## The Resistant of Central Government towards Participatory Resources Management: Case of Irrigation and Forestry Resources in Decentralized Indonesia<sup>1</sup>

#### Yonariza<sup>2</sup>

#### Abstract

Where global trend on common resources management has been toward participatory resources approach through decentralization, i.e. stakeholders at local level play a more equal role in resources management; this concept found it's still hard to be implemented in Indonesia. Although the macro political condition has been conducive, i.e.; regime has already changed from authoritarian one to a more democratic one, administration has been changed from centralization into a democratic decentralization, civil society has been active in promoting participatory management, but the bureaucracy at central government hardly changes. Through a strategy of "transfer and grab back", central bureaucracy manage to constantly play dominant role in common resources management. To revitalize its role, central government keeps modifying policies on these resources management. It consistently inserts phrases in natural resources law/regulation that allow it to penetrate into district level, it also uses moment of administrative split up of the province which put more resources categorized as national resources, accepting request from local government to upgrade district and provincial natural resource becoming national resources. These have bee facilitated by the fact that the country still depend on foreign aid for development program. This paper discusses how and why central government bureaucracy re-play dominant role in natural resources management amid the decentralization policy.

Keywords: decentralization, participatory approaches, NRM, forestry, irrigation, Southeast Asia, Indonesia

#### INTRODUCTION

#### Background and Objective

Indonesia underwent significant political and economic changes in mid 1998, as a result of the regional economic and financial crisis. This was renowned as the *era reformasi* (reform era) when Suharto's era ended. The civil society movement became rampant, carrying the main issue of popular participatory approach to every aspect of socioeconomic and political affairs against former centralized and top down approach. The subsequent weak Habibie administration had not so much choices but tried to respond as much as possible to the demand for decentralization and

<sup>&</sup>lt;sup>1</sup> Paper prepared for "Governing Shared Resources: Connecting Local Experience to Global Challenges The 12<sup>th</sup> Biennial Conference of the International Association for the Study of Commons", to be held in University of Gloucestershire, Cheltenham, England July 14-18, 2008.

 <sup>&</sup>lt;sup>2</sup> Research Associate, Center for Irrigation, Land and Water Resources, and Development Studies, Andalas University-Kampus Unand, Limau Manis, Padang, Indonesia. Email: yonariza@hotmail.com

participation as a way to resolve social unrest and separatism. Natural resources management, i.e., forestry, water resources, and irrigation were reformed significantly, responding to demand for participatory approach. The major change was the government decentralization policy, a 180-degree transformation, as far as state and civil society relation is concerned.

Theoretically, the Post-Suharto Indonesia was supposed to move toward a more participatory development planning, within the framework of new decentralization policies, which allowed local flexibility (Widianingsih, 2006).<sup>3</sup> What transpired, however, was quite different. As the time passed by and as administration changed, the central government bureaucracy begun to feel weak with less power and, thus started to re-accumulate influences. In the earlier phase, decentralization was a strategy of the central government to reduce separatist groups, however as it slowly regained power and influence, it started to re-centralize the power. Subsequently, the central government adopted a "take and grab strategy" in order to continuously monopolize power, including the management of natural resources.

This paper aims at assessing the condition of participatory commons management in Indonesia in recent years, especially that of irrigation and forest resources. Specifically, it aims at:

- 1. Discussing how the central government regained power in natural resources management after decentralization; and
- 2. Presenting evidences why the central government has the interest of regaining control over natural resources in spite of decentralization policy.

The paper argues that the central government is not willing to lose power in regards to natural resources management. As such, it finds its re-entry points in natural resources management under decentralization policy. This includes modifying earlier policies, laws, and regulations, or providing additional phrases to legitimize its entry; implementing administrative reorganizations that benefit the central government; and approving projects that would enhance its control over the country's natural resources. The central government finds interest in the control of the natural resources because this legitimizes its use of the federal funds. Unjustly, the government manipulates people's participation to justify its intervention in order to get new loans from foreign donors. For example, the on-going degradation of forest resources and irrigation facilities are attributed to the local governments' lack of capacity to conserve or rehabilitate such resources, further legitimizing its sole responsibility of rehabilitating those resources. Finally, this paper argues that decentralization is just another swing in governance pendulum theory that would eventually swing back to the other direction.

<sup>&</sup>lt;sup>3</sup> The benefits of decentralization lie in its capacity to increase people's participation in planning development activities (Conyers, 1990). Participatory development approach is among the eight major characteristics of good governance (OECD, 2001). Governance will find its best performance within decentralized systems (Samaratungge, 1998; Rondinelli and Cheema, 1983 as cited *in* Widianingsih, 2006). Nevertheless, even though relationships between decentralization and participation are obvious, the degree of success of participatory planning depends on power relationships (Conyers, 1990 as cited in Widianingsih, 2006). Decentralization is a precondition for participatory development and natural resources management (Narayan, 1995).

