

The paradox of special autonomy: Why does wealth make Papua poor?

Paradoks otonomi khusus: Mengapa kekayaan dapat memiskinkan Papua?

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Abstract

Papua's Special Autonomy has been running for two decades with a budget disbursement of approximately 101.2 trillion rupiah. In line with that, this study aims to analyze the problems that occurred in Papua during the implementation of special autonomy. This research is qualitative research using data from books, journals, and media reports. This research adopts Bardhan and Mookherjee's theory about the condition of fiscal decentralization which generates welfare. The research results substantially consist of two main things. First, from the point of view of local democracy, previously the special autonomy policy in Papua had not fully involved local (customary) figures in managing the special autonomy fund. Second, special autonomy in Papua has made budget items increase, both from central to regional transfer funds or other balancing funds. However, this fiscal authority is not accompanied by good capacity building for the organizers of the special autonomy for Papua. Therefore, it can be concluded that the implementation of special autonomy for Papua over the last two decades has not been able to function local democracy and produce reliable fiscal authorities so that the road to prosperity is still long.

Keywords: asymmetric decentralization; fiscal decentralization; local democracy; Papuan welfare

Abstrak

Otonomi Khusus Papua telah berjalan selama dua dekade dengan kucuran anggaran kurang lebih 101,2 triliun rupiah. Sejalan dengan itu, studi ini bertujuan untuk menganalisis permasalahan yang terjadi di Papua selama dua dekade pelaksanaan otonomi khusus. Studi ini merupakan penelitian kualitatif dengan menggunakan data dari buku, jurnal, dan laporan media. Teori yang digunakan dalam studi ini adalah teori Bardhan dan Mookherjee tentang kondisi desentralisasi fiskal yang menghasilkan kesejahteraan. Hasil kajian ini secara substansial terdiri dari dua hal utama. Pertama dari sudut demokrasi lokal, hadirnya kebijakan otonomi khusus di Papua belum sepenuhnya melibatkan tokoh-tokoh lokal (adat) dalam menjalankan dana otonomi khusus. Kedua, otonomi khusus di Papua memang telah membuat pos-pos anggaran meningkat baik itu dari dana transfer pusat ke daerah, maupun dana perimbangan lainnya. Namun kewenangan fiskal ini nyatanya tidak dibarengi dengan peningkatan kapasitas yang baik, dari penyelenggara otonomi khusus Papua. Oleh karena itu, dapat disimpulkan bahwa pelaksanaan otonomi khusus Papua selama dua dekade ini, belum mampu memfungsikan demokrasi lokal sekaligus menghasilkan kewenangan fiskal yang handal sehingga jalan yang ditempuh menuju kesejahteraan masih panjang.

Kata kunci: desentralisasi asimetris; desentralisasi fiskal; demokrasi lokal; kesejahteraan Papua

Introduction

The purpose of this study is to analyze the two decades of implementation of special autonomy arrangements that have been running in Papua from the point of view of fiscal welfare. The decentralization paradigm in regulating the relationship between the Central Government and the Local Government provides opportunities for the regions to accelerate the various problems experienced by the regions. This is because there is a transfer of government power and authority from the central to the regional authorities so that poverty alleviation programs and welfare outputs for the community can be realized (Setiawan 2022d). This condition also shows that there is a shift from an authoritarian system to a democratic system. This is marked by a centralization movement toward decentralization

which is expected to be able to provide opportunities for regions to answer various challenges that have not been resolved at government level. The commitment became clearer where in its journey gave birth to two arrangements, namely symmetrical decentralization and asymmetric decentralization. The term asymmetric decentralization in the Indonesian context is a positive sign in the realm of democracy as the main buffer of the building of democracy (Marit & Warami 2018).

Judging from the experience of many countries in the world, asymmetric decentralization arrangements have not yet become a global norm and an exclusive practice in a unitary state, known as special autonomy or asymmetrical autonomy. The British state uses the terms symmetric decentralization, devolution asymmetry, or asymmetric fiscal decentralization (Nurmasari & Hafis 2019). Usually, the practice of asymmetric decentralization is widely used in states in the form of federal-unions (unitary states). Therefore, in the context of Indonesia as a country with a form of unitarism (unitary state) it seems to be looking for an appropriate format to be implemented in regulating central relations and areas.

