

DECENTRALIZATION OF EDUCATION IN INDONESIA:

LESSON LEARNED AND MOVING FORWARD
STRATEGIES



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**AR-RANIRY PRESS
2014**

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Edisi 1, Cet. 1 Tahun 2014

ii + 82 hlm. 13 x 20,5 cm
ISBN : 978-979-3717-53-1

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Cetakan Pertama, Oktober 2014

Pengarang : Safrul Muluk
Editor : Drs. Luthfi Aunie, M.A.

Desain Kulit & Tata Letak : aSOKA communications

Diterbitkan oleh:

Ar-Raniry Press
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Banda Aceh 23111
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CHAPTER 1

INTRODUCTION



In the past two decades, there has been a great deal of interest around the world in the concept of decentralization. This is especially true in the developing countries. One of the reasons behind this is that many countries are looking for more effective methods to tackle the many administrative problems associated with the quality of public service delivery. According to Caldwell, the concept of decentralization is closely associated with the effectiveness and efficiency of service delivery in many aspects of governmental affairs.¹ This is why many developing countries, including Indonesia, have been involved in the effort to decentralize the authority once the central government has, in order to improve

1 Caldwell, B. J. (1998). *Administrative and Regulatory Mechanism Affecting School Autonomy in Australia*. Canberra: Department of Employment, Education, Training and Youth Affairs.

administrative effectiveness and efficiency. The past two decades have also witnessed an increase in the number of countries that use decentralization of education as a reform strategy (Hanson, 1998). Undoubtedly, one of the mega trends we have observed in the education sector is the move towards decentralization and self-management.²

The fact that Indonesia has been governed by a centralized and somewhat authoritarian political system for more than 30 years has largely determined the way the educational system is delivered throughout the country. Like other government systems, the Indonesian educational system has been highly centralized imposing a top-down approach to management of the whole system that has restrained many initiatives taken by the local government in exercising immediate decision-making when it is needed. This happens because the central government continues to retain a significant degree of power when it comes to the decision-making process.

The long-term effects of this centralized political system on the area of public administration has been enormous. Having all been administered by the centralized and authoritarian government for more than three decades, it is not surprising to see that many areas of public administration such as health, finance, and education continue to work in the same centralized and bureaucratic way.

As has been the case for many decentralization processes in developing countries, it has been argued that the rationale behind the implementation of

2 Cadwell, B. J. & Spinks, J. (1992). *Leading the Self-Managing School*. London: The Falmer Press.

decentralization of education in Indonesia is mainly political.³ That is why it is very important to consider the political context in which the national policies of education are based when we discuss the interpretation of decentralization of education in Indonesia. The decentralization was initiated as an important part of the attempts to stabilize the political uncertainties that existed in Indonesia in the late 1990's. However, there are other factors that are of great importance in the decentralization process in Indonesia. Alm and Bahl suggested that there are two reasons for decentralization that are usually put forward by countries that have diverse and rich cultural differences. They argued that decentralization is implemented to: 1) accommodate regional differences in preferences for services, and/or 2) hold a potentially divided country together by providing appeasement via some degree of regional autonomy to regions that are considering breaking away.⁴ This is especially true in the case of Indonesia. The decision to decentralize the political system was intended to facilitate the move towards a more democratic form of government.

Since the fall of former President Soeharto in May 1998, a number of significant changes have taken place in Indonesia. Formalized with the introduction of Law No. 22/1999, a new decentralized political system was officially implemented across Indonesia. This law requires the central government to devolve much of its

3 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), 111-128.; Alm, J. & Bahl, R. (1999). Decentralization in Indonesia: Prospect and Problems. Jakarta: U.S.A.I.D. (Working Paper).

4 Alm, J. & Bahl, R. (1999). Decentralization in Indonesia: Prospect and Problems. Jakarta: U.S.A.I.D. (Working Paper).

authority to the local governments in the various provinces. The decree applied to all government sectors, and in particular it applied in the educational systems. This book explores the factors that contributed to the implementation of decentralization of education in Indonesia, as well as the initial stage of the implementation of decentralization of education in Indonesia.

It will examine the issues that arose as a result of the implementation of decentralization of education in Indonesia. The advantages and shortcomings of the decentralization policy and what strategies that can be done to improve the outcomes of decentralization of education in Indonesia are discussed.

Decentralization of education is one of the most significant of the many good governance strategies that have been deployed in many of the developing countries. The introduction of decentralization of education means that decision-making authority is now being transferred to the hands of local stakeholders in schools such as principals, teachers, parents, students, and the community. This process changed the way the school system as a whole operates. As a result, policy-making, financial management, teacher development and training, and curriculum development and implementation are some of the issues that might become the responsibility of local management when decentralization is implemented in an educational setting.

It has been argued throughout the literature that decentralization of the educational system has an important role in the process of improving the capability of the participants. The involvement of stakeholders in the decision-making process will certainly empower and motivate them in the delivery of services at the

local levels. One form of the concept of decentralization of education is called School-Based Management (SBM). In Indonesia, SBM has been implemented since the late 1998 in primary, junior and senior high schools. The government has adopted the concept of SBM more generally as a result of the positive outcomes already achieved in several western countries like Australia, US and countries in Europe. However, there has been very limited on going research done on this particular issue in Indonesia. This is perhaps because the implementation of decentralization of education has been Indonesia is a relatively recent event. This book presents the state of education sector in Indonesia since its independence in 1945, ad explores the early impacts of the decentralization of education process in Indonesia and identify some of the emerging issues in an attempt to provide insights into the recent state of education sector in Indonesia.



CHAPTER TWO

THE CONCEPT AND IMPLEMENTATION OF DECENTRALIZATION



The positive outcomes of the decentralization of education in several western countries have triggered a lot of interest in the developing countries in this particular issue. According to Rondinelli and Cheema (1983), there have been considerable interests in many developing countries in the degree of authority that the central government has with regard to development planning and administration of public services. Understandably, the debate about the most appropriate forms of planning and administering development policies have been major issues in many of the developing countries.¹ In the case of Indonesia, the realization

1 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries.*

that years of centralized planning and administration of public services has failed to bring improvement in the quality of services has resulted in growing interest in decentralized planning and devolved administration. Centralized developments have clearly been the feature of public services for many years in Indonesia, where central government governed public services from bureaucratic and autocratic central offices.

It has long been recognized that “development is a complex and uncertain process that cannot be easily planned and controlled from the centre”.² This has been a major factor in the introduction of decentralization in all government services, including education in Indonesia. Not surprisingly, the issue of decentralization is, as suggested by Bray (1999), one of the most significant aspects in the governance of education in particular.³

The Concept of Decentralization

Several terms, such as delegation, devolution, and decentralization, are often used to refer to a shift in power, control, and authority from a central authority to local authority. Fiske suggests that, in some cases, decentralization is the process of re-assigning responsibilities and corresponding decision-making authority for specific functions from the higher levels of government

London: Sage Publication.

2 Ibid. p. 14

3 Bray, M. (1999). Control of Education: issues and tensions in centralization and decentralization. In R. F. Arno and C. A. Torrens (Eds.) *Cooperative Education: The Dialectic of the Global and the Local*. Maryland: Rowman and Littlefield.

and organizational units to a lower level of government.⁴ Hanson defines decentralization as “the transfer of decision-making authority, responsibility, and tasks from higher to lower organizational levels or between organizations”.⁵

Hanson argued that there are three major forms of decentralization:

1. deconcentration typically involves the transfer of tasks and work, but not authority, to other units in the organization.
2. delegation involves the transfer of decision-making authority from higher to lower hierarchical units, but that authority can be withdrawn at the discretion of the delegating unit.
3. devolution refers to the transfer of authority to an autonomous unit that can act independently, or a unit that can act without first asking permission.⁶

He also argued that devolution gives local governments the right to exercise in authority to make decision independently without interference of the central government.⁷ In a devolved system, local governments are able to make their own decision and run the public administration according to their specific needs without having to seek permission from the central

4 Fiske, E. B. (1996). *Decentralization of Education: Politics and Consensus*. Washington DC: The World Bank.

5 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), 111-128. p. 112.

6 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p. 112-113.

7 Ibid. p. 112.

government. He also mentioned that decentralization usually involves the transfer of tasks and responsibility, without reassigning authority.

According to Rondinelli and Cheema, devolution has certain fundamental characteristics:

1. Local units of government are autonomous, independent, and clearly perceived as separate levels of government over which central authorities exercise little or no direct control.
2. The local governments have clear and legally recognized geographical boundaries within which they exercise authority and perform public functions.
3. Local governments have corporate status and the power to secure resources to perform their functions.
4. Devolution implies the need to develop local governments as institutions in the sense that they are perceived by local citizens as organizations providing services that satisfy their needs and as governmental units over which they have some influence.
5. Devolution is an arrangement in which they are reciprocal, mutually beneficial, and coordinate relationships between central and local governments; that is, the local government has the ability to interact reciprocally with other units in the system of government of which it is a part.⁸

8 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication. p. 22.

Fiske, commenting on the same issue suggests that the process of decentralization could be done in two ways: political decentralization and administrative decentralization. He asserted that political decentralization shifts the authority in decision-making to members of a community or their representative at lower levels of government.⁹ Administrative decentralization, on the other hand, still maintains the power and authority in the central government while shifting the responsibilities for planning, management, finance and other activities to lower levels of government.

Rondinelli suggested that political decentralization is associated with democratisation because it transfers “political power for decision making to citizens or their elected representatives”.¹⁰ On the other hand, he explained administrative decentralization as the “transfer of responsibility for planning, management and the raising and allocation of resources from the central government and its agencies to field units of government”.¹¹ Central government, in this case, still retains the decision-making authority.

Decentralization in Indonesia

In the effort to improve its public service, Indonesia, like many other developing countries adopted the

9 Fiske, E. B. (1996). *Decentralization of Education: Politics and Consensus*. Washington DC: The World Bank.

10 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication. p. 10.