## Methodology

To examine the resistance of the central government towards participatory development and natural resources management in Indonesia, two natural resources namely forestry and irrigation system management were chosen. These two resources have undergone significant policy changes in the last decade. Historically, local community such as forest dwellers and people living in forest vicinities, as well irrigation communities already had experiences and institutions to manage the forest and irrigation systems indigenously, even before the arrival of the European colonialists in the archipelago. Hence, forest and irrigation management has been a local affair. Both resources have had several interventions by colonial and national governments. Indigenous knowledge and technology passed down through generations still exists and a great potential for participatory natural resources management. The farmers' irrigation management institution survives despite various forces of change (Lorenzen and Lorenzen, 2005). Majority of the irrigation systems with effective farmer management have long histories, and farmers have strong property rights over the systems, with deep respect toward decision-making authority on constitutional and collective-choice, and on operational rules (Meinzen-Dick, 2007). In the last decades, these two sectors received significant amount of foreign funding that may have affected the participatory approach, positively or negatively.

At the global level, the trend of irrigation management has been towards irrigation management transfer (IMT). Vermillion (2000) defines it as the turning over of authority and responsibility to manage irrigation systems from government agencies to water user associations. The same is true for forestry management, where participatory approach has been promoted in the last three decades.

Data and relevant information were mainly secondary data in nature, in which a cursory search that includes government documents on relevant laws and regulations was carried out. Direct observation and focus group discussions were also conducted. The author's interaction with irrigation and forest management stakeholders provided some insights on the issue.

#### Irrigation and Forest in Indonesia: a background information

Indonesia's irrigation networks had a total capacity to serve 6.77 million hectares of rice fields. Of which, about 48.3% of irrigation networks was in Java, 27.1% in Sumatra, 11.7% in Sulawesi, and 6.8% in Kalimantan, while the remaining, 6.1% in Bali, Nusa Tenggara, Maluku, Papua, and West Irian Jaya provinces. However, it was estimated that around 1.67 million hectares or almost 25% has yet to function well (Irianto, et. al., 2007). This is an indication of the government's failure in managing this resource. While for forest area in the country, as of 2006, the state reported that the forest land area was 133,694,685.18 hectares or 70.74% of the total land area, consisting the preservation and conservation forest, protection forest, limited production forest, production forest was 19,908,234.57 hectares or 14.89% of the total forest area. By law, the central government is responsible in managing this forest was 31,604,032.02 hectares (23.64%); limited production forest was 32,502,724.26 hectares (16.83%); production forest was 36,649,918.43

hectares (27.41%); convertible production forest was 22,795,961.00 hectares (17.05%); and the hunting park was 233,814.90 hectares or 0.17% of the total forest area (Ministry of Forestry of Indonesia, 2006). Under current law, the last four forest categories are under the jurisdiction and management of local governments. However, inter provincial production forest area or inter provincial protection forest area remain under the central government authority.

Indonesia's population in 2003 was 219.9 million (BPS, 2005). Around 48.8 million Indonesians live in and around the forest area and among these around 10.2 million people are classified as poor (CIFOR, 2000 and BPS, 2000). Around 6.0 million Indonesians make their living directly from forests and of these around 3.4 million people are employed in the private forestry sector (MoF, 2006). These data imply that without the active participation of local government and people, it is impossible for the government to manage those forest areas efficiently and effectively.

In 2004, there were 19,399 irrigation schemes that served a total area of 6,643,720 hectares in Indonesia. These irrigation systems were categorized according to scale and infrastructure, namely district scale (below 1,000 hectares within a district), provincial scale (1,000-3,000 hectares or inter districts irrigation system), and national scale (above 3,000 hectares or inter province and national irrigation system) or, in terms of infrastructure, technical system, semi technical system, and simple system. Technical system means an irrigation system in which the water flow can be controlled and measured. Semi technical means that the system in which the water flow can be controlled but cannot be measured, while a simple system means an irrigation system in which the water flow can be irrigation system with a command area of 2,413,053 hectares, 836 provincial irrigation systems with a command area of 1,365,975 hectares, and 371 national irrigation systems with a command area of 2,864,692 hectares (Ministry of Public Work 2004).

## Struggle for participatory management in Indonesia

Decentralization is a precondition for participation and successful decentralization promotes participation and accountability, which in turn lead to successful democratization (Takeshi, 2006). Proponents of decentralization argue that it is good for natural resource management, since it can incorporate local knowledge about the diverse resource base. By bringing decision-makers physically closer to citizens, public access is improved thereby promoting a greater sense of ownership of rules about resource use that should result in an increased willingness to abide by them (Carney, 1995:2 *cit in* Resosudarmo, 2004).

Participatory natural resources management is widely accepted as the most appropriate model for development of natural and common property resources (Levine, 1996; Margulies and Black, 1987).<sup>4</sup> The idea developed when the

<sup>&</sup>lt;sup>4</sup> Jaggi (1988) defined participatory management as "a cooperative process in which management and workers work together to accomplish a common goal." Unlike authoritarian, top-down management, which directly controls workers who are assumed to be unmotivated and in need of guidance, participatory management asserts that workers involvement in decision-making provide valuable input and enhances employee satisfaction and morale. Yankelovich and Immerwahr (1984) described participatory management as a system that opens the way for the work ethic to

government's monopoly of resources management failed. In Indonesia, the struggle towards participatory development and resources management was initiated by the civil society during Suharto era. In late 1980s, coordinated attempts were made to change natural resources management approach from being a purely state monopoly to that of participatory approach. The reason behind was that the state's natural resources management was inefficient and ineffective. The local water users such as farmers in irrigated area and people living in the vicinity of the forest area are interacting with these resources on daily basis. They are the most appropriate guardians of these resources. It has been proven that the local people have developed technology and institution in managing these resources. However, with a bureaucratic mindset, the government believed that it solely has the responsibility to manage the resources. As such, all resources were put under government management and seeing local people having no capacity to manage the resources.

