda was granted on 25 February 2008. Local Regulation 2/2008 concerning Coastal and Small Island Management (<i>Perda No 2 Th 2008 tentang Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil</i>)
34	Kota Mataram	On-going process at local parliament (<i>DPRD</i>)
35	Kabupaten Lombok Barat	On-going process at local parliament (<i>DPRD</i>)
36	Kabupaten Sumbawa	Perda was granted on 1 August 2007. Local Regulation 22/2007 concerning Coastal and Marine Management (<i>Perda No 22 Th 2007 tentang Pengelolaan Wilayah Pesisir dan Laut</i>)
37	Provinsi Sulawesi Utara	Perda was granted. Local Regulation 38/2003 concerning Integrated Coastal and Marine Community-based Management (<i>Perda No 38 Th 2003 tentang Pengelolaan Wilayah Pesisir dan Laut Terpadu Berbasis Masyarakat di Provinsi Sulawesi Utara</i>)
38	Kabupaten Minahasa	Perda was granted. Local Regulation 2/2002 concerning Integrated Coastal Community-based Management (<i>Perda No 2 Th 2002 tentang Pengelolaan Sumberdaya Wilayah Terpadu</i>)

No	Provinsi/ Kabupaten/Kota	Status of Perda and Remark
		<i>Berbasis Masyarakat di Kabupaten Minahasa)</i>
39	Kota Bitung	Perda was granted on 18 August 2006. Local Regulation 4/2006 concerning Integrated Coastal Management in Bitung Municipality (Perda No 4 Th 2006 tentang Pengelolaan Wilayah Pesisir Terpadu Kota Bitung)
40	Kabupaten Bolaang Mongondow	Perda was granted on 16 February 2007. Local Regulation 11/2007 concerning Integrated Coastal Management (Perda No 11 Th 2007 tentang Pengelolaan Wilayah Pesisir Terpadu)
41	Provinsi Sulawesi Tengah	Perda was granted on 2 July 2007. Local Regulation 26/2007 concerning Coastal and Small Island Management (Perda No 26 Th 2007 tentang Pengelolaan Wilayah Pesisir dan Pulau-Pulau Kecil)
42	Kabupaten Donggala	Perda was granted. Local Regulation 10/2006 concerning Coastal Zone Management (Perda No 10 Th 2006 tentang Pengelolaan Wilayah Pesisir)
43	Kabupaten Parigi Moutong	Perda was granted on Mei 2007. Local Regulation 7/2007 concerning Coastal Zone Management (Perda No 7 Th 2007 tentang Pengelolaan Wilayah Pesisir)
44	Kabupaten Poso	On-going process at local parliament (DPRD)
45	Provinsi Sulawesi Tenggara	Perda was granted on 25 December 2005. Local Regulation 10/2005 concerning Coastal and Marine Management (Perda No 10 Th 2005 tentang Pengelolaan Wilayah Pesisir dan Laut Provinsi Sulawesi Tenggara)
46	Kabupaten Konawe	Perda was granted on 2 October 2006. Local Regulation 18/2008 concerning Coastal and Marine Management (Perda No 18 Th 2006 tentang Pengelolaan Wilayah Pesisir dan Laut)
47	Kabupaten Buton	Perda was granted on December 2007. Local Regulation 10/2007 concerning Coastal Zone Management (Perda No 10 Th 2007 tentang Pengelolaan Wilayah Pesisir)
48	Kabupaten Muna	Perda was granted on 23 July 2007. Local Regulation 8/2007 concerning Coastal Zone Management (Perda No 8 Th 2007 tentang Pengelolaan Wilayah Pesisir)
49	Provinsi Sulawesi Selatan	Perda was granted on 19 December 2007. Local Regulation 6/2007 concerning Coastal and Marine Management (Perda No 6 Th 2007 tentang Pengelolaan Sumberdaya Pesisir dan Laut)
50	Kabupaten Maros	Perda was granted on 12 December 2005. Local Regulation 12/2005 concerning Coastal Zone Management (Perda No 12 Th 2005 tentang Pengelolaan Sumberdaya Pesisir dan Laut)
51	Kabupaten Pangkajene dan Kepulauan	Perda was granted on 5 March 2007. Local Regulation 6/2007 concerning Coastal Zone Management in Pangkajene dan Kepulauan District (Perda No 6 Th 2007 tentang Pengelolaan Pesisir Kabupaten Pangkajene dan Kepulauan)