11 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication. p. 10.

concept of decentralization. Not surprisingly, decentralization is commonly used in developing countries in the attempt to improve public delivery services. In the context of Indonesia, its decision to adopt the concept of decentralization was closely related to financial and political crisis in 1997 and 1998. Understandably, Indonesia's decision to decentralize its government was driven primarily by political considerations—a national call for democracy, the end of the Suharto regime, and the failures of the highly centralistic government.¹² For this reason, if we look at Law No. 22/1999 which was later replaced by Law No. 32/2004, the principles of democracy, community participation, equity and justice, recognition of the potential and diversity among regions, and the need to strengthen local governance are major concerns. This reform is also transforming the nature and level of public service delivery, including education. How decentralization applies to the education system has been defined in Education Law 20/2003.¹³

As mentioned earlier, legal framework governing decentralization process in Indonesia, Law No. 32/2004 later replaced Law No. 22/1999. This was intended to provide transparency and clarity to local governments and their relation to central government that was not specifically mentioned in Law No. 22/1999. For example, Law No. 22/1999 did not clearly prescribe the relationship between provincial and municipal governments. This issue, according to Simatupang, “created coordination problem since municipalities were not required to answer to provincial government especially in the matter of new local government creation. This

12 The World Bank report, No. 29506, Volume 1, Education in Indonesia: Managing the Transition to Decentralization, 2004, p. 4.

13 Ibid.

problem was addressed by Law no. 32/2004 that clearly stated the role of provincial administrations as representative of Central government, thus giving them power to direct and coordinate municipalities within their region. On the other hand, since Governors are now elected by their local constituents (as opposed to being appointed by the President), the provincial governments are now likely to become more accountable locally.¹⁴

Further more, The Presidential Regulation No. 129/2000 concerning the formation, merging and liquidation of local governments was later amended with Presidential Regulation No. 78/2007 that is somewhat more stringent regarding the formation of new local government. For example, it regulates the minimum (administrative) size of new local government and the frequency of fragmentation. The process of new government creation itself is not much different from the previous regulation, in particular, the new Presidential Regulation also allows for the creation of local government directly by Parliament's political will. However, since the provincial government is provided with clear hierarchical order over municipalities, the governor has authority to reject a proliferation proposal that does not meet the minimum requirements. With the new government regulation in effect, the next wave of proliferation is expected to create new local governments with better administrative, fiscal and technical capability.¹⁵

14 Rentanida Renata Simatupang (2009). Evaluation of Decentralization Outcomes in Indonesia: Analysis of Health and Education Sectors, Georgia State University, p. 7-8.

15 Rentanida Renata Simatupang (2009). Evaluation of Decentralization Outcomes in Indonesia: Analysis of Health and Education Sectors, Georgia State University, p. 7-8.

As mentioned earlier, in the case of Indonesia, the legal product that allows decentralization initiative is based on Law No 22/1999. With this Law, local government has the authority to take care of its own domestic issues, except for very strategic matters that may influence the country's stability such as defense. Education sector, on the other hand, is one of the areas that can be managed by local government. Government at district level has the mandate to run its own affairs and is responsible for the advancement of education sector.

Law No 22/1999 was later renewed with Law No 32/2004 on Local Government stipulating that decentralization is the transfer of authority of governance by central government to local government to run its own governance affairs within the Indonesia.

Decentralization of Education

One of the reasons behind the growing interest in the concept of decentralization of education around the world is that the governments in many countries are looking for more effective ways to run educational institutions. This is intended to improve the quality of education by improving the quality of human resources and service delivery. Harris, Bennett, and Preedy expressed their argument when they stated that, "there has been sustained pressure upon educational institutions to improve performance, to become more efficient and more effective".¹⁶ It is no doubt that one of the arguments put forward by proponents of decentralization is the fact

16 Harris, A., Bennett, N., and Preedy, M. (1997). *Organizational Effectiveness and Improvement in Education*. Philadelphia: Open Press University. p. 1.

that the concept of decentralization is closely related to the issues of effectiveness and efficiency in the service delivery in many aspects of governmental affairs. This, according to Weiler has triggered significant interest in many developing countries to implement it.¹⁷

In Indonesia, the pressures to implement the concept of decentralization becomes even more powerful when the centralized political system fails to deliver good results.¹⁸ In the same note, Fiske indicated that “centralized systems are bureaucratic and wasteful and that empowering authorities at regional or local levels will result in a more efficient system because it eliminates overlays of bureaucratic procedure and motivates education officials to be more productive”.¹⁹ According to Caldwell, “changes in the role of government in the delivery of public services in the face of concerns about efficiency and effectiveness”²⁰ is one of the driving forces for school autonomy. Usman (2001) put forward an argument that bringing the government closer to their constituents in order to be able to deliver more effective and efficient services is one aim of the policy of decentralization and regional autonomy.²¹

In line with the above argument, in the context

17 Weiler, H. (1993). Control Versus Legitimization: The Politics Of Ambivalence. in Hannaway, J. and Carnoy, M. (Eds), *Decentralization and School Improvement*, 55-83. San Francisco: Jossey-Bass.

18 Alm, J. & Bahl, R. (1999). *Decentralization in Indonesia: Prospect and Problems*. Jakarta: U.S.A.I.D. (Working Paper).

19 Fiske, E. B. (1996). *Decentralization of Education: Politics and Consensus*. Washington DC: The World Bank. p. 25.

20 Caldwell, B. J. (1998). *Administrative and Regulatory Mechanism Affecting School Autonomy in Australia*. Canberra: Department of Employment, Education, Training and Youth Affairs. p. 4.

21 Usman, S. (2001). *Indonesia’s Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper. 2001.

of education, Law 20/2003 regulates the transfer of authority to lower levels of government, while some decision making power is transferred to schools themselves. The transfer of authority includes the principal responsibilities, authority, and resources for the delivery of education.²²

Hanson suggested, “Decentralization of education is a popular reform theme of government around the world”.²³ Similarly, McGinn and Welsh argued, “decentralization is one of the most important phenomena to have affected educational planning in the last 15 years”.²⁴ In Australia, “the decentralization of decision-making, increasing local authority and enhanced autonomy of schools have been common features of recent changes in the organization of public education”.²⁵ In a similar tone, Cadwell and Spinks argue that one of the mega trends in the education sector would be the move towards decentralization and self-management. This is also true in the case of Indonesia; the debate on decentralization of education is perhaps one of the most important issues in Indonesia.²⁶

According to Hanson, “there is a growing need to synthesize the positive and negative aspects of these

22 The World Bank report, No. 29506, Volume 1, Education in Indonesia: Managing the Transition to Decentralization, 2004, p. 5.

23 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p.111.

24 McGinn, N. and Welsh, T. (1999). Decentralization of education: why, when, what and how?. Paris: UNESCO, International Institute for Educational Planning. p. 9.

25 Ainley, J. & McKenzie, P. (2000). School Governance: Research on Educational and Management Issues. *International Education Journal*, 1(3), p. 139.

26 Cadwell, B. J. & Spinks, J. (1992). *Leading the Self-Managing School*. London: The Falmer Press.

national experiences for both the academic community seeking greater insight into educational change as well as decision makers seeking guidelines on effective educational policy”.²⁷ He argued that this is because decentralization of education has become a major part of the effort to develop and improve the educational system in those countries. Weiler claimed that “improving the quality of education is often offered as a goal of decentralization, and it reflects the notion that local people can solve local educational problems better than the state”.²⁸ The emphasis on development planning in schools, the assurance of quality in school education, the implementations of new curriculum programs are predictable examples of efforts taken to bring about educational reform.²⁹ They also put forward the idea of self-managing schools as an example of a decentralized unit in educational system. Self-managing school is

a school in a system of education where there has been significant and consistent decentralization to the school level of authority to make decisions related to the allocation of resources. This decentralization is administrative rather than political, with decisions at the school level being made within a framework of local, state or national policies and guidelines. The school remains accountable to a central authority for the manner

27 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p. 2.

28 Weiler, H. (1993). Control Versus Legitimization: The Politics Of Ambivalence. in Hannaway, J. and Carnoy, M. (Eds), *Decentralization and School Improvement*, 55-83. San Francisco: Jossey-Bass. p. 66.

29 Cadwell, B. J. & Spinks, J. (1992). *Leading the Self-Managing School*. London: The Falmer Press. p. 4.

in which resources are allocated.³⁰

In this regard, Caldwell and Spinks explained resources in the following ways:

Knowledge (decentralization of decisions related to curriculum, including decisions related to the goals or ends of schooling); technology (decentralization of decisions related to the means of learning and teaching); power (decentralization of authority to make decisions); materiel (decentralization of decisions related to the use of facilities, supplies and equipment); people (decentralization of decisions related to human resources, including professional development in matters related to learning and teaching, and the support of learning and teaching); time (decentralization of decisions related to the allocation of time); and finance (decentralization of decisions related to the allocation of money).³¹

In a similar vein, Winkler (1993) and Weiler (1993) observed that the principal arguments behind educational centralization are: 1) financial, to benefit through economies of scale as well as the equitable allocation of resources to reduce regional economic disparities; 2) policy and programmatic uniformity, to establish consistency in quality, programs and activities, 3) central placement of scarce human resources, to

30 Caldwell, B. J. & Spinks, J. (1992). *Leading the Self-Managing School*. London: The Falmer Press. p. 4.

31 Ibid. p. 4-5.

place strategically the scarce, skilled human resources at those points in the institution where their impact can reach across the entire educational system; 4) the diffusion of innovation, to spread changes more rapidly through the entire system; and 5) improved teaching-learning, a tightly controlled curriculum can be one policy response to the problem of poorly qualified teachers.³²

As mentioned earlier, one of the reasons of the decentralization of education is the need to have a more efficient and effective way of delivering services to the stakeholders, such as students, parents, teachers, and the community around the schools, which in turn will improve the quality of education. According to Hanson, “the assumption is made that through a redistribution of authority that brings changes in education, management, personnel selection, finance, and curriculum control, improved educational quality will somehow follow”.³³ Stoll and Fink (1996, p. 7) stated that, “the reforms proposed in most countries have been made in the name of quality and efficiency”. Behrman, Deolalikar, and Soon argued that a great deal of decentralization in education around the world has been based on the assumption that the quality of instruction will improve by shifting decision making and accountability closer to children, classrooms, and schools.

32 Winkler, D. (1993). Fiscal Decentralization And Accountability In Education: Experiences In Four Countries, in Hannaway, J. and Carnoy, M. (Eds), *Decentralization and School Improvement*, 104-109, San Francisco: Jossey-Bass; Weiler, H. (1993). Control Versus Legitimization: The Politics Of Ambivalence in Hannaway, J. and Carnoy, M. (Eds), *Decentralization and School Improvement*, 55-83. San Francisco: Jossey-Bass.