Special autonomy arrangements in Indonesia are implemented by considering the various characters and socioeconomic arrangements that exist. This special autonomy status is translated in preferential and special practice. D.I. Yogyakarta obtained this special status given its historical considerations. Meanwhile, DKI Jakarta is given a special status because it is the of the national capital. Whereas for Aceh and Papua, they gained a special status for resolution-integration reasons (Permatasari 2014). Interestingly, from some of these arrangements, it seems that, in the context of Papua, this special autonomy status does not resolve the roots of the existing welfare problem pressure. In fact, the special autonomy is actually aimed at Papua catching up in aspects of education, health, poverty, unemployment, inequality economic distribution, and a weak human development index. Compared to the situation in Aceh, for Papua, the special autonomy does not solve welfare issues. Similarly, what happened in Aceh was as a region that was given special autonomy status.

The question is, why does this Papua special autonomy seem like a welfare paradox? Then, what is causing the special autonomy arrangements not to work as they should? These two questions are urgent to ponder because, prior to the existence of special autonomy, Papua also experienced similar problems., despite being an area in Indonesia which is very abundant in natural resources. So, why is Papua good in the midst of an abundance of natural resources and special autonomy arrangements which are then followed by the flow of special autonomy funds but is still trapped in poverty. This situation is indeed a paradox experienced by Papua. The greater fiscal capacity actually results in a lower level of socioeconomic welfare. A study conducted by Ikhsan et al. (2020) regarding poverty alleviation in Aceh through the use of special autonomy funds found these turned out to be ineffective in reducing the number of poor people. There are several factors why the special autonomy funds that occurred in Aceh still keep it in a poverty trap to this day. Participation, accountability and transparency factors become obstacles in the implementation of the distribution of these funds. However, what is no less important is that the transfer of the special autonomy funds from the center to the regions is not followed by the development and improvement of human resource capacities and capabilities people in Aceh (Ikhsan et al. 2020).

This reality seems to also occur in Papua. There are governance issues that remain deadlocked. The two regions, each of which received special autonomy status due to the integration-resolution, with large natural resource wealth, were also in tune with the poorest regions. Papua bears it at the national level and Aceh at the Sumatra Island level. In addition, in the context of Papua, research conducted by Cahyaningsih & Fitriady (2019) regarding the impact of fiscal asymmetric decentralization on education and health in Papua from 1994 to 2016 using the SCM (Synthetic Control Method) method shows that, since Law no. 21 of 2001 concerning special autonomy for Papua, there has been a negative impact on education and health outcomes in Papua (Cahyaningsih & Fitriady 2019, Nurmasari & Hafis 2019). This means that the fiscal capacity of the Central Government, which should be a blessing for fiscal resources in Papua, does not solve education and health problems. This reality is almost the same as what happened in Aceh. However, in the context of Papua, it seems that the issue of special autonomy will not be able to produce prosperity if you look at it since the first year that Papua received the special autonomy funds. Therefore, if this special autonomy is seen as an instrument to turn the natural resource curse in Papua into a blessing, the Central Government will need to first fix and improve the social institutional economic factors in Papua (Wang et al. 2021).

It should be understood that the implementation of special autonomy as an implication of asymmetric decentralization at the same time demands democratization efforts. Decisions are no longer truly country-centric. However, with this arrangement, the regions are given the authority to make policies because it is believed that the regions are closer to the community and know the needs and problems experienced by the community. In addition, decentralization then has implications for special autonomy promises to increase democratic participation with closeness between the government and its citizens. It is believed that devolving power to the subnational level will enable citizens to communicate their preferences more effectively and, in turn, will create an accountable system of government (Stoyan & Niedzwiecki 2018). It is through this mechanism that the welfare output of the Papuan people can be realized.