Specific to the movement toward participatory irrigation and forest management, two nationwide civil society networks can be said to be influential in pushing the government to change the approach in natural resources management. These are Indonesian Irrigation Communication Network (IICN) and FKKM (Communication forum for Community Forestry). IICN was established by concerned NGO, researchers, bureaucracy, and funding agencies in early 1990s, to promote awareness among irrigation management stakeholders on the importance of participatory approach in resources management.

Similarly, Communication forum for Community Forestry (FKKM) promotes community-based forest management and reorients the bureaucracy toward participatory resources management. It was initiated in 1997 during a workshop at Gajah Mada University in Jogjakarta that came up with the idea of setting up a multistakeholder forum for social forestry in Indonesia (http://www.fkkm.org/about%20us.php).

A collaborative research carried out by some of the universities in Indonesia found out that local people have the capacity to manage resources, and that the performance of farmer-managed irrigation system was much better than those managed by the government. The same was true for forest management. The struggle toward community forest management begun in 1978, during FAO's Forest for People Conference held in Jakarta (Sardjono, 2004).

The political reform in 1998 has been the basis of many reforms in development initiatives, including participatory resource management approach in Indonesia. The era was conducive for popular participation since the government's power went down to its lowest level, and the government could not resist people's demand for change. Whether the change was genuine or phony, all laws and regulations about resources management, including irrigation and forest, were revised to adopt a participatory approach in all aspects and levels. Participatory stratagem became the common platform of management.

become a powerful resource in the workplace. They stated, however, that the persistence of the traditional model in American management discouraged workers, even though many wanted to work hard and do good work.

As result, in forestry sector, Law No. 5/1967 was replaced by Law No. 41/1999, which recognizes customary rights over forestlands, under certain conditions, and in agreement with MoF Decree No. 677/1998 that provides forest concessions for community forestry. These historical dynamics were the effects of the political reform in 1998 and the subsequent Regional Autonomy era in 2001. These factors have led to a paradigm shift, that is, from a state-based resource management to a community-based natural resource management (Bachriadi & Sardjono, 2005).

In Irrigation sector, Government Regulation No 74/1974 was replaced by Government Regulation No 77/2001 that also adopts participatory irrigation management in the form of Irrigation Management Transfer (IMT).<sup>5</sup> In addition, the Community Based Forest Management policy was established, which was absent in previous regulations. The GOI's policy emphasizes a participatory approach to the management of irrigation and water resources in a decentralized administrative and fiscal environment (ADB, 2006).

After a long struggle for people participation, the term 'participatory' begun to appear in government documents. With political reform and government decentralization in Indonesia in early 2000, "participatory" became a by-word and "participatory approach" found its way into official and legal documents related to resources management in Indonesia, particularly ubiquitous in strategic plans of executing agencies.

In its long term Development Plan 2006-2025, the Indonesian Ministry of Forestry, stated participation in the objective of forestry development, i.e., to encourage community participation. It is also found in its strategic mission, which is to improve social welfare and raise society's active role in supporting responsible and equitable forest management, that is, to encourage society's participation in managing forest resources. One way to achieve this objective is by creating community independence in forest management by providing clear forest management rights, strengthening institutions, and promoting stakeholder participation.

In irrigation sector, Indonesia issued Government Regulation (GR) No. 77 in early 2001 to transfer management of all public irrigation systems in the country to water user associations (WUA). The government would facilitate the irrigation management transfer, support capacity building and strengthen its link to WUA initiatives and contributions. Several decrees have been issued focusing on different aspects of the transfer as part of the overall decentralization policy of the government (Vermillion 2002, cit in Peter, 2004). These evidences during the early reform era show the government's consistent policy to reform natural resources management toward participatory approach. However, in subsequent administrations, the approach underwent ruinous changes.

<sup>&</sup>lt;sup>5</sup> In the Handbook on Participatory Irrigation Management (PIM), Peter (2004) defines Participatory Irrigation Management as the involvement of irrigation users in all aspects of irrigation management, and at all levels. All aspects include planning, design, construction, operation and maintenance, financing, decision rules and the monitoring and evaluation of the irrigation system. All levels include the primary, secondary and tertiary levels. A more comprehensive variant of PIM is Irrigation Management Transfer (IMT). IMT is the full or partial transfer of responsibility and authority for the governance, management and financing of irrigation systems from the government to water user associations (Vermillion 2003).