33 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p.124.

Moving the responsibilities of decision making to local schools implies redistributing power from central bureaucrats to principals, teachers, and parents, who presumably have a greater stake in the content and quality of education.³⁴

Because of the redistribution of power from a few central bureaucrats to the many people at local levels, training in management strategies, policy making, and many other managerial techniques of an organization must be available to assist them respond to their new tasks and new responsibilities more efficiently.

Education in Indonesia before the Implementation of Decentralization of Education

I. Education Under Sukarno's Government (1945 - 1965)

Under Sukarno's presidency from 1945-1965, poor educational standards were reflected by a low school participation rate and high level of illiteracy, especially among women in rural areas where traditional conception of women's status was still strong and educational infrastructures were not readily accessible. Influence of patriarchal cultures and fragile political state that the government had to confront at the time were mainly the reasons for this situation. In addition to the increasing reoccurring threat of the Dutch, soon after the

34 Berhman, J. R., Deolalikar, A. B., & Soon, L. Y. (2002). *Conceptual Issues in the Role of Education Decentralization in Promoting Effective Schooling in Asian Developing Countries*. Manila: Asian Development Bank, Economic and Research Department. p. 23.

independence, Sukarno had to deal with a number of local uprisings in Aceh, West Java, and South Sulawesi, demanding the establishment of Islamic state. Not surprisingly, the focus of the government was first and foremost to stabilize socio-political condition of the country. As a result, economic and education sectors had not been prioritized within national development framework, which in turn resulted in persistent poverty and low educational attainment throughout Indonesia. The illiteracy and school dropout rates were extremely high during early years after independence. Statistical data shows that in 1961, illiteracy rate of women and men was 69% and 44 % respectively.

There are several factors which contribute to this situation. Besides political unrest and threat of returning colonial, one of the main reasons contributing to the low illiteracy rate was the opinion of majority of parents throughout Indonesia who still perceive boys as family's future breadwinners. Therefore, boys have always come first. Parents put a lot of resources and time in securing boys' future through education. Girls on the other hand have been perceived as second option in relation to schooling. Cultural assumptions about women's status and role in both family and society have been argued as the main factor responsible for this situation.

Another reason contributing to the high illiteracy rate was the inability of the government at the time to provide enough school infrastructures, especially in rural areas. Location of schools are often far away from villages. Consequently, parents are hesitant to send their children to school because of the cost and safety reasons. For economic, cultural, and political justification,

girls have been sidelined for a long time when it comes to accessing education. As a matter of fact, “the poorer access to educational provision for girls compared with boys has dominated debates about gender, education, and development in Indonesia”.³⁵ It is not surprising to see that an educational attainment was incredibly low during Sukarno’s presidency.

II. Education under Suharto’s New Order Government (1965 – 1998)

In the early phase of the New Order regime, the country’s economic state was the highest priority of national development programs. The government recognized the importance of economic development in improving the standard of living of its citizens. Economic growth would bring about job opportunities and capital investment. In a similar vein, King and Mason state that, “when economic development increases the availability and quality of public services, such as health clinics, schools, and roads, it lowers the cost of investments in human capital for household”.³⁶

While working on improving economic development, the government started to look at the education as an important aspect of national development framework. This can be seen in the first Five-Year Development Plan, 1969 -1973, which identified a number of problems in education sector. Given the fact

35 Wayong, M. (2007). *Engendering academic leadership and management: Bridging the gap at the state universities of Makassar, Indonesia* (Unpublished doctoral dissertation). Flinders University, Adelaide, South Australia. p. 111.

36 King, E. M., & Mason, A. D. (2001). *Engendering development through gender equality in rights, resources, and voice*. New York: World Bank. p. 182.

that Indonesia had just endured severe socio-political and economic situations, working on improving the lack of educational facilities and the numbers qualified teachers, low school participation rate, high illiteracy rate as well as improving efficiency of educational management was a huge task for the government. The vast demographic feature of the country was also a considerable challenge in the effort to establish educational infrastructures throughout the country. Enormous resources needed to build educational infrastructure during the First Five Year Development Plan made it impossible for the government to cover isolated part of the country.

While problem in education sector had been identified, it was not until the second Five-Year Development Plan, 1974-1978, that the government focused more on improving the quality of education. Another area that the government has been working on is to improve the level of education of its citizens.³⁷ The increasing number of women accessing education has shown a considerable shift in the way society think about the impact of education and better quality of life.

One of measures in improving the quality of education is by providing trainings to teachers as well as better school facilities and environment. Over the years, with the increase in expenditure in education sector, the problem of school accessibility was dealt with by establishing school infrastructures throughout the country contributing to the augment in enrolment rate across the country. To improve illiteracy rate as well as

37 Wayong, M. (2007). *Engendering academic leadership and management: Bridging the gap at the state universities of Makassar, Indonesia* (Unpublished doctoral dissertation). Flinders University, Adelaide, South Australia.

to increase the number women accessing education, the government abolished primary school fees in 1977, and later introduced compulsory primary education program in its fourth Five-Year Development Plan, in 1984-1988, giving every school age children the opportunity to take part in six year basic education.

All the efforts undertaken by the Indonesian government to improve education sector are instrumental in improving women's opportunity to pursue higher level of education, which in turn helps improve gender equality. It is not surprising that the number of women entering senior secondary and tertiary education level in Indonesia has, in many provinces, surpassed that of men.

Figure 2.1: Number of students at all levels of education between 1945-2006

School Level	1945	1968	1995	2001	2006
Primary	2.523.410	12.163.495	25.948.574	28.686.383	25.982.590
Junior Secondary	90.365	1.150.000	6.945.433	9.496.283	8.073.389
Senior Secondary	18.907	482.000	4.225.823	5.448.673	5.729.347
Tertiary	1.600	156.000	2.303.460	2.494.601	2.691.810

Source: Statistical Yearbook of Indonesia 2007³⁸

38 Statistical Yearbook of Indonesia 2007.

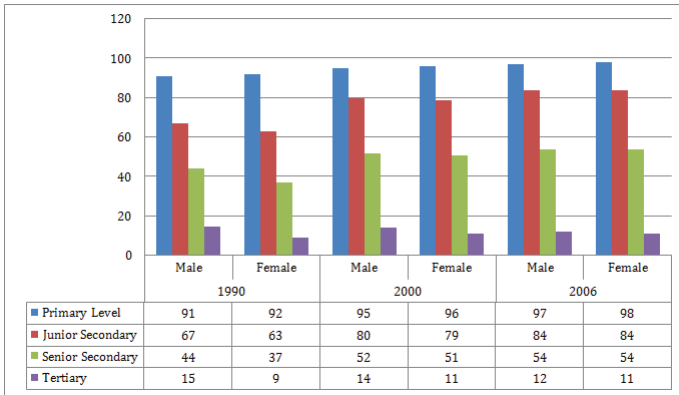
The above statistical data shows that the number of students from elementary level until tertiary level has increased considerably between 1945 to 2006. The impact of this six year compulsory basic education on primary school participation rate was enormous as illustrated in figure 4.2 above. By 1995, the number of students enrolled in elementary level was 25.948.574, more than 92 percent of total school age children. In 1994, in order to further decrease illiteracy rate, improve school participation rate and increase the level of education of its citizens, the government introduced the nine years compulsory education. It was evident that “the rapid economic development during the New Order years gave rise to a cohort of better-educated young women”³⁹.

Improvement in the number and quality of basic education and senior secondary school has had positive effects on the increasing number of women entering HE degree. This is despite consistently low rate of enrolment at tertiary level compared to other levels of education. It is indicated in figure 4.2 that while enrolment rate at lower level of education continue to improve, enrolment rate at tertiary level has somewhat stagnant. As a matter of fact male’s enrolment rate declined from 15 percent in 1990 to 12 percent in 2006. Nevertheless, the number of students going to university jumped from 156.000 in 1968 to 2.303.460 in 1995. And in 2006, students enrolled in tertiary level rose to 2.691.810. This was a phenomenal achievement in education sector. The increase in the number of students going to university level has been considered one of the factors leading to the increase in the number of women

39 Blackburn, S. (2004). *Women and the state in modern Indonesia*. Sydney: Cambridge University Press. p. 27.

in labor force in Indonesia, including in HE sector.

Figure 2.2: Enrolment rate at all levels of education in 1990, 2000, and 2006



Source: The Central Bureau Statistics, 1990, 2000, and 2006.⁴⁰

The above figure indicates that the enrolment rate of boys and girls at primary level in 1990, 2000, and 2006 is considerably high compared to the rest of education levels. At primary level, from 1990 to 2006, female enrolment rate was in fact higher than that of males. Besides the success of educational policies and improved school infrastructure in both urban and rural areas, " a change in attitude of parents towards the importance of education for their children regardless of gender"⁴¹ has also been a major factor in this improvement. This has been considered as a success

40 The Central Bureau Statistics, 1990, 2000, and 2006.

41 Wayong, M. (2007). *Engendering academic leadership and management: Bridging the gap at the state universities of Makassar, Indonesia* (Unpublished doctoral dissertation). Flinders University, Adelaide, South Australia. p. 125.

indicator in national development priorities. On this note, Subrahmanian argues that

basic education is also recognized as providing the means to social development ends—such as improving health conditions and status, enhancing political awareness and participation, and reducing fertility levels through facilitating access to information and services. In addition to its instrumental value, the intrinsic value of education is also emphasized, particularly in terms of how it increases the agency and choice of individuals. This translates into their participation in securing better quality lives and prospects for themselves and for future generations, as well as the wider socio-political environment.⁴²

Progress in Education Sector

The effort of the New Order regime in improving the country's education sector has been one of the major successes in Indonesian development history. Indonesia is considered as one of the developing countries that has been successful in closing the gender gaps in education. Education statistical data in 2009 indicates that out of 33 provinces in Indonesia, there are only 8 provinces where the number of women admitted to university are less than that of men; Bali, Papua, West Borneo, Riau, Jambi, West Java, East Java, and Banten. This is obviously a phenomenal achievement in education sector considering that in was only in 1960s that women illiteracy rate was as high as 69 percent.