No	Provinsi/ Kabupaten/Kota	Status of <i>Perda</i> and Remark
52	Kabupaten Takalar	On-going process at Law Division of Kabupaten Secretariat (<i>Bagian Hukum</i>)
53	Provinsi Gorontalo	<i>Perda</i> was granted on 4 March 2006. Local Regulation 1/2006 concerning Integrated Coastal Zone Management in Gorontalo Province (<i>Perda No 1 Th 2006 tentang Pengelolaan Wilayah Pesisir Terpadu di Provinsi Gorontalo</i>)
54	Kabupaten Gorontalo	<i>Perda</i> was granted on 30 December 2006. Local Regulation 6/2006 concerning Coastal Zone Management (<i>Perda No 6 Th 2005 tentang Pengelolaan Wilayah Pesisir</i>)
55	Kabupaten Boalemo	On-going process at local parliament (<i>DPRD</i>)

Source: (Miranti and Putra 2008)

Appendix 6. Division of marine, coastal and fisheries affairs.

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
General affairs			
1. Fish quarantine (domestic and international)	✓		
2. Management and utilization of fisheries resources	✓	✓	✓
3. Research and technology development on fisheries	✓	✓ Including to coordinate implementation	✓ Including to coordinate implementation
4. Fisheries development plan	✓	✓	✓
5. Accreditation of certified institution on quality control of fisheries products	✓ Including technical facilitation	✓ Including to provide technical guidance	✓
6. Cooperation on integrated fisheries utilization	✓	✓ Including to provide technical guidance	✓
7. Zoning for fisheries activities	✓	✓	✓
8. International fisheries cooperation	✓	✓ Including to provide planning	✓ Including to provide planning
9. Development of collecting, analyzing, presenting and distributing system, on data and information fisheries statistic	✓	✓	✓
10. Capacity building and human resources development	✓	✓	✓
11. Coastal and small island development	✓	✓	✓
12. Research and development on marine and fisheries	✓	✓	✓
13. Exhibition, distribution and dissemination technology of fisheries development	✓	✓	✓

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
Capture fisheries affairs			
1. Management fisheries resources on assigned authority areas	✓	✓	✓
2. Stock estimation and total allowable catch (TAC)	✓	✓ Including to coordinate implementation	✓ Including to coordinate implementation
3. Facilitation of fisheries cooperation	✓	✓	
4. Protection and utilization of fisheries genetic plasma	✓	✓	✓
5. Fish migration and distribution maps	✓	✓ Including to support and distribute	✓ Including to support and distribute
6. Fishing license	✓ for fishing vessels more than 30 GT or less than 30 GT but employ foreign crews	✓ for fishing vessels 10 to 30 GT and no foreign crews involved	✓ for fishing vessels less than 10 GT and no foreign crews involved
7. Fishing fee/taxes	✓	✓	✓
8. Fishing enterprise	✓	✓	✓
9. Empowerment small scale fishermen	✓	✓	✓
10. Institutional strengthening and employment system	✓	✓	✓
11. Investment and promotion	✓	✓	✓
12. a. Appointment fishing port development and management	✓	✓	✓
13. b. Management of fishing auction point (<i>Tempat Pelelangan Ikan</i>)			✓
14. Fisheries port in border areas	✓	✓ Including to support	✓ Including to support
15. Operational and appointment of fishing port master (<i>Syahbandar</i>)	✓		
16. Fishing vessels development	✓	✓	✓
17. Fishing vessels registration	✓ for fishing vessels more than 30 GT	✓ for fishing vessels 10 to 30 GT	✓ for fishing vessels less than 10 GT
18. Fishing gears development	✓	✓	✓