This paper will discuss two questions that have been formulated in this research using the special autonomy case study in Papua. The first problem to be solved in this research is how special autonomy exists in Papua to provide welfare output? Then, the second question is what are the prerequisites that must be met in realizing the implementation of this special autonomy in the context of accelerating prosperity for Papua? These two questions will form the basis of what will be reviewed in this paper. Taking into account the implementation of Papua's special autonomy so far, with abundant natural resources coupled with the transfer of fiscal capacity from the government, which amounts to trillions of rupiah filling the regional pockets, this should be a blessing. An increasingly heavy budget will certainly bring Papua closer to the welfare spectrum. This can be seen from the improvement in the quality of public services, low poverty rate, high HDI, declining unemployment, non-sharp economic inequality and disproportionate attribution of income, ease of access to education and health as a form of welfare output. However, all this has not been realized so far. BPS data for 2018, 2019, 2020 and 2021 show that the percentage of poverty in Papua is very high nationally. This condition suggests the flow of large fiscal capacity has no effect. Therefore, this research is interesting and urgent to see how this special autonomy goes hand in hand in bringing the natural breath of growth and development of democratization, which are able to create prosperity, but paradoxically does not occur in Papua.

This research will use Bardhan & Mookherjee's (2006) theory which states clearly that decentralization is interpreted as a transfer of dreams from the center to the regions, from national to subnational which will produce welfare outputs if four prerequisites are met, namely: the functioning of local democracy, fiscal autonomy is enjoyed by Regional Governments including regional governments to generate their own financial resources with adequate task management capabilities, there is no element of externalization in inter-community and inter-regional relations, and ownership of technical or administrative capacity by government officials (Bardhan & Mookherjee 2006).

The absence of even one of these prerequisites will lead the decentralization to be trapped in corrupt practices and other abuses of power. If this special autonomy is seen as an implication of the existence of asymmetric decentralization, then, in order to pay attention to the welfare of these four prerequisites, it must be fulfilled. Therefore, in the reality of welfare in Papua that has not yet been seen, it is necessary to explore the extent to which this special autonomy arrangement is capable of managing and recognizing these four prerequisites. However, this study will only measure with two indicators, namely the first and second points. This is because, during the past two decades, the implementation of special autonomy has been far from the goal of welfare. This means, this study has an initial suspicion that the four indicators have not been met. Therefore, to prove it, only two indicators will be used.

Research Method

The research method used is a qualitative case study. Case study is a research design in which the researcher explores a particular phenomenon (case) in a certain time and activity (program, event, process, institution or social group) and collects detailed and in-depth information using various data collection procedures over a certain period (Assyakurrohim et al. 2022). This type of qualitative case study research is rich in description because it is explored in depth and various sources of information, consisting of keys such as observation, interviews and documentation, so that qualitative case study research is generally more illustrative than comparative or predictive (Adlini et al. 2022). Furthermore,

the selection of qualitative research case studies aims to reveal a phenomenon in depth, detail, intensively, holistically and systematically about the events that occurred (Fadli 2021). Based on the types of research above, the key instrument for the success of this research lies with the researchers themselves. The final results of qualitative case study research are strongly influenced by the reflection and abilities of the personal views, thoughts and knowledge of the researcher, by collecting the necessary data and interpreting the data from the actual context. This research was conducted from 2 December 2021 to 5 January 2022. The locus of this research is the implementation of two decades of special autonomy in Papua. Researchers collected various information sourced from official data from government authorities supported by various relevant literary media to answer the formulated questions.

Research data collection techniques began with a search based on a review of relevant documents such as local and national documents through the official websites and several previous books and articles related to the topic of Papuan autonomy and prosperity in Papua. After all the data were obtained, then selecting and sorting the data according to the indicators studied in each sub-study was performed. Furthermore, the author then demonstrates the findings and also discusses them using an analysis from Bardhan & Mookherjee (2006) which explains the function of democracy at the local level, then explains the fiscal autonomy they have and the regional authority to produce its own financial resources with its management capabilities. Of the two indicators that serve as a reference for presenting research data, it was found that there is an urgency related to problems that occur in the local sphere related to development welfare in Papua. So that, in the end, these findings become the basis for further researchers to answer the problems that occur. Meanwhile, in the analysis and drawing of research conclusions, Huberman & Miles (2002) explain that, in qualitative research, data analysis techniques can use several steps. The first stage is the collection of research data. After deeming the data collected sufficient, data reduction and data presentation were carried out. The final stage is verification or drawing research conclusions (Raco 2018).