This achievement is very important in bringing

42 Subrahmanian, (2002, p. 1)

about a new wave of educated young women who later will form work forces in Indonesia. Education represents an important life opportunity for women and men, and a vital social and economic resource for societies.⁴³ It is no doubt that “rising levels of female education, along with increasing urbanization, have made for rising levels of female participation in the kinds of work that takes them outside of households”.⁴⁴ “Gender parity indicators can signal whether social forces maybe shifting to allow greater access of girls to schooling, enabling them to catch up with boys in an important dimension of life opportunity”.⁴⁵

In Aceh, statistical data in 2009 shows that the number of women enrolled in Higher Education was higher than that of men. The number of men going to university in 2009 in Aceh province was 15,420. On the other hand, the number of women going to university was 21,420. This was a clear indicator of the shift of paradigm in the value of girl with regard to education. It indicates changing perception within Acehnese society about women and their contributions in society. This is quite a remarkable achievement for a strong Islamic patriarchal society like Aceh. Some of early opinions which regard women as less valuable compared to men and do not need high education have slowly but surely given ways to new attitude towards women’s potential. And

43 Subrahmanian, R. (2005). Gender equality in education: Definitions and measurements. *International Journal of Educational Development*, 25(4), p. 401.

44 Jones, G. W. (2009). Women, marriage and family in Southeast Asia. In T. W. Devasahayam (Ed.), *Gender trends in Southeast Asia : Women now, women in the future* (pp. 12-30). Singapore: Institute of Southeast Asian Studies, ISEAS. p. 15.

45 Subrahmanian, R. (2005). Gender equality in education: Definitions and measurements. *International Journal of Educational Development*, 25(4), p. 402.

this trend takes place in many provinces in Indonesia.

Undoubtedly, the increase in the number of women going to university has positive implication on the number of women entering the workforce. As more and more women getting the opportunity to pursue their university degree, the number of women entering work force also increases. New young generation of educated women now has the tools and knowledge to fight for their rights. As a result, “women came to believe that they could do anything a man could do, and started going into more technical and professional jobs than ever before”.⁴⁶ Whether this trend translate to the advancement of women in assuming leadership roles in Higher Education sector remains to be seen. The following section discusses the issue of women and leadership in public sector in Indonesia, in particular in Higher Education sector.

Challenges in Education Sector

Like other developing countries, Indonesia faces a number of challenges in education sector. In the initial stage after independence, the issue of infrastructure in education sector was the major challenge. The lack of schools resulted in the gap of enrolment rate between boys and girls. Today, 69 years after its independence, education sector in Indonesia faces different challenges. Implementation of decentralization, including in education sector, poses more complicated issues. The

46 Jones, G. W. (2009). Women, marriage and family in Southeast Asia. In T. W. Devasahayam (Ed.), *Gender trends in Southeast Asia : Women now, women in the future* (pp. 12-30). Singapore: Institute of Southeast Asian Studies, ISEAS. p. 19.

following section discusses some of the concerns that must be dealt with by stakeholders in education sector.

The government, through several measures, has been able to make considerable progress in education. This achievement can be seen in the number of boys and girls enrolling in primary schools. The ration between boys and girls has improved over the years. Despite all these realization, there are several issues remain to be dealt with.

One of the problems, according to Jalal and Mustafa,

(i) enrolling all students through to the end of junior secondary level, (ii) ensuring that poorer and disadvantaged children have full and equal access to schools that provide an appealing learning environment and effective instruction, and (iii) providing education that is of acceptable quality and is relevant to the economy and society.⁴⁷

According to the World Bank report, “behind the impressive increase in enrollment at the national level, wide regional differences remain. In a country as large, spread out, and diverse as Indonesia, differences among regions are to be expected. However, extreme differences mean that some regions have been lagging for sustained periods and thus need extra help”.⁴⁸ The above

47 Jalal, F. and B. Musthafa. (2001). Education Reform in the Context of Regional Autonomy: The Case of Indonesia. Ministry of National Education and National Development Planning Agency, Republic of Indonesia, and the World Bank.

48 The World Bank report, No. 29506, Volume 1, Education in

statements clearly suggest the huge tasks that the government has to deal with in its attempt to improve education sector. This challenge becomes even more daunting considering the size of the area that needs to be covered by the government. On this note, the World bank report indicates that “Indonesia’s school system is immense and diverse. In 2001/02, there were 28.9 million primary school students and 1.4 million primary school teachers in more than 171,000 primary schools across some 400 districts and municipalities. At the junior secondary level, in grades 7 through 9, there were 9.4 million students and about 680,000 teachers in more than 31,000 schools, including general, religious, public, and private schools.⁴⁹ The size of education sector, coupled with issues of infrastructures, especially in less developed areas, make it difficult to work on improving the quality of education.

This is evident from the survey conducted by the Ministry of National Education (MoNE), cited by the World Bank revealing that “one in six schools in Central Java and at least one in two schools in Nusa Tenggara Timur are reported to be in “bad condition”⁵⁰

Despite an improvement in the number of enrolment, especially at primary and secondary schools, not all regions in Indonesia have the same experience. We can still find gap in infrastructure, human resource, and quality of education in less developed provinces or regions. Confusion of division of authority from central government and local government still one of the factors that often inhibits progress. Therefore, besides

Indonesia: Managing the Transition to Decentralization, 2004, hal. 2.

49 Ibid, p. 4.

50 Ibid, p. 4.

commitment to the reform, “four key conditions have to be met: (i) a clear the division of responsibilities and power among the different levels of government, (ii) real decision making power and autonomy to local governments, (iii) greater voice of teachers and parents on how schools operate, and (iv) effective accountability mechanisms and adequate financial and technical resources that are consistent with educational goals”.⁵¹ The following section discusses four factors that are often considered as major areas that affect the quality of public service delivery, including education sector.

Governance and Management

Governance and management have been regarded as one of the core element that needs to be improved in order to have a good educational system. The decision to decentralize a formerly centralized system is to help to improve the quality of service delivery in Indonesia. Undoubtedly, improving the governance and management of public institutions is realized in the shift in authority, responsibilities, and resources from the central level to district governments. To be able to do this, the government needs to work on the governance and management matters. In other words, “the successful implementation of decentralization depends on how certain design and implementation issues regarding governance and management systems are resolved”.⁵² These include how the relationships between district

51 The World Bank report, No. 29506, Volume 1, Education in Indonesia: Managing the Transition to Decentralization, 2004, p. 5.

52 The World Bank report, No. 29506, Volume 1, Education in Indonesia: Managing the Transition to Decentralization, 2004, p. 6.

governments and service providers (district and school-level providers) have changed; what are the functions and roles of the large number of decision making bodies in the sector; whether local government officials and school staff have the capacity and skills to fulfill their devolved functions and responsibilities; and whether the central agencies are ready and able to restructure and reequip themselves to undertake their new roles.⁵³

Finance and Public Spending

The financial side of decentralization agenda that has been in placed since the fall of Suharto often becomes a considerable issue. It becomes an issue because not all local government have the human resource to manage the flow and allocation of fiscal resources. In the context of education, allocation of fund from the central government to the district governments and from the district governments to the schools often results in financial issues. School stakeholders do not always have the qualification to administer big sum of money. No wonder questions whether the fiscal resources for education are sufficient, or whether resources are being used more efficiently and more equitably than before become concerns.

The need to prepare and equip human resources in education sector with new authority and responsibilities must be on the top of the list if we are to improve the quality of public service, especially in education. We need to ask ourselves how we maximize the use of resources and how we can utilize the influx of fund at the school level in order to improve quality of education.

53 Ibid.

Education Quality

It is no doubt that education quality has become one of the most important issues and has emerged as one of the top priorities in Indonesia. The government's political will to improve education quality can be seen in the education policies issued by the government through Ministry of National Education (MONE).

Schools are supplied with textbooks and teaching aids in order to provide students with resources needed for the successful implementation of curriculum. The issues needed to be addressed in order to have better standards at schools must be identified and resolved. "Under decentralization, however, improving quality will mean identifying those institutional arrangements (such as standards, structures, and incentives) that will improve performance and accountability. What then are the best ways to raise quality in the context of local autonomy? How can performance standards be set, measured, and monitored throughout the education system?"⁵⁴

Teacher Management

When talking about education, we cannot underestimate the importance role the teachers have. One of the weaknesses of the decentralization Law, in the context of education, is the absence of system, which is intended to manage teachers. Even in the New Education Law, this issue is not mentioned explicitly. "Yet such systems are vital for managing the employment, deployment,

54 The World Bank report, No. 29506, Volume 1, Education in Indonesia: Managing the Transition to Decentralization, 2004, p. 6.

and career opportunities of this very large workforce and to ensure that schools reach a level of performance that is consistent with the country's education goals. How will decentralization affect the incentives faced by teachers, how will it determine teachers' entry into and progression within the profession, and what management systems are likely to be effective in a decentralized context?"⁵⁵

During Soeharto's New Order regime, the educational system in Indonesia was very centralized. The centralized and authoritarian political system implemented by the government was also the common feature in much of the public administration in the country. From the government point of view, centralized systems were intended to achieve firm control over the process of development.

It has been argued that many aspects relating to educational system and other areas of public administration in Indonesia have been designed to serve the prevailing interests of the central government. It has been argued that the direct effect of years of authoritarian practice by central government is an authoritarian leadership style of management that has not been innovative and helpful at all when it comes to increasing the quality of educational outputs.

The Need for Change

The political instability associated with the emergence of alternative political parties and views along with the economic crisis associated with the devaluation

55 Ibid.

of the Indonesian rupiah in the late 1990's ultimately forced Soeharto to resign. As a result the new government under President Habibie had to react quickly to improve the fragmented political system. One crucial policy taken by the government under Habibie was the policy to decentralize the political system.

Lestari, when commenting on the policy of educational system under Soeharto's regime, argued that the centralized educational system created by the New Order regime failed to improve nor did it produce high quality outputs. As a result, there have been significant influences on social, political, and economic development of the country.⁵⁶ She continued by stating that that is why the concept of decentralization of education, has been welcome by the majority of the people involved in this sector. In spite of concern expressed by some people on how the decentralization policy will affect the overall education sector, the government seems to be optimistic in executing this policy.