# RESISTANCE TOWARD PARTICIPATORY MANAGEMENT UNDER DECENTRALIZATION

In less than a decade of decentralization in Indonesia, the central government was able to reclaim its dominant role in irrigation and forestry management and development. Irrigation system is again treated as public infrastructures or utilities that must be managed by the central government. Farmers and water users are positioned only as beneficiaries. As a result, farmers and water user associations tend to be irresponsive and ignorant to the system condition (Irianto et al, 2007). In the forest sector, implementation of land and forest rehabilitation projects in the last four years has been beset with problems related to budget transparency, socialization, community involvement until planting of the seedling (Hasrul,<sup>6</sup>). It was also reported that affected communities were reluctant to participate in forest rehabilitation projects because of lack of socialization, transparency, planning process, as well as entitlement to the planted trees (Azis<sup>7</sup>)

Similarly in land administration, the central government under Megawati Administration issued Executive Decree No. 10, 62, 103 in 2001 and Executive Decree No. 34 in 2003, which according to the Association of District and Municipality Governments reflect the central government's reluctance to handover authority totally to local governments (APKASI, 2003). In the forestry sector, APKASI (2003) claimed that Government Regulation No. 34 issued in 2002 on Forest Management and Forest Management Plan Preparation, Utilization of Forest and Forest Land is against decentralization principles and appears to be re-centralization (APKASI, 2003).

Resistance to participatory management or efforts to maintain dominant role by the central government on natural resources management can be seen from various aspects. These efforts include modifying regulations, inserting phrases in regulations that ensure central government's heavy intervention in district affairs of natural resources management. The following sections elaborate the mechanism used by the central government bodies to resist decentralization and participatory approach.

## Slow process of issuing operating regulation

As mentioned earlier, the forestry law and water resources act have the spirit of decentralization and participatory approach. However, these laws require operating rules in the form of government regulations. Forestry Act No. 41/1999, for example, requires 21 regulations as operational rule. However, until now, almost ten years after the enactment of forestry law, there are only 11 government regulations issued<sup>8</sup>. Required government regulations that are supposed to lay down the mechanism for people's participation have not yet been issued. A case in point is the long-awaited implementing rules for Chapter IX of the Customary Law Community.

<sup>&</sup>lt;sup>6</sup> <u>http://www.fkkm.org/berita/index2.php?action=detail&page=124&lang=ind</u>

<sup>&</sup>lt;sup>7</sup> http://www.fkkm.org/berita/index2.php?action=detail&page=122&lang=ind

<sup>&</sup>lt;sup>8</sup> These are dealing with urban forestry, preparation for forestry plan, organizing forest and preparation of management plan, business license for forest utilisation, forest utilisation and use of forest area, forest protection and nature conservation.

The draft regulation was made in 2000, but eight years have passed with no final regulation issued to date. The same fate for government regulations on community participation in forest development.

## Changing regulation

To grab back the power and influence in natural resources management, forest and irrigation, the government changes regulations frequently. In irrigation, for example, GR No. 77 of 2001 was probably the most advance regulation as far as decentralization and participation are concerned, where the government adopted irrigation management transfer (IMT) principles in which the central government transferred the authority to manage irrigation systems to water user associations or federation of water user associations through their local governments. On the part of the central government, it was a great loss of power and authority in managing irrigation projects. Realizing this power loss, the central government changed the irrigation management regulation along with the change in water resources management act in 2004. Government Regulation No. 77 concerning irrigation was replaced by GR No. 20/2006, which deleted the provision on IMT and changed it with empowerment of WUA. In addition, the regulation specified that the central government has the responsibility to manage irrigation system with command area of 3,000 hectares and above, as well as inter provincial and international irrigation system. There was no rationale for such change. Article 87 simply indicated that with the enactment of GR No. 20/2006, GR No. 77 is invalidated. Effectively, GR No. 20/2006 restores power back to the government instead of to the water users.

The change in government regulation is sometimes so fast. For example, GR No. 6 of 2007 regarding Organizing Forest and Preparation of Management Plan was replaced with GR No. 3 of 2008. Due to this legal uncertainty, participation management remains illusive (Nomura, 2008). Moreover, with the traditional political culture persisting at the local and national levels, the powers-that-be were able to produce outcomes contrary to the local regulation.

Using GR No. 20/2006, irrigation management remains a significant program of the central government in spite of decentralization. In its medium term development plan (RPJM 2004-2010) the Ministry of Public Work has listed the following activities: (1) WUA empowerment; (2) improving the performance of irrigation systems that have not functioned in Outer Islands; (3) rehabilitation of 2.6 million hectares of irrigation system in rice production center region, and swamp system of 0.8 million hectare outside Java; (4) managing irrigation system of about 5.1 million hectares (almost covering all irrigated land), and other irrigation system of about 0.8 million hectare all over the country; (5) optimizing irrigated land and swamp land that have been developed; and (6) rehabilitation and reconstruction of irrigation systems damaged by natural calamity in Aceh and North Sumatra (Ministry of Public Work, 2007). These activities undermine the decentralization policy because, obviously, the central government still plays an important role in managing the irrigation systems.

## Legitimizing central government intervention in district level affair

Under decentralization policy, the central government is supposed to delegate the authority for natural resources management to district government, not to provincial

government. However, in the government regulations, central government inserted a phrase that allows the central government to directly intervene district governments. For example, Article 28, verse 4 of GR No. 20/2006 states that "the central government shall provide technical assistance directly to district government, who by law should provide technical assistance to WUA."