Results and Discussion

Special autonomy as an implication of asymmetric decentralization is basically encouraged to build welfare. Therefore, the presence of this order also demands democratization. The relationship between special autonomy and welfare can be seen by recognizing that democratization is a link between special autonomy and welfare. Without building a good democratization system, this decentralization will not be able to achieve welfare goals. It is, therefore, necessary to understand that this decentralization has the potential to reduce conflict by providing space for political participation of local minorities and other subnational groups, as well as expanding government control to more areas, so as to increase trust between parties at the local level and redistribution of resources in the regions (Mainali et al. 2021).

Therefore, in this context, restoring the function of local democracy is what must be built first so that this welfare base is solid. On the other hand, failure to restore the function of local democracy will have an impact on the welfare of the goods. This can be detected by the emergence of various conflicts involving the central and regional governments through power struggles, the creation of regional disparities between regions rich in natural resources and areas that are poor in resources; furthermore, this has led to institutional and development process failures in local democratization itself. If so, it can be ascertained that decentralization, which has implications for this special autonomy arrangement, will not produce real welfare for the people.

Special autonomy and the functioning of local democracy

Before talking about welfare in Papua, one of the elements that must be fulfilled by an asymmetric decentralization order is to restore the function of local democracy in Papua. This needs to be emphasized because special autonomy in Papua is a form of asymmetric decentralization. Several studies on asymmetric decentralization in Papua show that this asymmetric status has a slightly different level of uniqueness when compared to other asymmetric recipients such as in Aceh, DKI Jakarta, and D.I. Yogyakarta. This can be seen from the political system and local government that is run in Papua. Looking at the local political aspects in Papua, the legislature there is almost similar to the two-chamber

legislative system (bicameral) as in the United States, namely the existence of a DPR with the presence of a senate and congress or in the Malaysian parliament which recognizes the existence of a state council and a people's council (Ronsumbre & Kartini 2020).

This form in Papua follows the logic of a bicameral parliament because it recognizes people's representatives who are elected through political parties and representatives of customary territories, where these two elements are mutually binding (unity) in the local parliament known as the Papuan People's Representative Council (DPRP). In addition, the uniqueness of the political system is reflected in the composition and posture of the parliament. In Papua Province it is also known as a deliberative institution known as the Papuan People's Council (MRP). This institution is a representation of tripartite elements in Papua, namely representatives of religious leaders, women's representatives and representatives of indigenous Papuans. This condition gives a new color to the local government system in Papua. However, it should be remembered that the MRP institution is only a deliberative institution and does not have regulatory authority like the DPRP, so this is a criticism of the local political system in Papua (Ronsumbre & Kartini 2020).

Seeing this fact, and since Law Number 21 of 2001 concerning Special Autonomy for Papua was promulgated, the construction of the elements and elements of the uniqueness of the local political system in Papua has involved them proportionally and maximally as part of their Papuan identity. Special autonomy will be successful if it is able to revive local democracy. That is, by looking at the posture of the bicameral political system, and how have they been represented so far. An illustration of the distribution of indigenous peoples in Papua can be seen in Table 1.

Table 1.
Division of indigenous territories in Papua

No	Indigenous Territories and the Geographical Scope of Regencies/Cities	Number of Members	Deputy's Name
1	The Pogo Jayawijaya, Puncak Jaya, Puncak, Tolikara, Lani Jaya, Nduga, Gunung Bintang, Mamberamo Tengah Yalimo and Yahukimo	4	1. Arnold Wenekolik Walilo 2. John W. Will 3. Kope Wonda 4. Timothy Wakur
2	Me Pago Nabire, Paniai, Deyai, Dogiyai, Intan Jaya and Merauke	3	1. Ferry Omaleng 2. John Seeds Robby Gobay 3. Julian Miagoni
3	Saireri Mamberamo Raya, Waropen, Yapen Islands, Biak Numfor and Supiori	3	1. John Luis Ronsumbre 2. Yonas Nusi 3. Yotam Bilasi
4	Subordinate Jayapura, Jayapura, Keerom and Sarmi cities	2	1. Ramses Ohee 2. Piter Kwano
5	Ha Anim Merauke, Mapi, Asmat and Boven Digoel	2	1. Frits Tabo Wakyasu 2. Maria Elizabeth Kaize
Sum		14	

Source: Papuan People's Representative Council data Report (Papuan People's Representative Council 2019)

Looking at the reality in Papua, is this element being accommodated in the implementation of special autonomy in Papua? If you look at the relationship between indigenous peoples, it can be seen that the oath-taking of DPRD members from elements of indigenous peoples could only be realized in December 2017 or almost two decades after the regulation (Ronsumbre & Kartini 2020). This means that, if the implementation of the oath-taking of representatives of indigenous peoples only began in 2017, then the involvement of representatives of indigenous peoples for approximately 16 years is questionable. Therefore, it can be said that the restoration of the function of local democracy through special autonomy for Papua is still not visible and even minimal.