The decentralization of education in Indonesia is still in its early stages. It started as a response to the reformation process that occurred in Indonesia when the Soeharto's New Order regime fell in May 1998. It is often considered that the passing of Law no. 22/1999 was the most significant aspect of reformation movement at the time. This law, which is seen to be the threshold leading to a more democratic Indonesia by many people, explicitly devolves the authority and the responsibilities of the central government associated with the administration of public affairs to the local government in the various provinces. This law has significantly

56 Lestari, T. (2004, March). *Desentralisasi Pendidikan Mendorong Kreatifitas*. Pikiran Rakyat, Bandung. p. 8.

changed the way local public administration is managed in Indonesia. Local public administration that was once part of a highly centralized system are now in the hands of local governments and their communities.

In article 7 of Law no. 22/1999, it stipulates that “regional authorities shall cover the authorities in all fields of governance, except authorities in the fields of international policies, defense and security, judicature, monetary and fiscal, religion and authorities in other fields” (Law 22/1999, p. 3). This article explicitly states that the government at the level of municipality and district now has the authority and responsibility to carry out much of the public administration. This includes the authority in the fields of public works, public health, education and culture, agriculture, transportation, trade and industry, investment, environment, land administration, and cooperative and labor.

Law No. 22/1999 has changed the relationship between central government and local government in many ways. First of all, the representatives of local government, such as the district head (Bupati and Walikota) are now recognized as being responsible to the local assembly (Dewan Perwakilan Rakyat Daerah, DPRD), not to the local provincial government as was previously the case.⁵⁷ The authority of local districts and municipalities embraces all aspects of administrative authority except for the five sectors listed above. As a result, the districts and municipalities now have greater authority in relation to public works, health, education and culture, manpower, industry and trades.⁵⁸

57 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper.

58 Ibid.

Alm and Bahl concurred when they suggested that Law no. 22/1999 also “makes all deconcentrated central government ministries at the province and the district level the responsibility of the respective local government. This change promises a major reorganization in the way in which public services will be delivered in Indonesia”.⁵⁹

As mentioned earlier in this chapter, increased management efficiency is one of the motives behind the decentralization of education in many countries, including Indonesia. Management efficiency can be achieved by local communities if they have the authority to exercise their own decision-making when it is necessary to do so. As a result, the local authorities now do not need to wait for approval and instructions from a central authority, which in most cases will take much longer time. According to Fiske,

the administrative argument for decentralization is that centralized system are bureaucratic and wasteful and that empowering authorities at regional or local levels will result in a more efficient systems because it eliminates overlays of bureaucratic procedure and motivates education officials to be more productive.⁶⁰

More efficient decision-making can be achieved by reducing the size and levels of bureaucracy. It is acknowledged that devolving or decentralizing the

59 Alm, J. & Bahl, R. (1999). *Decentralization in Indonesia: Prospect and Problems*. Jakarta: U.S.A.I.D. p.5.

60 Fiske, E. B. (1996). *Decentralization of Education: Politics and Consensus*. Washington DC: The World Bank. p. 25.

authority and responsibility is definitely the key to reducing bureaucracy. This is what Law No. 22/1999 stipulates in its articles. It can be contended that the implementation of Law. No. 22/1999 has enabled local governments to exercise their decision-making power much more efficiently and quickly.

The failure of the previous centralized educational system to improve the quality of service delivery as well as educational output in Indonesia can be contributed to the consequences of centralization. The highly centralized and authoritarian educational system affects the ability of local government officials to take immediate and necessary action in order to deal with their specific needs has been reduced significantly. Lestari argued that,

keseragaman dalam hal kurikulum dan sistem evaluasi di seluruh Indonesia secara sentralistik ternyata tidak menghasilkan proses pendidikan yang maksimal. Diharapkan, melalui perubahan yang radikal maka implementasi otonomi pendidikan di tingkat sekolah akan lebih efektif. (Pikiran Rakyat Newspaper, 19/3/2004).

English translation :

The centralistic and uniformity in curriculum and evaluation system has not produced a good quality in the process of education. With the implementation of radical change, it is hoped that the implementation of autonomy of education at the school level would be more effective (Muluk,

2004a).⁶¹

In addition, the centralized planning policy of educational system had failed to promote the efficiency and effectiveness of service delivery as well as the quality of educational outputs. Rondinelli and Cheema argued “central planning was not only complex and difficult to implement, but may also have been inappropriate for promoting equitable growth and self-sufficiency among low-income groups and communities within developing countries”.⁶²

Undoubtedly, the implementation of decentralization of education in Indonesia is very important in the development of a more effective and efficient educational system. Decentralization, in turn, will improve the quality of education itself. With the authority to plan and make decisions according to their own specific needs and preferences, it is expected that the delivery of educational services would be improved considerably.

Rationale for Decentralization of Education in Indonesia

Usman (2001) suggested that there is a number of motives behind the decentralization process in Indonesia. Raising the level of accountability at the level of local government, promoting effectiveness and

61 Safrul Muluk, English translation, 2004.

62 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication. p. 13.

efficiency in service delivery, improving the quality of services, and increasing financial revenue are some of the rationales behind the implementation of decentralization of education. In a similar vein, Weiler (1993) argued that increased economic development through institutional modernization, increased management efficiency, redistribution of responsibility for financial management, democratization, the neutralization of potentially destructive and competing centres of power, and improved quality of education are also some of the goals that drive decentralization initiatives.

McGinn and Welsh (1999) pointed out that the increasing efficiency in management and governance as well as political democratization were also part of the motivation behind decentralization. Looking at the reason for the need for decentralization from a different perspective, Alm and Bahl suggested that, “diverse countries seem to decentralize for two reasons: to accommodate regional differences in preferences for services, and/or to hold a potentially divided country together by providing appeasement via some degree of regional autonomy to potential breakaway regions”.⁶³ They suggested that this is especially true in the case of Indonesia. The decision to decentralize its political system was intended to push Indonesia towards an increasingly democratic country; while at the same time, it is intended to prevent some regions like Papua and Aceh from separating from Indonesia.

In many developing countries, the process of decentralization has been largely triggered by political concerns about such distribution of power and by political

63 Alm, J. & Bahl, R. (1999). *Decentralization in Indonesia: Prospect and Problems*. Jakarta: U.S.A.I.D. p. 2.

instability. Hanson argued that “decentralization of education reforms typically have their roots in the political arena”.⁶⁴ Decentralization is more often than not the result of the process of political democratisation. It more often than not stems from efforts to achieve a more democratic government in which more of the people are consulted and involved in decision-making. In the context of Indonesia, decentralization agenda was triggered by the political and economic instability. The inability of the New Order regime to overcome the crisis resulted in the decentralization agenda. In addition, Hanson stated that “... in the transition from autocratic to democratic forms of government, an almost natural outcome is an effort to decentralize the educational system as one important mechanism of establishing citizen participation in government institutions”.⁶⁵ Consistent with the experience in many of the developing countries, decentralization in Indonesia also had its roots in political, social and economic crisis.

As Indonesia found itself in extreme political instability, this led to student protests, general unrest, financial burden, and serious challenges to government policies, the inability of centralized planning and administration to cope with pressures failed to improve the situation. Usman asserted that, as a result of increasing pressure on the central government to establish the framework of democratic political system, the new Habibie government began to take the necessary steps to reform the political system in Indonesia and

64 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p. 114.

65 Ibid. p. 115.

to recognize different views and policies.⁶⁶ Some of the most important steps taken by the central government at the time were the decision to hold free general elections and to decentralize its authority to local governments, which focused on needs and priorities at the district and municipal levels.

According to Usman the introduction of Law 22/1999 as a legal framework for the decentralization process in Indonesia has resulted in a significant change in the relationship between the central government and the governmental bodies at provincial and local level. The rally by hundred of thousand of Indonesian students during the May 1998 demonstration in Jakarta highlighted the demand for political reformation and accelerated the process of decentralization across the Indonesian archipelago. He clearly saw the passing of this Law on Regional Governance as legally formalizing the decentralization process in Indonesia and it required far greater regional autonomy as realities. It has also legalized the devolution of power and responsibilities of central government to local government in each provin

In the context of Indonesia, this decentralization process must now take place in all the government administrative sectors except for sectors that have national significance such as security and defence, foreign policy, monetary and fiscal matters, justice and religious affairs. The formulation of this law are based on five fundamental principles: “1) democracy, 2) community participation and empowerment, 3) equity and justice, 4) recognition of the potential and diversity within regions, and 5) the need to strengthen the regional

66 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper.

legislatures”.⁶⁷

The demand for a democratic Indonesia has never been greater. Speaking on the situation after the fall of the Soeharto’s New Order regime, Usman commented:

Characterized by a free election, freedom of the press, a nation wide calls for reformasi, this democratization process has also given rise to regional demands for the central government to decentralize its power and responsibilities.⁶⁸

Having conducted considerable research in the area of decentralization, Hanson suggested that the initiative to decentralize tends to be launched from political arena. Hanson elaborated that because decentralization of education is closely related to political reason, “passive resistance from within the ministry of education often becomes major barriers”.⁶⁹ Speaking on the effect of decentralization on the distribution of power, Hanson argued that many people who had had significant powers within the old Ministry of Education and Culture would definitely see the devolution process as direct threat to their power because they are required the transfer much of their power and authority. Losses of personal powers and privileges often create resistance from within. Similarly, Kanter argued that this

67 Ibid. p. 1.

68 Usman, S. (2001). Indonesia’s Decentralization Policy: Initial Experiences and Emerging Problem. London: SMERU Working Paper. p. 1.

69 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), p. 114.

situation creates many conflicts of interest for the people who are required to hand over their authority and power to previously subordinate groups. She further said,

giving up control is threatening to people who have fought for every shred of it; that people do not want to share power with those they look down on; that managers fear losing their own place and special privileges in the system...⁷⁰

In this case, the government must take the cultural factors into account when adopting new policies. It is very easy, as suggested by Rose to fall into the risk of false universalism when policy makers fail to take distinctive historical and cultural dimension into account.⁷¹ Policy makers in Indonesia, especially in the education sector, need to realize that while the concept of decentralization of education has been quite successful in its implementation in the western countries, it may not be appropriate to Indonesian context. The cultural aspect has, perhaps, been overlooked in the concept of decentralization in Indonesia.