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
19. Approval for imported fishing vessels	✓		
20. Productivity of fishing vessels	✓	✓ Including to support	✓ Including to support
21. Deployment of supporting devices and remote sensing apparatus	✓	✓	✓
22. Physical checking of fishing vessels	✓ for fishing vessels more than 30 GT	✓ for fishing vessels 10 to 30 GT	✓ for fishing vessels less than 10 GT
23. Liability of fishing vessels and fishing gears	✓	✓	✓
24. Management and placement of Fish Aggregating Devices (FADs) or <i>rumpon</i>	✓	✓	✓
25. Engineering and technology development	✓	✓ Including to support	✓ Including to support
Aquaculture			
1. Culture fisheries/aquaculture	✓	✓	✓
2. Hatchery products in inland, brackish and marine waters	✓	✓	✓
3. Quality of fish seed/parent stocks	✓	✓	✓
4. Inland, brackish and marine hatchery station	✓	✓	✓
5. Procurement, utilization, distribution and monitoring fisheries drugs, chemical, biological compound and pellet	✓	✓	✓
6. Accreditation of certified hatchery	✓	✓	✓
7. Water resources and land use management	✓	✓	✓
8. Infrastructure and support system management	✓	✓	✓
9. Export and import recommendations	✓	✓	✓
10. Establishment potency and land allocation	✓	✓	✓
11. Techniques for releasing and recalling parents stocks	✓	✓	✓
12. Techniques for natural parents stocks	✓	✓	✓
13. Aquacultures permits and regulation on foreign workers on aquacultures	✓	✓	✓
14. Intake, outtake, procurement and distribution of fish culture	✓	✓	✓
15. Fish cultures and protection	✓	✓	✓
16. Transportation, storage and fish health management	✓	✓	✓

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
17. Outbreak and affected areas of fish diseases	✓	✓ Including to coordinate	✓
18. Fish seed information system	✓	✓ Including to coordinate	✓
19. Specific fish cultures technology	✓	✓	✓
20. Hygienist and sanitation on aquaculture enterprise	✓	✓ Including to coordinate	✓ Including to provide technical guidance and monitoring
21. Partnership in aquacultures enterprise	✓	✓ Including to coordinate	✓ Including to provide technical guidance and to encourage
22. Floating cages (karamba jarring apung)	✓	✓	✓
Monitoring and surveillance			
1. Monitoring on utilization and protection of fisheries genetic plasma	✓	✓	✓
2. Monitoring on hatchery and fish diseases controlling	✓	✓	✓
3. Monitoring certified hatchery	✓	✓	✓
4. Monitoring quality of fish seeds, parents stocks, food, drugs and raw material for aquacultures	✓	✓	✓
5. Total Quality Management (TQM) or Hazard Analysis Critical Control Point (HACCP) in fish processing unit	✓	✓	✓
6. Export quality of aquacultures product	✓	✓	✓
7. Management and protection of fisheries resources in small islands	✓	✓	✓
8. Monitoring of fisheries resources utilization in marine waters	✓	✓	✓
Processing and marketing			
1. Processing and marketing of fisheries products	✓	✓	✓
2. Development and management of fish market	✓	✓	✓ Including to maintain
3. a. Accreditation of quality control and fish processing	✓	✓, Including to issue quality certificate	
4. b. Laboratory for testing fisheries products	✓	✓	

Primary role/Authority areas/Sub-division/Divisional item on marine, coastal and fisheries affairs	Central Government	Provincial Government	Local Government
	Establishment policies, norms, standards, procedures and criteria	Implement policies, norms, standards, procedures and criteria within provincial authority areas	Implement policies, norms, standards, procedures and criteria within local authority areas
	Beyond 12 nautical miles (including EEZ)	12 nautical miles	One third of provincial authority
5. Quality control in fish processing unit, transportation and storage in accordance to TQM and HACCP	✓	✓	✓
6. Development and management of laboratory for quality control	✓	✓	
7. Monitoring antibiotic residue, bio-pollutant, hazardous material and environmental quality	✓	✓	✓
8. Investment and business development in fisheries business	✓	✓	✓
9. License on fish processing and marketing of fisheries products	✓	✓	✓
Extension and training			
1. Training and education on functional, technical, skill development, management and leadership on marine affairs and fisheries	✓	✓	✓
2. Extension on marine affairs and fisheries	✓	✓	✓
3. Accreditation and certification of type of training on marine affairs and fisheries	✓	✓	✓