Referring to this phenomenon, criticism of the implementation of special autonomy for two decades in Papua has not been recognized as a form of decentralization in general. Decentralization of local government is a very important process for the realization of democracy in the territory of a country. Decentralization is defined as the process of political, fiscal and decision-making devolution from the central government to the local level. This transfer of power to the local level makes this important process difficult to implement. These reforms spanned near democratization around the world, especially in developing countries and in countries that were the result of deep political transformations. The decentralization of power was created to challenge the central government's monopoly of decision-making. These reforms aim to create a more stable democratic system, increasing the efficiency and effectiveness of government. encourage the creation of a solid foundation for economic development at the local and national levels, create more transparent governance, and citizen involvement in decision-making (Setiawan 2022b).

In Setiawan's (2022b) view, decentralization, which later took the form of special autonomy, was part of the reform by emphasizing the more stable aspect of democracy. Only with a stable democratic system can prosperity be realized. It is in this position that the relationship between special autonomy and welfare has a linear relationship with the return of the function of local democracy as the knitter of both. Apart from that, the issue of special autonomy, which does not make a positive contribution to the return of the function of local democracy in Papua, also deviates from the representation of indigenous Papuans in regional legislative seats at a minimum. In fact, their representation as a form of local democratic system greatly determines how welfare plans in Papua are built. Through their representation in the DPRD, it is actually easy to oversee and design the use and implementation of special autonomy in Papua in a transparent and accountable manner. However, until now the representation of OAP is still very minimal and quite concerning as shown in Table 2.

Table 2.
Representation of indigenous Papuans in the 2019 DPRD

Region	Indigenous Papuans	Non-OAP	Total
Jayapura City	13	27	40
Jayapura Regency	7	18	25
Sarmi County	7	13	20
Boven Digoel County	4	16	20
Merauke District	3	27	30
Keerom County	7	16	23

Source: Papuan People's Representative Council data Report
(Papuan People's Representative Council 2019)

Based on these various data, it is increasingly clear that prosperity in Papua, which until now is still deadlocked, is caused by the inability of special autonomy to respond and restore the role of local democracy in Papua. As a result, various policies in Papua, especially regarding the issue of special autonomy, are dominated by non-OAP (indigenous Papuans) and even their orientation has experienced major distortions. This is evidenced by the increasingly far-flung spectrum of welfare amid the disbursement of trillions of rupiah in funds from the central government so far.

Post-special autonomy fiscal autonomy

The special autonomy status attached to Papua provides an extraordinary fiscal blessing for the regional financial pocket. This is because special autonomy provides special transfers from the central government to the regions. The lack of special autonomy in Papua based on Law Number 21 of 2001 as amended into Law Number 35 of 2008 requires the Central Government to allocate 2% of the national General Allocation Fund (DAU) for special autonomy for Papua; 70% of the 2% DAU is allocated to Papua Province and 30% of the 2% to West Papua Province. The funds are allocated for education at least 30%, health at least 15%, infrastructure at least 20%, planning, monitoring and evaluation at most 2%, and other fields at most 2%. The amount of special autonomy funds provided by the Government to the Provinces of Papua and West Papua over the last 20 years is described in Table 3.