#### Legitimizing resource condition to be under national resources

Decentralization policy in Indonesia has categorized forest area and irrigation systems into national resources, provincial resources, district resources and village resources. In addition, it involves transferring power to district government. However, for inter district resources, management authority resides at the provincial government. For inter provincial resources, the management authority resides in the hands of the central government. Thus, both inter provincial and national irrigation scheme, as well as strategic irrigation systems are under the central government power.

Resources can be made to be under the central government's jurisdiction by changing its status from local to national resources, or as result of administrative maneuvering. Status of resources can be upgraded into national resources due to change its status or as result of administrative split up. These two mechanisms could restore power of the central government to manage the resources. In forestry sector, conservation forest such as protected area is under central government authority. Production and protection forest are under the responsibility of district governments. However, adjacent production forest and protection forest can be united to create a national park. National parks fall under conservation forest, thus falls under central government authority. A typical example is Mandailing Natal district government, who created Batang Gadis National Park (108,000 ha). The district government proposed to upgrade the status of protection forest and production forest into a national park, called Batang Gadis. Expectedly, the central government changed the status of production forest and protection forest into national park. The upgrade of the forest status automatically changed its status to fall under the central government management responsibility. The Batang Gadis National Park is an amalgam of six protection forests, one limited production forest, and permanent production forest.

The recent administrative split up in the country has produced 33 provinces from 26 provinces in 1999. The large province of Papua has been divided into three provinces, and there are 20 more proposals for new provinces.<sup>9</sup> As a consequence, more forest areas and irrigation systems fall under inter provincial category and thus legitimately fall under central government authority.

## Maintaining role as decision maker for resources assignation

As mentioned earlier, resources management in Indonesia is primarily based on resource status, i.e., forest is classified into four categories namely conservation forest, production forest, protection forest, and hunting park. The decision to assign the status of forest remains in the hands of the central government, although day to

<sup>&</sup>lt;sup>9</sup> <u>http://www.radarcirebon.com/kngn/index.php?option=com\_content&task=view&id=1192&Itemid=1</u> Mulailah dengan Konkrit by Suktikno, SH, MH

day forest management activities are theoretically decentralized to district government. The same is true for strategic irrigation system, irrigation system above 3,000 hectares of command area, and national irrigation system, which are all under central government authority. It is also the central government who decides which system can be categorized as strategic irrigation system.

#### **Resources condition**

An unintended result of the previous centralized resources management is severe degradation of resources that now require major rehabilitation, including serious deterioration of irrigation infrastructure now beyond the capacity of local governments to rehabilitate. The current irrigation infrastructures and forest resources are in dreadful conditions, as reported by the International Irrigation Communication Network in the year 2005. These conditions require major investment and justify central government intervention.

The same is true to Community Forest Program (HKM), which is implemented mainly in degraded production forests in Indonesia. Expectedly, local people's participation is expected to rehabilitate degraded forests. But without clear rights to the products, there is less incentive for the community to participate in forest management. The local people expect to harvest timber but their access to the resource had already been greatly decimated during the previous administrations' forest exploitation policy. In 2004, degraded forest area was 59.17 million hectares, while critical land outside the forest area was 41.47 million hectares (MoF, 2006). There were around

57.0 million hectares of degraded forests in Indonesia in the beginning of the 21<sup>st</sup> century, with annual deforestation rate ranging from 1.6 to 2.3 million hectares (Bachriadi & Sardjono, 2005).

## Interest of central government

What are the interests of the central government bureaucracy in regaining control over resources management as in the case of irrigation and forestry resources? These are (1) to have power over development funds and, (2) basis for territorial claims.

In Indonesia, irrigation and forest management projects are carried out by related agencies that heavily rely on state money and foreign donor funds. As such, there is an incentive for these agencies to claim bigger areas of responsibility as their operation is measured in terms of coverage area. If there is a self-reliant financial mechanism, it is likely that these agencies will be more effective. As Meinzen-Dick (2007) found out, initial improvements in irrigation system performance in the Philippines' National Irrigation Agency after it became financially autonomous. Thus, strategy for financing irrigation operation, maintenance and investment in terms of *Revolving Fund System for Irrigation* is presently recommended (Irianto et al 2007).

Implementation of participatory irrigation management in Indonesia has been carried out using foreign donor funds through a series of projects (Yonariza, 2003). Major international funding agencies, including the Asian Development Bank (ADB), Japan Bank for International Cooperation (JBIC), the Government of the Netherlands, and the European Union (EU), have used irrigation management reform policy as a stepping stone to implement policy reforms through a series of projects. World Bank piloted the implementation of irrigation reform policy in Java and Sumatra through the Java Irrigation and Water Resources Management Project (JIWMP). The pilot covered 263 irrigation systems between 1997 and 2001. Government of the Netherlands funded Water Resources and Irrigation Reform Implementation Program (IWIRIP) from 2002-2003. In 2003, ADB financed the Participatory Irrigation Sector Project (PISP) and Northern Sumatra Irrigated Agriculture Sector Project (NSI-ASP). The World Bank continues its support through the Water Resources and Irrigation Management Program (WISMP), a ten-year program that started in 2003. In year 2003 also, ADB proposed Loan For The Participatory Irrigation Sector Project (PISP).