The existence of “obedience culture” in Indonesian society certainly plays a very important role in the success of decentralization of education. The term obedience culture in a way is similar to Hofstede’s concept of power distance. Hofstede defined power distance as “the extent to which less powerful members of

70 Kanter, R. M. (1979). Power Failure in Management Circuit. *Harvard Business Review*, 57(4), p. 74.

71 Rose, R. (1991). Comparing Forms of Comparative Analysis. *Political Studies*, XXXIX.

institutions and organizations within a country expect and accept that power is distributed unequally”.⁷² In the case of Indonesia, people are considerably more tolerant and comfortable with inequality. This culture results in a high power distance between the leaders and the led associated with the fear of disagreeing with one’s superior. This is what is meant by obedience culture; people in lower level positions cannot act or say something that would offend the people at the higher level, even if it were for a good cause. This is especially true in some Asian countries where there are beliefs that hierarchy and inequality are appropriate and beneficial, and that authorities and seniors should not be challenged or even questioned.⁷³ According to Hallinger and Kantamara, the expectation that decisions should be made by those in positions of authority is very likely to happen in the management system where centralized and authoritarian management style is carried out.⁷⁴ Duhou pointed out that the changes of cultures are required in the transition from dependency in a centralized structure towards autonomy in a decentralized structure.⁷⁵

As suggested by Alm and Bahl (1999), Indonesia fits the criteria of a country that should implement decentralized political and fiscal structures; this because Indonesia has a very large population and land areas,

72 Hofstede, G. (1980). *Culture’s Consequences: International Differences in Work-Related Values*. California: Sage Publications, p 28.

73 Irwin, H. (1996). *Communicating with Asia*. Sydney: Allen & Unwin Pty Ltd.

74 Hallinger, P. & Kantamara, P. (2000). Educational change in Thailand: Opening a window onto leadership as a cultural process. *School Leadership & Management*, 20(2), 189-205.

75 Duhou, A. I. (1999). *School-based Management*. Paris: UNESCO, International Institute for Educational Planning.

diverse populations, multiple cultures, many different ethnic groups, many different languages and dialects, a wide range of social norms, and other significant differences. They argued that there is a strong case for decentralized governance with such diversities exists. It has been argued that the need to accommodate regional differences is of great importance in accelerating the development of a country.⁷⁶

That is why, according to Alm and Bahl (1999), one of the most important decisions that had to be taken in Indonesia in order to improve the situation of the country was the decision to decentralize the political system. In addition, in the implementation of decentralization of education, the government must take into account the cultural context within which this new policy is carried out. Cheng contended that

Education is a socio-cultural process. The process of borrowing educational practices from another society implies an acceptance of cultural values embedded in the particular practices. This suggests the possibility that implementation of foreign educational policies and practices could result in a subsequent shift in the value system of society. The receiving society may not, however, be prepared (or able) to undertake such a fundamental change despite the desired change in policy outcomes...⁷⁷

Rondinelli and Cheema maintained “decentralization can be a means of overcoming the severe limitations of centrally controlled national planning by delegating

76 Alm, J. & Bahl, R. (1999). Decentralization in Indonesia: Prospect and Problems. Jakarta: U.S.A.I.D. (Working Paper).

77 Cheng, K. M. (1998). Can educational values be borrowed? Looking into cultural differences. *Peabody Journal of Education*, 73(2), p. 14.

greater authority for development planning and management to officials who are working in the field, closer to the problems”.⁷⁸ In a similar way, Usman argued that because local governments have a better understanding of the needs and aspirations of their communities than does a central government, it is even more important to have local governments as the ones responsible when it comes to making educational policies.⁷⁹

The immediate result of this decentralization is expected to be the decrease in the inefficiency of centralized bureaucracy, as well as the encouragement and increase efficiency of decentralized political system.⁸⁰ Similarly, Behrman, Deolalikar, and Soon argued that,

Decentralization results in the elimination of superfluous layers of bureaucracy, thereby improving the chains of command in decision-making and delivering a larger proportion of human resources directly to local governments, schools, and students.⁸¹

In a similar tone, Rondinelli and Cheema contended

78 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication, p. 14.

79 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper.

80 Hanson, M. (1996). *Educational Administration and Organizational Behavior*, 4th ed., Boston, MA: Allyn & Bacon.

81 Berhman, J. R., Deolalikar, A. B., & Soon, L. Y. (2002). *Conceptual Issues in the Role of Education Decentralization in Promoting Effective Schooling in Asian Developing Countries*. Manila: Asian Development Bank, Economic and Research Department, p. 24.

that,

Decentralization can cut through ... the highly structured procedures characteristics of central planning and management in developing nations that result in part from the over concentration of power, authority, and resources at the centre of the government in the national capital.⁸²

In addition, Rondinelli and Cheema argued that “decentralization can also provide a structure through which the activities of the various central government ministries and agencies involved in development could be coordinated more effectively with each other and with those of local leaders ...”.⁸³

They are suggesting that removing central government from routine planning tasks that could be done more effectively by local managements at districts and municipalities levels will eventually improve management efficiency of central government. The time that was previously used to plan and control the implementation of public administration policies can now be used to plan and supervise the implementation of development policies.⁸⁴

Resource allocation, for example, which was once done by the central government agencies, can now be

82 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication., p. 15.

83 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication, p. 15

84 Ibid.

transferred to local government equivalents. It is very likely that local government will allocate the resources within the local settings more efficiently and effectively than central government. Their knowledge of local specific characteristics as well as its strength and weaknesses will be instrumental in the decisions to allocate resources.⁸⁵

As mentioned earlier, one of the reasons behind the implementation of decentralization is the need to strengthen the degree of accountability. Usman (emphasized that the transfer of authority and responsibilities from central government to local government will raise the issue of accountability. He stated that “the main objectives of decentralization include promoting the better delivery of government services and the raising of the level of local government accountability”.⁸⁶ By transferring decision-making authority, assignment of tasks and responsibility for public administration to local governments, the people will be able to voice their concerns more effectively. Derqui maintained that the, “decentralization of education can be advocated as a means to increase participation of parents, teachers and local communities in decision-making processes”.⁸⁷

Another reason, according to Alm and Bahl, for the decentralization of education in Indonesia to be improved, the development of administrative capability

85 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper.

86 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper, p. ii

87 Derqui, J. M. G. (2001). Decentralization of education policies in Argentina and Brazil: exploring the new trends. *Journal of Education Policy*, 16(6), p. 583.

at local levels must be taken care of.⁸⁸ In a similar way, Rondinelli and Cheema argued that “decentralization could lead to the development of greater administrative capability among local governments, thus expanding their capacities to take over functions that are not usually performed well by central ministries”.⁸⁹ It has been argued by many that with the new authority and responsibilities that are transferred to local management, there will be new opportunities for local managers to develop and improve managerial and technical skills. The attempt to empower and motivate human resources is extremely important in any institution in order to improve its capability in answering challenges that may exist. Improved administrative capability will certainly help the effort to improve the quality of education. Suyanto suggested that,

Dengan digulirkannya otonomi pendidikan ... peluang besar untuk meningkatkan kualitas pendidikan yang merupakan tolok ukur kualitas sumber daya manusia di daerah telah terbuka. Hal ini terjadi karena bupati/kepala daerah melalui dinas pendidikan saat ini memiliki kewenangan penuh dalam menentukan kualitas pendidikan di daerahnya, baik melalui sistem penerimaan siswa, pembinaan profesionalisme guru, rekrutmen kepala sekolah, penentuan sistem evaluasi, dan sebagainya.⁹⁰

88 Alm, J. & Bahl, R. (1999). *Decentralization in Indonesia: Prospect and Problems*. Jakarta: U.S.A.I.D. (Working Paper).

89 Rondinelli, D. A., & Cheema, G. S. (Eds.). (1983). *Decentralization and Development: Policy implementation in developing countries*. London: Sage Publication, p. 15.

90 Suyanto. (2001). *Kompas Newspaper*, p. 5.

English translation:

With the implementation of decentralization of education ...the opportunity to improve the quality of education that will result in qualified human resources is now widely available. This is because the head of districts or municipalities through education and culture department now has full authority to determine the quality of education through students enrolment system, teachers professional development, principal recruitment, and evaluation system.⁹¹ (Muluk, 2004b)

Increased community participation and empowerment is also one of the motives behind the implementation of decentralization of education in Indonesia (Usman, 2001). According to Hanson, the transfer of authority from central government to local government is also intended to empower the community in the development process. The involvement of community in educational development will certainly help the process of democratization in Indonesia.⁹² The fact that local officials and community have been left out of decision-making process has restricted the people from expressing their thought and concern as far as educational policies is concerned. With the decentralization of education in Indonesia, the aspirations, thoughts, and concerns of the various stakeholder such as community group, school principals, parents, teachers, and students will be accommodated through their involvement in the decentralized educational system.

91 Safrul Muluk. (2004b)

92 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2), 111-128.

An increase in financial revenue is also one of the rationales behind decentralization initiative in Indonesia. The implementation of decentralization, according to Fiske, “will generate additional revenues for the system ... by taking advantage of local sources of taxation and reducing operating costs”.⁹³ According to Derqui “decentralization allows central government to shift the cost burden of education to (or increase the level of resources by the involvement of) local governments and communities”.⁹⁴ With the policy of decentralization, it is hoped that local governments will be able to generate revenue from taxes and levies that can be used to finance public administration.⁹⁵

The government certainly hopeful about the benefits that the decentralization brings about. The strong motives behind the decentralization of education in Indonesia has clearly indicated the intention and the direction the government wants to pursue, which is a more democratic and effective system of education that can improved the quality of education. While the decentralization of education in Indonesia is still in its early stages, there have been positive outcomes that come out of the new educational policies that are now in place. However, there are also a number of problems that are emerging during the implementation process.



93 Fiske, E. B. (1996). *Decentralization of Education: Politics and Consensus*. Washington DC: The World Bank, p. 26.

94 Derqui, J. M. G. (2001). Decentralization of education policies in Argentina and Brazil: exploring the new trends. *Journal of Education Policy*, 16(6), p. 562

95 Saad, I. (2001). *Indonesia's Decentralization Policy: Budget Allocation and its Implication*. London: Paper at Third UEROSEAS Conference.