Table 3.
Amount of Papua special autonomy fund 2002-2022

Year	Amount of Special Autonomy Fund in Trillions of Rupiah
2002	1,382
2003	1,539
2004	1,642
2005	1,775
2006	3,449
2007	4,045
2008	3,920
2009	4,079
2010	3,494
2011	3,957
2012	4,404
2013	4,927
2014	6,777
2015	7,190
2016	5,595
2017	8,240
2018	7,980
2019	5,850
2020	5,288
2021	5,289
2022	5.783

Source: Processed from Papua.go.id (Setiawan 2022a)

The distribution of special autonomy funds in Papua has been mentioned in Article 8 of the Special Regional Regulation Number 13 of 2016 concerning Amendments to the Special Region of Papua Regulation Number 25 of 2013 concerning Distribution, Receipt and Financial Management of the Special Autonomy Fund. It was stated, after the special autonomy funds were deducted from the financing of the Cross-Regency/City Strategic Programs, that it was divided in a proportion of 20% for Papua Province and 80% for Regencies/Cities in Papua Province. Proportions are based on basic allocations and variable allocations. Regency/city special autonomy funds are allocated at least 30% for financing services in the education sector, at least 15% for financing health services, at least 25% for financing people's economic development, at least 20% for financing infrastructure development, a maximum of 6% for financing affirmative for religious institutions, indigenous peoples' organizations, and women's groups, and a maximum of 2% for financing other priority programs.

In fact, the local government allocates funds in the form of capital expenditure allocations in the APBD to increase fixed assets. Locations for capital expenditures are based on regional needs as well as facilities and infrastructure, both for the smooth implementation of tasks and public facilities. Therefore, in an effort to improve the quality of public services, local governments must change the composition of their spending. So far, regional spending has been allocated more for routine spending, which is relatively less productive (Hidayati & Setiawan 2023). The failure of development in Papua still creates inequality,

poverty and social inequality. OAP experiences many economic backwardness and lags behind in almost all sectors of life, especially in the fields of education, health, economy, culture, and socio-politics (Jalal & Lembang 2017). There are still many poor people in Papua, namely 27.76% as of September 2017 making Papua ranked first with the largest number of poor people in Indonesia (Rubawati 2018). Data from the Central Statistics Agency show that, in September 2020, Papua is the province with the highest poverty rate, namely 26.8% (Sembiring 2021).

Chambers (in Suryawati 2005) argues that poverty is an integrated concept that has five dimensions, such as eligibility, powerlessness, emergency, dependency, and isolation. Poverty has three indicators, namely poverty level, poverty depth, and poverty severity (Sangadah et al. 2020). The poverty rate is measured by the proportion of the population that has a per capita income below the poverty line. Poverty depth is measured by the difference between the average expenditure per capita of the poor and the poverty line. Poverty severity is measured by the average square of the difference between the expenditure per capita of the poor and the poverty line. The causes of the reduction in the poverty rate are inflation, social assistance recipients, and average spending per capita (Sangadah et al. 2020).

Based on research (Yusup et al. 2022) related to the analysis of the interests of the Papuan OAP and Non-OAP communities, it shows that the average income of OAP workers is Rp 2,598,478.00 per month. Meanwhile, for non-OAP people, their labor income is Rp 3,517,814.00 per month. It is very interesting to observe how the difference in the income of the OAP workers, who are clearly local indigenous people, is actually lower than non-local people (immigrants). Therefore it needs to be used as a basis that after the implementation of special autonomy in Papua; when viewed from an externality perspective, the welfare of the OAP community does not yet have a significant level so that an evaluation of the implementation of special autonomy needs to be carried out (Yusup et al. 2022).

Rizal Djalil (in Ariyanto 2017) said that the Human Development Index in Papua is still low, especially when compared to other provinces in Indonesia. This is influenced by the level of education, because education is an indicator for measuring HDI besides health and the economy (Oktavian & Adi 2021). Education in Papua, gross enrollment rates, net enrollment rates, and average length of schooling are still below the national average (Oktavian & Adi 2021). In terms of educational facilities and infrastructure in Papua, damage was still found, with most elementary school classrooms experienced total damage, namely 1773 rooms or 10.7% (Oktavian & Adi 2021). In terms of school accreditation, very few schools were accredited A, namely 7% for the SD category, 16.6% for the SMP category, 19.7% for the SMA category, and 26.9% for the SMA category, and 26.9% for the SMA category for the SMK category. The Papua Special Autonomy Law also mandates the provision of profit-sharing funds. Revenue-sharing funds are funds sourced from the APBN, which are allocated to regions based on a certain percentage to fund regional needs in the context of implementing decentralization. Profit-sharing funds provided by the government to Papua Province include the following e tax-sharing, which includes 90% land and building tax-sharing, 80% land and building rights acquisition fees, and 20% individual income tax, and then revenue sharing from natural resources which includes 80% for fisheries, 80% for forestry, 80% for general mining, 70% for oil mining and 70% for natural gas mining. Oil and gas revenue sharing funds are each 70% for 25 years and decreased to 50% starting in the 26th year. The details of the profit-sharing fund for the past four years are contained in Table 4.