Yonariza (2003) found that instead of participation, these donor funded projects were more involved in the mobilization of funds or at best they were participating at a very low level in Arsntein's ladder of participation. To justify participatory approach, the foreign funded projects mobilized people involvement at implementation level. Hidayat (2005) reported that implementation of irrigation management transfer projects were not truly participatory because it did not follow participatory steps as laid down in the Project Guidelines.

In 2005, the government of Indonesia borrowed from the International Bank for Reconstruction and Development to provide additional assistance towards the financing of Water Resources and Irrigation Sector Management Project. The amount of Ioan was US\$45,000,000 (Credit Number 3807-IND). One of the principles adopted by this project is *"participatory* irrigation management and development in the implementation of irrigation management based on the active participation of farmers in decision-making and implementation related to the initiation, planning, design, construction, upgrading, operation, maintenance and rehabilitation through the federated and legalized WUAFs" (IDA, 2005).

In the forestry sector, foreign donors are actively involved in forest management. The government is engaged in bilateral cooperations, including the signing of an MOU with the UK, and participation in the Forest Law Enforcement and Governance (FLEG) process, the EU Forest Law Enforcement, Governance and Trade (FLEGT) process, and the Asia Forest Partnership (AFP).<sup>10</sup>

Along with the funding scheme, donors bring a long list of regulations or project laws and the implementation schedule, given that participatory approach takes time and sometimes could not conform to project schedule. In some cases, a project is target oriented rather than process oriented. The donors, on the other hand, always endorse the views that participatory management or community management does not mean that the outside agencies drive off into the sunset and everyone lives happily ever after. Indeed, a comprehensive and effective framework for institutional support is needed if we want to keep the systems working after 'handing over' the

<sup>&</sup>lt;sup>10</sup> Since 1990, in an effort to reduce forestry crime, the government has conducted various forest law enforcement operations. At the global level, the government has engaged in several bilateral cooperations. However, so far these efforts have not yielded real results, and additional efforts are needed to effectively combat forest crime (Indonesia's Forestry Long Term Development Plan 2006-2025).

financial support (World Bank 2006). This again legitimize central government intervention under decentralization management.

The donors maintain assistance for forest management in Indonesia and even scaling it up. The World Bank, in its project called Sustaining Indonesia's Forests: Strategy for the World Bank, 2006-2009, proposes to scale up and mainstream assistance in Indonesia's forestry sector. Since these projects are funded by foreign donors, it is under central government's interest to control usage of the fund.

It is obvious that the central government maintains a perspective that irrigation and forest resources management is the heart of its territorial power. As such, the government would maintain as large an area as possible under its control. This confirms Vendergest territorialization theory in which the state would claim more area under its control, either forest or irrigation, since the annual budget would depend on the size of the territory they control (Vandergest, ). Regional governments, on the other hand, are also highly dependent on central government for development funds, thus, the government continuously undermines successful community managements (Yuwono, 2004).

## DISCUSSION

Indonesia has embarked on a regional autonomy rather than a simple administrative decentralization since early 2001, in which provincial or district government has right, authority and responsibility to rule and govern its own affair in all fields of government and community interest in accordance with law (Local Government Law No. 32 of 2004). This has been a long struggle since the Soeharto era. Along with the spirit of decentralization, the struggle carries with it the spirit of participation in which autonomy is expected to happen down to the village level and people actively participate in decision making with regard to development program and natural resources management.

Proponents of participatory approach lay down some conditions that enable application of the approach. These include democratic decentralization of resources management, democratic political environment, and growing of civil societies as pressure groups. Many developing countries have fulfilled these conditions, however, participatory approach remains an illusion. Ostrom suggests that participatory strategies are conditioned by three factors namely the attributes of the goods resource, the attributes of the user-group, and the attributes of the institutional arrangements (Sekher, 2001).

The bureaucrats' resistance against decentralization has been observed in many places, particularly in developing countries, after participatory approaches in development programs and resources management are introduced. Thus, the bureaucrats' commitment for change is one important issue in assessing the extent of participation. Bureaucrats make implementation of policy decision severely constrained since they are reluctant to change voluntarily (Fernandez, 2004). Although participatory approach is believed to be more appropriate as far as sustainability, cost and benefit are concerned, there are some problems of adopting participatory approach either in resources management or rural development activities. There are several preconditions that must be fulfilled such as demand

driven, participatory, transparency, flexibilities, decentralization, openness, accountabilities, and integrity both in the social and technical aspects (Irianto *et al*, 2007). Lotz-Sisitka and Burt (2006) list a number of key issues that may potentially impact participatory practices in irrigation management, one of which being the need for an in-depth understanding of the reasons for participatory practice amongst all stakeholders, which includes the legal and social aspects of participatory practice, as well as knowledge of water use, and an understanding of the sustainability of the water cycle and ecosystems.