CHAPTER THREE

IMPLEMENTATION OF DECENTRALIZATION OF EDUCATION

For the past two decades, decentralization has become a major theme around the world. There is a strong argument that decentralization is very important in the effort to have a democratic country. In many developing countries, including Indonesia, the effort to decentralize powers and authority from central government to local governments has become a significant agenda in the struggle to improve both the economic and political systems. As mentioned in the previous chapter, the economic and political crises that occurred in Indonesia in May 1998 lead ultimately to the decentralization process and that is why decentralization in Indonesia

is closely related to the political situation prevailing in the country. With this in mind, it is very important to consider the political context in which the move towards the decentralization of education in Indonesia was based.

One of the potential barriers that may influence the success or failure of national policies in Indonesia is the geography of its landscape. Because Indonesia is a vast country with many provinces spreading across thousands of kilometers, along with a multi cultural heritage, many different ethnic groups, many different languages, social norms, and other differences is in itself, for many authors, a reason to have a decentralized political system.

Undoubtedly, the vast geographical feature, different needs, as well as diverse cultural preferences in various parts of Indonesia have to be considered by policy makers, for it is an important factor that determines the successful implementation of national policies in Indonesia, especially in education. That is why the introduction of decentralization of education in Indonesia has been regarded as one of the ways that can help improve the gap that occur in the quality of educational outcomes in Indonesia.

Decentralization of education, the authority and responsibility to formulate educational policies are now being transferred to the teams at local level. Consequently, there is a considerable change in the role of both central and local managers. The question is whether or not those local managers are ready to take up their new authorities and responsibilities. As for the central office managers, the question is how much authority and responsibility can they transfer to local

managers. While the transfer of authority and responsibility is seen as a normal consequence of decentralization process, there is one important factor that has an effect on the process of the transition of authority, it is the political will of the people at the senior level to willingly transfer their authority to others. In Indonesia, this is perhaps a very difficult aspect that has to be resolved by the many people who had previously held the authority and power of policy making, because, as suggested by Hanson, many will consider the process of decentralization as a threat to their power and survival.

Taking on Hanson's idea of major barriers that influence the implementation of decentralization of education, disagreement towards decentralization more often than not comes from within the Ministry of Education itself. This is also true in the case of Indonesia. The decentralization of education which is now underway threatens many people who hold important senior positions within the Ministry of Education and Culture. The fact that they have to devolve much of their authority and power to the people located in the provinces creates tension and conflicts among themselves.

That is why it will take quite a while to transform the organizational culture that exists within the department to pave the way for the decentralization of education to be implemented fully. There are a number of factors that have to be addressed before decentralization of education can be considered a success. Elaborating on a number of measures that will determine the success or failure of decentralization, Hanson stated that there are at least seven factors that must be dealt with. The infrastructures at local level must be made available,

organizational culture must be transformed, new roles must be learned, leadership styles must be altered, communication patterned has to be reversed, planning procedures must be revised, and developing regional policies and programs developed.¹

The type of decentralization Indonesia implemented is political decentralization rather than administrative decentralization. Adopting Fiske's definition of political decentralization, the most significant factor is the transfer of the authority for decision-making to the community in a general election or their representatives at the level of local government in Jakarta. What this means is that local governments now have the authority to make decisions without having to wait for approval from central government. While this concept has shown generally positive results in some parts of Indonesia, it is clear that the full extent of decentralization of education has not yet fully achieved across the archipelago.

Many local government authorities still encounter restrictions in relation to decisions about financial affairs and some policies that regulate some of the public affairs at local levels. In other words, while responsibilities and authority for planning, management, finance and other activities are relinquished to lower levels of government; the central government often retains the ultimate power of decision-making, and this prevents the local governments from making many decisions at the local level.

A significant factor that influences the success or

1 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2).

failure of the implementation of decentralization in education was the timing of the decentralization process itself. Although the Indonesian government managed to finally decentralize its authority and powers, it came at a very difficult time. It was extremely difficult for the government to come up with quick and accurate solutions considering how poor the economic, political, and social situations were at the time. The economic and political situations were extremely fragmented, and these conditions, which lead to the resignation of President Suharto in 1998 to give way to demands of reformation.

In the late 1990's, the new government led by President Habibie reacted quickly and took immediate steps to stabilize the political unrest. As a result, one of the most obvious aspects of the process of decentralization in Indonesia is the lack of time and resources allocated by the government to identify the objectives of the reforms. Alm and Bahl identified that, in Indonesia, the prerequisite step of identifying and clarifying the objectives of the reforms was overlooked. Instead of formulating the objectives of the reforms, the government immediately drafted the decentralization laws and the regulations associated with those laws.²

As a result, the general framework within which the broad goals of the reforms are articulated and agreed upon was not clearly defined or documented. Understandably, the boundaries of the authorities, guidelines for task allocations and the extent of responsibilities have, as yet, not been explicitly defined. According to Alm and Bahl, one cannot find a statement

2 Alm, J. & Bahl, R. (1999). *Decentralization in Indonesia: Prospect and Problems*. Jakarta: U.S.A.I.D. (Working Paper).

of the objectives of the reforms in the decentralization laws formulated in Law No. 22/1999.³ The decentralization law issued by the government lacks clear boundaries in terms of responsibilities and authorities that should be transferred to the local government. This is perhaps the most significant factor that will strongly influence or limit the effectiveness of the decentralization of education in Indonesia.

To come up with immediate and urgent reactions to the many emerging political and economic questions at the time has meant that the central government has inevitably overlooked many factors that may determine or limit the success of the decentralization of education in Indonesia. One example of ambiguity as a result of lack of clear boundaries between the responsibilities of central and local governments is related to finances. Alm and Bahl argued that there was no coordination between two different groups within the government when it comes to the laws defining expenditure assignment and revenue powers. Consequently, fiscal mismatch will be common outcomes as the authorities devolved. The absence of clear objective statements has clearly resulted in some obstacles and much confusion in the early stages of decentralization.⁴

Another immediate result of this ambiguity in decision-making is the delay in the delivery of services to the people at the local level. Usman indicated that lack of clear regulations and directives supporting decentralization by the central government is one of the factors that has slowed down the process of decentralization.

3 Alm, J. & Bahl, R. (1999). Decentralization in Indonesia: Prospect and Problems. Jakarta: U.S.A.I.D. (Working Paper).

4 Ibid.

He continued by stating that the absence of a well-designed plan for the transition process and the lack of supporting regulations procedures and processes to be followed have hampered the rate of decentralization of authority.⁵ The relative roles and functions of central government and local governments must be clearly defined, so that no longer will there be overlapping functions for the central and local managements. Coordination and understanding between the two parties in term of rights and responsibilities have to be well managed. In short, there is no shared vision of what decentralization will involve for the central and local governments.

With the decentralization of education, the power of the central government has now been reduced to the setting up of national education standards such national curriculum and evaluation, policies with regard to administrations of higher education, guidelines related to financial management for education, and the development of Indonesian language and literature, leaving other aspect of education to local management to exercise their discretions in administering educational institutions.

The lack of attention given to the cultural aspect that may influence the success or the failure of decentralization of education in Indonesia is another example of time shortage the central government had when it first decided to decentralized the political system in Indonesia. As mentioned in chapter two, in the formulation of new policies like decentralization of education, policy makers have to take into account the cultural

5 Usman, S. (2001). Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem. London: SMERU Working Paper.

aspect that exists in the community. The existence of obedience culture in Indonesian society is a significant factor that influenced the process of decentralization of education in Indonesia. The fact that people are not comfortable with disagreement and conflicts, even in constructive debates, has definitely played some part in the way people perceived decentralization in Indonesia.⁶

The interesting research that was done by Hofstede and Irwin explored the concept of power distance. They argued that in a high power distance culture people are comfortable with considerable inequality, whereas in low power distance cultures people tend to favor minimum inequality.⁷ If we observe closely in Indonesian communities, this is one of the features that can be easily noticed. Avoidance of conflicts and acceptance of different social status is common in Indonesia. Organizational cultures also revolve around this concept.

Most people believe that hierarchy and inequality are not a bad things. Conflicts and confrontations have to be avoided, even if they are the consequences of improvement process. Because the essence of decentralization and devolution is the transfer of authority and responsibility that promote a more participative and democratic approach, it will bring people out of their comfort zone. What makes it worse, the authoritarian management system implemented by the New Order regime has confirmed this cultural aspect in the running of public administration. A top down style of leadership in which the central leaders have the final say on

6 Irwin, H. (1996). *Communicating with Asia*. Sydney: Allen & Unwin Pty Ltd.

7 Hofstede, G. (1991). *Cultures and Organizations: Software of the Mind*. London: McGraw Hill; Irwin, H. (1996). *Communicating with Asia*. Sydney: Allen & Unwin Pty Ltd.

decision-making has enormous influence on how people behave and react in organizations.

When the decentralization underway, a new way of thinking has to be developed. Having been worked extensively in a situation where orders come from above, this is not as easy as it sounds. This makes it even more difficult for the employees to implement and change their attitudes towards decentralization and this explains why the implementation of decentralization of education in Indonesia has been very difficult.

The decentralization of education also raises the question of whether or not the local governments already have the capacity to perform all the new tasks and responsibilities. The administrative and technical capacity of officials at local management has been under scrutiny since the decentralization was put into effect in 1999. The concern about the capacity of local management to carry out their new roles is understandable, especially if their experience in the area of policy making has been restricted for a long time during previous style of government. That is why the management expertise at the lower levels and limited experience in local governments has been a major concern in the decentralization of education in Indonesia. It is extremely important for administrators who worked with the various educational institutions in their jurisdiction to have the formal qualifications that are in accordance with their new authority and responsibility.

Speaking on the capacity of the local management to undertake new tasks, responsibilities, and authority that have been transferred to local governments, many people involved in education sector in Indonesia believe that the central government has failed to design

professional development programs crucial to the capacity development of the people at local level. This omission plays a crucial part in the inability of local government to perform their newly transferred tasks and responsibility. Understandably, these officials may not have adequate technical skills and professionalism to take on the responsibilities of their managerial positions. They have barely been involved in the process of planning and decision-making. Management aspects of the decentralization of education have often created dilemmas for the local people. The many years of centralized and authoritarian management system in the nation's public administration has resulted in the lower ability of local managers to fully understand the issues that arise in the implementation of educational policies and its capacity to act in certain policy areas in the present social and economic context.