Table 4.
Papua Province revenue sharing fund 2019-2022

Year	The amount of Papua Province Revenue Sharing Fund in Trillions of Rupiah
2019	3,556
2020	3,053
2021	4,920
2022	3,297

Source: The Report of Directorate General of Financial Balance, Ministry of Finance of the Republic of Indonesia (DJPK Kemenkeu 2022)

Papua also receives additional infrastructure funds (DTI) in an amount in accordance with the agreement between the government and the DPR based on the proposal of the Papua Provincial Government every year (Widodo 2019). The funds allocated by the Central Government to Papua Province are quite a lot, but the amount of funds is not comparable to the quality of physical development and sources. Human resources and service quality are still lagging behind compared to other regions (Ardy 2021). The amount of additional infrastructure funding for Papua Province over the past four years is stated in Table 5.

Table 5.
Amount of additional infrastructure funds for 2019-2022

Year	Amount of Funds in Trillions of Rupiah
2019	2,824
2020	2,711
2021	2,622
2022	2,404

Source: The Report of Directorate General of Financial Balance, Ministry of Finance of the Republic of Indonesia 2022 (DJKP Kemenkeu 2022)

The Central Government’s attention to Papua in terms of funding has been disbursed simultaneously from both central transfer capital and profit-sharing funds (DBH), as well as additional infrastructure funds. This makes financial coffers with fiscal conditions in regional governments, both provinces and cities, to have fiscal strengthening, especially since implementing special autonomy. However, this condition becomes contradictory where there is reinforcement but it does not have an impact on strengthening welfare in the Papuan people.

Special autonomy and the functioning of local democracy

The granting of special autonomy is an effort to solve problems in the Province of Papua in a participatory manner and change the approach to handling problems in Papua from a security approach to a social/prosperity approach (Setiawan 2022a). Asymmetric decentralization provides political, fiscal and administrative authority. The special autonomy policy gives wider authority to the provincial government and the people of Papua to regulate and manage themselves within the framework of the Unitary State of the Republic of Indonesia (Junaedy & Sumartono 2014). Authority is defined as a greater role and responsibility in managing household affairs, administering government and regulating the utilization of natural resources in Papua for the prosperity of the Papuan people. This authority also has the meaning of authority to empower the socio-cultural and economic potential of the Papuan people, including providing an adequate role for OAP through customary representatives, religion, and women which are embodied in the Papuan People’s (Edyanto et al. 2021). The principle of division of authority in Papua Province is that authority is given proportionally downwards, especially for various matters that are directly related to the community (Iha 2017).

Autonomy, especially in the political field, provides opportunities and priority rights for OAP to engage in politics. This right can be used by OAP to occupy certain positions in government, such as the DPR, Governor and Deputy Governor, and MPR. The Governor of Papua must be OAP. The rights of OAP are protected by the Papuan People’s Council. In administrative sessions, the Government of Papua has regional regulations which are different from regional regulations in general (Ayunda 2021). The Papua Provincial Government can generate finance originating from provincial revenue sources, which include province original revenue and foreign aid.

In the context of provincial original revenue, the 2001 Papua Special Autonomy Law regulates sources of original income from Papua Province, Regency/City, including regional taxes, regional levies, results of regionally owned businesses and results of management of other regional assets that are separated, and other legitimate regional income. After that, the second aspect is in terms of foreign aid in Papua. The 2001 Papua Special Autonomy Law also gave the province of Papua authority to receive foreign

assistance. These provisions have conditions in the form of prior notification to the government. Papua Province can also borrow from within and/or abroad to finance part of its budget. The loan can be made under the following conditions: *First*, for domestic loans, approval must be obtained from the Papuan People's Representative Council. *Second*, for foreign loans, it must obtain consideration and approval from the Papuan Parliament and the government based on statutory regulations. *Third*, the cumulative amount of domestic and/or foreign loans does not exceed a certain percentage of the total revenue of the Regional Revenue and Expenditure Budget in accordance with statutory regulations. Finally, provisions regarding the implementation of domestic and/or foreign assistance are regulated in provincial regional regulations. Here we provide an overview of the financial structure produced by Papua Province in 2022 as seen in Table 6.