In comparison in other developing countries, e.g., the state of Kerala in India, the power dynamics are more intricate than at the village level, hence greater resistance by the bureaucracy (Chathukulam & John, 2002). It appears that participatory interests wither with the passage of time, that is, the initial enthusiasm and public participation will gradually diminish. For example, in Madhya Pradesh, Menon (2007) found that the diminishing interest is due to several reasons like over politicization, lack of devolution of power from district authorities, bureaucratic apathy to share power with local representatives, and unequal social structure dominated by caste and class.

It has been noticed that there are constraints even at policy level, which impinge on the effectiveness of participation in relation to peoples' rights and access to information, and there may be resistance within bureaucracies to work in innovative ways (World Bank 1996). Indonesia is in its early stage of adopting participatory approach. How long will it take for the country to implement the approach properly? The length of time and the conditions that will make the bureaucracy support participatory approach remain to be seen. In the earlier period of decentralization, increased autonomy in decision-making and a more just distribution of resources are crucial to prevent national disintegration, hence decentralization became the alternative (Van Zorge, 1999:4 *cit in* Resosudarmo, 2004).

Participatory natural resources management is about empowerment of local people and program beneficiaries. Based on Arnstein's ladder of participation, Indonesia still has a low level participation. There are some challenges to improve participation, which include empowering people, developing their self-esteem, and demolishing their recipient mentality, to name a few. This recipient mentality is one aspect that Indonesians must change, in order to become independent and autonomous. Meinzen-Dick (2007) opined that reform of state institutions alone is unlikely to improve the performance of irrigation systems; attention is also needed to deal with a range of characteristics of the resource system, governance system, and users. In Indonesian case, reform of concerned state institutions would be the first stage toward participatory management. Participatory is real if each individual stakeholder is responsible for nation building.

As suggested by Meinzen-Dick (2007), effective irrigation management requires going beyond single-policy solutions to a more nuanced approach that builds on better diagnosis and adaptive learning to find solutions that fit local biophysical, social, and economic conditions. However, taking back responsibility from local government and farmers without timely evaluation of the progress and enough learning would be inappropriate.

#### CONCLUSION

Amid the global trend of decentralization in many parts of the world today, Indonesia's central government still monopolizes the development and resources management activities. From this paper, development activists will learn that participatory approach needs more requirements to ensure successful implementation. Unless unity in vision and action among concerned stakeholders is developed, participatory approach will remain an illusion. The central government will use any means to restore its power and influence over resources management that, unfortunately, will undermine the development aspirations of the people.

#### References

- ADB and World Bank 2005. Decentralization in the Philippines Strengthening Local Government Financing & Resource Management in the Short Term. A Joint Document of The World Bank and The Asian Development Bank. March 31, 2005. Manila and Washington DC: Poverty Reduction and Economic Management Unit East Asia and Pacific Region The World Bank and Philippines Country Office South East Asia Region Asian Development Bank.
- Asian Development Bank. 2006. Participatory Irrigation Sector Project. (Loan No. 2064(Sf)-Ino/2065-Ino). Special Administrative Review Mission (October 2006).
- APKASI. 2003. Policy Paper National Working Meeting III. The Association of District and City Government Indonesia, 24 - 26 Augustus 2003. Jakarta
- Bachriadi, D & Sardjono, M.A. 2005. Conversion or Occupation?: The Possibility of Returning Local Communities' Control Over Forest Lands In Indononesia.
  Paper was prepared and presented through the program of International Exchange in Environmental Governance, Community Resource Management and Conflict Resolution (Green Governance/Green Peace Program) in the frame of Cooperation between the Institute of International Studies, University of California Berkeley, and the KARSA Foundation (Indonesia) under sponsorship of the Henry Luce Foundation, in Berkeley (CA) from September-December 2005.
- Chathukulam, J. & John. M S. 2002. Five Years of Participatory Planning in Kerala Rhetoric and Reality. EPW Special Article December 7, 2002.
- Department of Public Work Republic of Indonesia. *Statistik Online* (Online statistics) <u>http://www.pu.go.id/infoStatistik/Internal%20departemen/sda/</u> [access May 17, 2008].
- Fernandez, J. 2004. Indonesian participatory budgeting efforts. LogoLink International Workshop on Resources, Citizen Engagement and Democratic Local Governance Porto Alegre, Brazil, 6-9 December 2004.