Source: p. 792 - 823

Appendix 7. Konawe administrative statistics

<i>Kecamatan</i>	<i>Capital</i>	<i>Total Areas (Km2)</i>	<i>%</i>	<i>Kelurahan</i>	<i>Desa</i>	<i>Population</i>
Abuki	Abuki	637.56	5.46	1	23	14,866
Amonggedo	Amonggedo Baru	123.75	1.06	0	13	9,688
Anggaberri	Anggaberri	75.01	0.64	5	0	7,800
Asera	Andowia	2,197.72	18.83	1	31	11,628
Besulutu	Besulutu	111.26	0.95	0	11	7,602
Bondoala	Laosu	178.77	1.53	1	24	11,735
Lambuya	Lambuya	177.52	1.52	1	11	10,934
Langgikima	Langgikima	476.75	4.09	0	5	7,938
Lasolo	Tinobu	262.50	2.25	1	19	9,109
Latoma	Waworaha	936.34	8.02	1	10	7,550
Lembo	Lembo	78.12	0.67	0	9	7,577
Meluhu	Meluhu	207.03	1.77	0	7	8,809
Molawe	Molawe	365.06	3.13	0	8	7,571
Pondidaha	Pondidaha	156.28	1.34	1	9	8,948
Puriala	Puriala	268.78	2.30	0	12	7,589
Routa	Routa	2,188.58	18.75	1	17	7,500
Sampara	Pohara	60.01	0.51	1	20	10,659
Sawa	Sawa	118.15	1.01	1	14	8,044
Soropia	Toronipa	102.51	0.88	1	19	11,244
Tongauna	Tongauna	223.77	1.92	5	9	14,734
Uepai	Uepai	118.76	1.02	1	10	9,644
Unaaha	Punaaha	33.75	0.29	9	0	17,894
Wawonii Barat	Langara Laut	92.63	0.79	1	4	7,500
Wawonii Selatan	Bobolio	233.77	2.00	0	9	7,654
Wawonii Tengah	Lampeapi	142.39	1.22	0	5	8,015
Wawonii Timur	Munse	252.53	2.16	1	11	7,316
Wawonii Utara	Lansilowo	146.26	1.25	0	9	7,550
Wawotobi	Wawotobi	85.50	0.73	11	13	25,320
Wiwirano	Lamonae	1,505.09	12.90	0	6	7,502
Wongeduku	Puuduria	113.76	0.97	1	21	17,554
TOTAL		11,669.91		45	359	307,474

Appendix 8. Pangkep administrative statistics

Kecamatan	Centre	Total Areas (Km ²)	%	Distance (kms)	Kelurahan	Desa	Population
Liukang Tangaya	Sapuka	120.00	10.79	262.43	1	7	14.251
Liukang Kalmas	Kalu Kuang	91.50	8.23	185.82	1	6	11.664
Liukang Tupabirring	Balang Lompo	140.00	12.59	27.06	1	13	27.471
Pangkajene	Minasa Te'ne	47.39	4.26	0.00	9	0	36.182
Balocci	Balleangin	143.48	12.90	21.00	4	1	15.835
Bungoro	Bungoro	90.12	8.10	2.00	3	5	32.974
Labakkang	Labakkang	98.46	8.85	5.00	4	9	39.707
Ma'rang	Bonto-bonto	75.22	6.76	15.00	4	6	29.248
Segeri	Segeri	78.28	7.04	22.00	4	2	20.595
Minasa Te'ne	Minasa Te'ne	76.48	6.88	2.50	5	3	28.607
Tondong Tallasa		111.20	10.00	25.00	0	6	8.649
Mandalle		40.16	3.61	30.00	0	6	12.752
Total		1112.29	100.00		36	64	277.935

Distance = Distance from capital of Kabupaten (mil)

Appendix 9. Statistical information concerning the Islands in Pangkep

No	Kecamatan	Desa/ Kelurahan	Island	Status	Area (Km²)	Population
1.	Liukang Tupabbiring	Mattiro Ujung	Pandangan	Inhabited	10.00	658
			Kapoposang	Inhabited	5.00	461
2.		Mattiro Wallie	Samatellu Lompo	Inhabited	39.00	1.376
			Samatellu Pe'da	Inhabited	20.00	33
			Samatellu Borong	Inhabited	15.00	139
			Salebbo	Inhabited	20.00	353
			Reang-reang	Uninhabited	10.00	-
			Gusung Bano-banoang	Uninhabited	5.00	-
			Gusung Batu Luara	Uninhabited	2.00	-
3.		Mattiro Bombang	Salemo	Inhabited	10.00	1.747
			Sakuala	Inhabited	9.00	538
			Sagara	Inhabited	3.00	375
			Sabangko	Inhabited	1.00	176
			Gusung Torajae	Uninhabited	1.20	-
4.		Mattiro Kanja	Sabutung	Inhabited	14.00	1.412
5.		Mattiro Ulung	Kulambing	Inhabited	3.00	1.000
Bangko-bangkoan			Inhabited	2.00	838	
6.		Mattiro Labangen	Laiya	Inhabited	3.00	866
Wali			Inhabited	2.00	164	
7.		Mattiro Bulu	Karanrang	Inhabited	3.00	2.246
8.		Mattiro Baji	Satando	Inhabited	4.28	420
			Saugi	Inhabited	2.00	422
			Camba-cambayan	Uninhabited	0.40	-
			Sapuli	Inhabited	1.20	429
9.		Mattiro Dolangan	Podang-podang Lompo	Inhabited	3.00	867
				Uninhabited	1.00	-
			Podang-podang Cadi	Inhabited	1.20	391
			Lamputtang	Inhabited	1.30	241
	Pala Cengkeh		Inhabited	0.50	2	
10.	Mattiro Deceng	Badi	Inhabited	9.00	1.658	
Pajenekang		Inhabited	2.00	1.121		
11.	Mattiro Sompe	Balang Lompo	Inhabited	8.00	2.602	
		Balang Caddi	Inhabited	7.00	140	
		Panambungan	Uninhabited	2.00	-	
		Langkadea	Inhabited	0.70	1	
12.	Mattiro Bone	Bonto Sua	Inhabited	3.50	1.067	
		Sanane	Inhabited	2.50	1.032	