Table 6.
Financial structure produced by Papua Province in 2022

Regional Revenue	Amount in Billions of Rupiah
Total Original Revenue of the Region	3.607
Local Taxes	2.059
Regional Levy	180
Results of Segregated Regional Wealth Management	366
Miscellaneous Legitimate Local Income	1.001
Total Other Income	1.696
Interregional Transfer Revenue	1.151
Grant Income	154
Miscellaneous Income in Accordance with the Provisions of laws and regulations	390

Source: The report of Directorate General of Financial Balance, Ministry of Finance of the Republic of Indonesia (DJPK Kemenkeu 2022)

This description shows that the Province of Papua has been able to find its own financial resources based on its authority. The results of these financial resources are considered to be quite impressive where, in 2022 they are able to obtain local revenue of 3.607 billion rupiahs or the equivalent of 3.6 trillion rupiahs, while other incomes are obtained of 1.696 billion rupiahs or the equivalent of 1.6 trillion rupiahs. It is estimated that Papua Province's income that does not come from transfers from the central government amounts to 5.303 billion rupiahs or the equivalent of 5.3 trillion rupiahs. This is down from 2021 where the Province of Papua was able to have local revenue of 3.627 billion rupiahs or the equivalent of 3.6 trillion rupiahs and other income of 1.905 billion rupiahs or the equivalent of 1.9 trillion rupiahs. Papua Province revenue in 2021 that does not come from Central Government transfers is 5.532 billion rupiahs or the equivalent of 5.5 trillion rupiahs.

Central Government support provided through the special autonomy scheme that has been running for two decades has actually created regional financial posts to increase. This is certainly in line with the expectations of many parties that special autonomy, which is followed by funding from the Central Government, must be able to close the gap that exists in Papua (Setiawan 2022c). The enactment of Law Number 21 of 2001 concerning Special Autonomy for Papua was intended to resolve fundamental problems in Papua and regulate the relationship between the central and regional governments (Setiawan 2022a). This is of course a correction for the Central Government so that regional management in Papua through regional management must be carefully regulated. This maturity ends and needs to be followed by a special financial balance that must be able to create a dynamic change so that the spectrum of welfare in Papua can be realized.

Conclusion

Two decades of the implementation of special autonomy in Papua still leave various complex problems, especially in the field of welfare. This is colored by various problems in the economic, social, health and education fields. As stated by Bardhan and Mookherjee, there are four prerequisites that must be

met if this special autonomy is to have an impact on welfare. Two of them are the functioning of local democracy and the fiscal autonomy enjoyed by local governments, including regional governments to generate their own financial resources with adequate management capabilities. So far, the implementation of special autonomy, if read from the first indicator, has not been able to function local democracy in Papua. The character of Papua with various traditional institutions with a bicameral system has not been properly accommodated and was not even followed up formally in 2017. This means that, to restore the function of local democracy in Papua, special autonomy has not substantially gone that way. Therefore, the absence of this element is an obstacle to the goals of special autonomy for Papua which so far has been built on a narrative of welfare. Without the functioning of local democracy, no matter how much the special autonomy funds flow, they will not reach the point of the welfare spectrum. The importance of restoring the function of local democracy in Papua in the implementation of special autonomy is actually an effective way to build a local community-based oversight system. So far, the representation of indigenous peoples in Papua has been minimal, especially since the people known as the Orang Asli Papua (OAP) have not made a significant contribution.

Meanwhile, from the side of fiscal autonomy authority, there was a slight change that was not significant. The presence of this special autonomy has provided great fiscal autonomy for finance in Papua. Apart from that, Papua has many fiscal revenue posts, ranging from the special autonomy fund to profit-sharing funds from natural resources. However, this fact does not necessarily make Papua free from poverty. There is a problem of limited management capacity, which is an obstacle. The delegation of fiscal authority to Papua was very blessed but not accompanied by adequate management capabilities. Therefore, if these two prerequisites are not met, this special autonomy will not be able to approach the welfare spectrum.

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