- Hidayat, K. 2005. Implementasi Program Penyerahan Pengelolaan Irigasi Dan Kinerja Gabungan Himpunan Petani Pengelola Irigasi Studi Kasus di Daerah Irigasi Pehngaron Kabupaten Mojokerto dan Bareng Kabupaten Jombang, Jawa Timur (*The implementation of Irrigation Turn Over Program and Performance of WUA Federation, a Case Study at Pehngaron Irrigation System Mojokerto District and Bareng Irrigation System Jombang District, East Java*). *Habitat* Publikasi Jurnal Habitat Fakultas Pertanian Brawijaya University, Vol. XVI No 1 Maret 2005.
- IDA (INTERNATIONAL DEVELOPMENT ASSOCIATION). 2005. Development Credit Agreement (Water Resources and Irrigation Sector Management Project).
- Irianto, G., Huda, S., Amien, I., and Manan, H. 2007. Integrated Approach on Sustainability of Irrigation Scheme. Paper presented at The 4th Asian Regional Conference & 10th International Seminar on Participatory Irrigation Management Tehran-Iran May 2-5, 2007.
- Levine, Hermine Zagat. 1996. The Failure of Participatory Management. *Compensation and Benefits Review;* Mar/Apr 1996; 28, 2; ABI/INFORM Research pg. 77.
- Lorenzen, R. P. and L, S. 2005. A case study of Balinese irrigation management: institutional dynamics and challenges. Paper presented at 2nd Southeast Asia Water Forum, 29 August - 3 September, 2005. (no place specified).
- Lotz-Sisitka, H. & Burt, J. 2006. A Critical Review of Participatory Practice In Integrated Water Resource Management. Environmental Education and Sustainability Unit, Rhodes University, Grahamstown.
- Margulies, N. and Black, S. 1987. Perspectives on the Implementation of Participatory Approaches. *Human Resource Management (1986-1998);* Fall 1987; 26, 3; ABI/INFORM Research pg. 385.
- Meinzen-Dick, R. 2007. Beyond panaceas in water institutions. PNAS \_ September (104) 39; 15200–15205. www.pnas.org cgi doi 10.1073 pnas.0702296104.
- Menon, S. V. 2007. Decentralised Governance and De-Bureaucratisation in Madhya Pradesh. (Working Paper). Available online: <u>http://dlc.dlib.indiana.edu/archive/00002248/</u> [access: Sunday, April 27, 2008].
- Ministry of Forestry of Indonesia. 2006. Indonesia's Forestry Long Term Development Plan 2006-20025. Jakarta: Ministry of Forestry of Indonesia.
- Narayan, D. 1995. Designing Community Based Development. Environmental Department Paper No. 007. Washington, D.C.: The World Bank, June 1995.

- Nomura, K. (2008). The Politics of Defining Participatory Forestry: A Case From Democratizing Indonesia. *The Journal of Environment & Development* (17); 166-191.
- Peter, J.R. 2004. Participatory Irrigation Management. Paper presented at Inaugural Symposium The International Network for Water and Ecosystem in Paddy Fields. 1-2 November 2004 Mita Conference Hall, Tokyo, INWEPF/SY/2004(06). http://www.maff.go.jp/inwepf/documents/inaugural/inpim-note.pdf.
- Resosudarmo. I.A.P. 2004. Closer to People and Trees: Will Decentralisation Work for the People and the Forests of Indonesia? *European Journal of Development Research* 16 (1), pp.110–132.
- Sardjono, M. A. 2004. KM, Dulu dan Sekarang (community forest, past and present). Warta FKKM Vol. 7 No. 12, Desember 2004.
- Sekher, M. 2001. Organized participatory resource management: insights from community forestry practices in India. *Forest Policy and Economics* 3 (2001); 137-154.
- Takeshi, I. 2006. The Dynamics of Local Governance Reform in Decentralizing Indonesia: Participatory Planning and Village Empowerment in Bandung, West Java. *Asian and African Area Studies*, 5 (2): 137-183, 2006.
- Vermilion D.L. and Brewer, J.D. 1996. Participatory action research to improve irrigation operations: Examples from Indonesia and India. In ICID and FAO Irrigation Scheduling: From Theory to Practice – Proceedings. FAO - Food and agriculture Organization of the United Nations and ICID - CIID Proceedings of the ICID/FAO Workshop on Irrigation Scheduling, Rome, Italy, 12-13 September 1995.
- Vermillion, D.L. 2001. Irrigation Sector Reform in Indonesia: From Small-Scale Irrigation Turnover to the Irrigation Sector Reform Program. Paper prepared for International E-mail Conference on Irrigation Management Transfer June – October 2001. FAO INPIM. http://www.fao.org/AG/agl/aglw/waterinstitutions/
- Widianingsih, I. 2006. Local Governance, Decentralization, and Participatory Planning in Indonesia: Seeking a New Path to a Harmonious Society. Paper presented at 2005 annual conference of the Network of Asia-Pacific Schools and Institutes of Public Administration and Governance (NAPSIPAG) held in Beijing, People's Republic of China December 2005. In Raza Ahmad (Ed) The Role of Public Administration in Building a Harmonious Society. Network of Asia-Pacific Schools and Institutes of Public Administration and Governance (NAPSIPAG).
- World Bank 1996. The World Bank Participation Sourcebook. Washington, D.C.: The World Bank.

- World Bank. 2006. Sustaining Indonesia's Forests: Strategy For The World Bank, 2006-2009. Washington: The International Bank for Reconstruction and Development. (Loan No. 2064(Sf)-Ino/2065-Ino). Special Administrative Review Mission (October 2006).
- Yonariza.2003. The Implementation of Donor-Driven Irrigation Management Decentralization Projects: Some Observations In West Sumatra Province, Indonesia. Presented in Governening the Commons, IASC Regional Conference. Chiangmai: Regional Center for Social Development Chiang Mai University.
- Yuwono, Godril. D. 2004. Masyarakat Lokal, Negara, dan Hutan Desa (Local community, state, and village forest.