No	Kecamatan	Desa/ Kelurahan	Island	Status	Area (Km2)	Population
13.	Liukang Tupabbiring	Mattiro Langi	Sarappo Lompo	Inhabited	11.00	1.504
			Sarappo Keke	Inhabited	8.00	924
14.		Mattiro Matae	Gondong Bali	Inhabited	91.00	1.022
			Saranti	Uninhabited	10.00	-
	Tambakulu		Uninhabited	3.20	-	
Pammangganga	Uninhabited		2.10	-		
15.	Liukang Tangaya	Sabalana	Sabalana	Inhabited	24.00	393
			Matalaang	Inhabited	12.00	1.019
			Sanane	Inhabited	2.00	374
			Makarangana	Inhabited	4.00	168
			Lilikang	Inhabited	1.20	161
			Pammolikkang	Inhabited	1.10	135
			Laiya	Uninhabited	0.50	-
			Gusung Bassi	Uninhabited	0.70	-
			Meong	Uninhabited	0.40	-
			Saribu	Uninhabited	1.40	-
			Banuaia	Uninhabited	1.90	-
			Santigian	Uninhabited	1.90	-
16.		Balo- baloang	Balo-baloang Lompo	Inhabited	13.20	591
			Balo-baloang Caddi	Inhabited	12.10	90
			Sumanga	Inhabited	10.11	662
			Sanipa	Inhabited	9.10	229
			Pelokan	Inhabited	7.01	379
			Langkoitang	Inhabited	8.01	428
			Saregge	Uninhabited	2.10	-
			Manukang	Uninhabited	2.40	-
			Sadolangan	Uninhabited	1.10	-
			Pelokan Kecil	Uninhabited	1.13	-
			Bangko-bangkoang	Uninhabited	1.01	-
17.	Sabaru	Sabaru	Inhabited	11.40	750	
		Jailamo	Uninhabited	10.10	-	
18.		Tampaang	Tampaang	Inhabited	11.60	222
			Aloang	Inhabited	10.10	328
			Kawassang	Inhabited	9.10	214
			Sapinggang	Inhabited	1.17	246
			Bako	Uninhabited	0.90	-
			Pandangan	Uninhabited	0.89	-
			Satunggul	Uninhabited	0.99	-
19.	Satanger	Satanger	Inhabited	17.50	839	
		Karangan Satanger	Uninhabited	16.49	-	

No	Kecamatan	Desa/ Kelurahan	Island	Status	Area (Km2)	Population
20.	Liukang Tangaya	Sapuka	Sapuka	Inhabited	14.00	1.769
			Tinggalungan	Inhabited	13.10	250
			Kembang Lemah	Inhabited	12.10	569
			Sapuka Kecil	Uninhabited	10.17	-
			Sambar Jaga	Uninhabited	8.10	-
			Sambar Gitang	Uninhabited	1.13	-
			Sambar Galang	Uninhabited	1.1	-
			Caka-cakalang	Uninhabited	0.70	-
			Lamu-lamuruang	Uninhabited	0.90	-
			Sarassang	Uninhabited	0.97	-
			Sarassang Kecil	Uninhabited	1.00	-
			Karang Koko	Uninhabited	1.04	-
21.		Sailus	Sailus Besar	Inhabited	18.60	1.417
			Sailus Kecil	Inhabited	17.40	600
			Makaranganan	Inhabited	14.30	417
			Marabatuan	Inhabited	10.49	324
			Saujung	Uninhabited	8.00	-
22.		Kapopo- sang Bali	Kapoposang Bali	Inhabited	10.40	642
			Karangan Dondo	Uninhabited	9.39	-
			Sadapur	Uninhabited	1.10	-
			Sakonci	Uninhabited	0.98	-
			Sarimpo	Uninhabited	0.93	-
23.	Liukang Kalmas	Kelurahan Kalu- kalukuang	Kalu-kalukuang	Inhabited	23.00	2.051
			Togo-togo	Uninhabited	0.50	-
24.		Dewakang Lompo	Dewakang Lompo	Inhabited	10.90	1.112
			Dewakang Caddi	Inhabited	8.00	300
			Bangkuluang	Inhabited	2.00	83
25.		Marasende	Marasende	Inhabited	12.40	929
26.		Kanyurang	Bangko-bangkoang	Inhabited	83.90	909
			Butung-butungan	Inhabited	2.10	303
			Kanyurang Caddi	Inhabited	1.40	686
			Doang-doangan Lompo	Inhabited	4.00	
27.		Doang- doangan Lompon	Doang-doangan Lompo	Inhabited		639
			Bangko-bangkoang	Inhabited		639
			Togo-togo	Uninhabited		891
			Bangko-bangkoang	Uninhabited		475
28.		Sabaru	Sabaru	Inhabited		
			Pamolikang	Uninhabited		

No	Kecamatan	Desa/ Kelurahan	Island	Status	Area (Km2)	Population
29.	Liukang Kalmas	Panmas	Masalima	Inhabited	11.60	2.719
			Salinang	Inhabited	4.10	561
			Pammatuang	Inhabited	10.00	1.498
			Togo-togo	Uninhabited	0.50	
			Bangko-bangkoang	Uninhabited	1.00	

Source: Pemda Kabupaten Pangkep (2008a)

Appendix 10. Details of local rivers in Pangkep.

No.	Kecamatan	Rivers (Sungai)	Length (Kms)	Type of river
1.	Minasa Te'ne	Kalibone	9 Kms	Primary
		Mangemba	3 Kms	Inlet of Kalibone River
		Panaikang	6 Kms	Inlet of Kalibone River
		Tala-tala	2 Kms	Inlet of Maleleng River
		Langa-langa	2 Kms	Inlet of Maleleng River
		Risin	2 Kms	Inlet of Maleleng River
		Lamperangan	2 Kms	Inlet of Maleleng River
Sub-total length		26 Kms		
2.	Pangkajene	Maleleng	8 Km	Primary
		Baru – Baru	1.5 Kms	Inlet of Maleleng River
		Bonto Panno	4 Kms	Primary
		Pa'celang	1.5 Kms	Primary
		Pangkajene	10 Kms	Primary
		Padadaya	1 Kms	Inlet of Pangkajene River
Sub-total length		26 Kms		
3.	Bungoro	Passalisian	1 Kms	Inlet of Pangkajene River
		Bulu-bulu	1 Kms	Inlet of Pangkajene River
		Kampung baru	2 Kms	Inlet of Pangkajene River
		Padang-padangan	3 Kms	Primary
		Parang-parangan	1.5 Kms	Primary
Sub-total length		8.5 Kms		
4.	Labakkang	Labakkang	6.5 Kms	Primary
		Gentung	7 Kms	Inlet of Limbangan River
		Lerang-lerang	5 Kms	Inlet of Limbangan River
		Limbangan	9 Kms	Primary
Sub-total length		27.5 Kms		
5.	Ma'rang	Lempangan	5 Kms	Primary
		Sidenreng	5 Kms	Primary
Sub-total length		10 Kms		
6.	Segeri	Salo-salo Batue	2 Kms	Inlet of Bawasalo River
		Bawasalo	7 Kms	Primary
		Bawa Bone	4 Kms	Primary
		Benteng	7 Kms	Primary
Sub-total length		20 Kms		
7.	Mandalle	Lempangan (Sengkae)	5 Kms	Primary
		Kekeang	4 Kms	Primary
		Mandalle	4 Kms	Primary
Sub-total length		13 Kms		
Total length		131 Kms		

Source: (Pemda Kabupaten Pangkep 2008c)