As a result of enormous responsibility that has been passed on from the central government, local governments have to reform their internal structure to accommodate the changes in authority and responsibility. The structure of government organizations that was once highly bureaucratic has now become flatter. Many new positions are established while at the same time abolishing some positions that are not relevant in the local context. One of the significant parts of decentralization in Indonesia was, as suggested by Usman, the redeployment of a large number of previously central government employees to the authority of local governments.⁸

In addition to providing alternative employment

8 Usman, S. (2001). *Indonesia's Decentralization Policy: Initial Experiences and Emerging Problem*. London: SMERU Working Paper.

for former central office staff, the intention behind this policy was to support and strengthen the capacity of local governments to function effectively and efficiently. The realization that many local officials and managers still lack the technical and professional skills they need has mainly prompted this policy. However, while the transfer of central government employees to the various provinces and local government is intended to help local management, the process of improving the quality of local officials will be hampered. This is because the former staff of central government is still very much involved in many of the decision-making process, which is supposed to be done by local officials. However, although the redeployments of former central government officials to local governments will very likely marginalize local officials to less important positions, this situation will also force local officials to improve their technical and managerial skills.

Theoretically, whilst the decentralization creates more opportunities for local people and improves the system's responsiveness to answer the challenges that may exist locally, if specific and appropriate steps with regard to the improvement of technical and managerial capacity of local management are not taken, it will also allow the local governments to fail. The flexibility in the delivery of public services is an example of the benefit of decentralization of education to local governments. Community's needs and budget constraints are among the aspects that must be considered when local governments develop educational policies.

In Indonesia, both central and local governments have perhaps overlooked the aspect of capacity building in the attempt to decentralize the educational system.

It appears the fact that not enough preparation of officials at the local levels with regard to their new authorities, tasks, and responsibilities has been a major obstacle during the first five years of the implementation of decentralization of education. Although many aspects of management, which are administratively problematic, have been decentralized, it is questionable whether or not additional resources are readily available to local management.

For example, the national curriculum guidelines given to local educators throughout Indonesia are more often than not formulated by the central government through the Ministry of Education and Culture without considering its relevancy to the need of local conditions in the different provinces and districts. Local officials are often left out of the planning and decision-making process. The materials and infrastructure provided and built in the provinces often do not give significant increase in the quality of educational outputs, let alone answer the demands of unique problems existing at local levels. Now that the local management has the authority to design its own curriculum within the guidelines of national curriculum, many local government officials find it difficult to identify the specific needs of their locality in order develop effective curriculum that can answer the demands of the local situation, especially when it comes to providing a qualified work force.

Another factor that underpins the decentralization of education is the common belief in Indonesia that quality, effectiveness and responsiveness of public education will be enhanced by devolving the authority.⁹ The fact that there has been a growing pressure in

9 Ainley, J. & McKenzie, P. (2000). *School Governance: Research on*

the last 20 years upon educational institutions to improve the quality of services, to become more efficient and more effective has been a significant aspect of decentralization of education around the world, including Indonesia.

The immediacy of the accountability that local governments have to their constituency is definitely an important factor that can be of great advantage for local management to improve their effectiveness and efficiency in providing public services. In fact, this is one of the rationales for decentralization. The knowledge of local needs, preferences and culture, as well as the proximity to the issues are very important assets for the local governments to enable them to manage their available resources to meet the challenges in their attempts to improve the quality of local education. While this will be an advantage for local governments in carrying out their tasks and responsibilities, it is also dependent on their capacity to use this factor to their advantage. Inexperienced, small local governments may not have the technical capacity to utilize this advantage for their benefits. Weak and inadequate mechanisms needed to monitor, evaluate and support the decentralization also contributes to the degree of effectiveness and efficiency that can be achieved by local governments. In addition, Duhou asserted that continuous checks and balances are required in order to ensure quality and equity in education.¹⁰

In Indonesia, this is perhaps one of the problems faced by many local governments. Many local

Educational and Management Issues. *International Education Journal*, 1(3), 139-151.

10 Duhou, A. I. (1999). *School-based Management*. Paris: UNESCO, International Institute for Educational Planning.

governments are still struggling to come to terms with their new authorities and responsibilities. That is why the question of effectiveness and efficiency is still an important issue that has to be addressed. While some improvement have been achieved, many aspects of public administration in local areas still need a lot of development in order to get to the intended level of effectiveness and efficiency required to improve the educational system.

The issue of accountability is also an important factor in the decentralization of education in Indonesia. Accountability is also one of the implications of decentralization. With the authority and power to formulate public policies, local governments are now accountable for the results of those policies. In educational setting, the transfer of authority and responsibility to school and communities stakeholders means that the people involved in the formulation of educational policies are the ones who are responsible for the outcomes.

Despite the fact that the decentralization of education would be a good opportunity to improve professional development of officials at local management, they must also be prepared to take part in the initiative in school enhancement and they must be held publicly accountable for their performance and students' achievement (Hill and Bonan, 1991). While the intention of holding the local governments accountable for the development of educational institutions is primarily good, the lack of support and training provided by the central government for the local officials in the transition process from centralized to decentralized system has caused significant issues and problems that have to be resolved.

The local people with limited managerial and decision-making skills are often left to exercise their authority and powers in a way that may lead to poor results because of their inexperience. One shortcoming that has been noted is that the central government has off-loaded responsibilities to local governments and communities without providing adequate supports. Therefore, it is very likely that local governments will face many problems that slow down the improvement of the educational system.

With many barriers and issues that confront the implementation process of decentralization of education in Indonesia, there is no doubt that both central and local governments have to work out the best possible ways of dealing with those barriers and problems. The fact that there is a lack of clear boundaries between central and local governments with regard to authority and responsibility needs to be addressed immediately. To avoid confusion and ambiguity when carrying out and implementing tasks, both central and local governments have to come to an agreement about each other's responsibilities and authority.

There is also an urgent need to reform organizational structure. Centralized and bureaucratic organizational structure must be restructured and modified to suit the new style of management that comes as a result of decentralization. To help people to come to term with the new decentralization system, both central and local governments need to socialize the concept of decentralization so that it reaches the people who are at the front line of the decentralization, such as teachers, students, parents, and the community. Most people do not have a clear idea of what decentralization of education is. It

sounds terrific; but it has not delivered the intended outcomes as yet.

To be able to proceed with the decentralization more effectively, technical and professional skills needed at local government have to be improved. Additional preparation in the early stage of decentralization of education must be attended to before better results can be achieved. Enormous authority and responsibility that are now in the hands of official at local level must be accompanied with appropriate managerial, technical and professional skills.

Also, the cultural aspect that exists in Indonesian society cannot be taken for granted in the success of decentralization. One factor that is of great importance in the success of decentralization of education is the existence of obedience culture, a belief that inequality is appropriate and authority is not to be challenged. In addition, there is still considerable resistance from the people in senior positions in the Ministry of Education and Culture who are not willing to give up their authority. The need to address the attitude of officials towards people who hold decision-making authority has to be dealt with if effective and efficient management style is to be achieved.



CHAPTER FOUR

MOVING FORWARD STRATEGIES



The short-comings of centralized management in providing quality public services have contributed to the growing interests in decentralized management system in many developing countries. This has been reinforced by positive results from many developed countries. Research has found that much of the decentralization that took place in the last decade was motivated by political concerns. In Indonesia, for example, decentralization was a crucial part of the political reformation process.

While political concern has been considered as a major factor in the initiative behind decentralization in many parts of the world, there are other issues that

contribute to the need for decentralization. Promoting effectiveness and efficiency in public services, improving the quality of services, raising the level of accountability, increasing economic development, democratization, as well as redistributing financial responsibility are some of the rationales given for decentralization process.

It has been argued throughout the literature that decentralization plays a substantial role in the process of democratization and the attempt to improve effectiveness, efficiency and productivity of public services. Positive outcomes of decentralization of education in many developed countries have influenced developing countries, including Indonesia, to implement it in order to improve educational management practices as well as the quality of educational output. In Indonesia, the introduction of Law no. 22/1999 gives a legal framework for the central government to devolve much of its authority to local governments. Immediately after the introduction of Law No. 22/1999, a number of measures were taken to devolve authority and responsibility to local government, especially to districts and municipalities.

The transfer of authority and responsibility has changed the relationship between central government and local government. This law has also changed how the management system of public administration is carried out in Indonesia. The previously centralized public administration has now been changed to a decentralized system. Local governments now have the power to design and formulate public policies that suit their specific needs. Although the implementation of decentralization of education in Indonesia has been

underway for about five years now, the initial stage of the implementation of decentralization of education has not brought the expected results. While the theory advanced by Hanson and Usman suggested that there would be greater participation in the decision-making at the local level, this research has not yet found evidence confirming this. This could be because the decentralization has not yet occurred to an extent which could be reported upon.

Strategies

1. To be able to implement decentralization of education more effectively, there are a number of measures that can be taken by both central and local governments.
2. A significant effort must be made to address the mental attitude of the decision makers, people at senior level, and educational personnel in both central and local levels. The willingness and readiness of the people involved in the implementation of decentralization of education is of great importance in the successful implementation of decentralization.
3. The authority and responsibility of central and local government have to be clearly defined to avoid any confusion at the implementation stages. In addition, a considerable time should be given to familiarize educational stakeholders at all levels with the rules and regulations.
4. Resource allocation and distribution between central and local governments need to be settled. The transfer of authority must be followed

by transferring adequate resources to keep up with new tasks and responsibilities.

5. Immediate steps must be taken to restructure public education bureaucracy.
6. Capacity building at all levels of government, especially at the local levels, must be carried out. Government at all levels must be competent in technical and managerial matters in order to achieve successful process of decentralization of education.
7. A system of accountability must be enacted. This is a very significant aspect of decentralization process. In fact, accountability is one of the intended outcomes of the decentralization of education. By bringing decision-making process closer to the community, it is hoped that the level of accountability will improve. A mechanism of reward and punishment is usually used to accommodate accountability issues.

Decentralization in education can work only if community members are prepared to put in the time and energy necessary to make the reform work. If the local communities distrust, do not take seriously, do not participate in, or do not want to assume the added responsibility, then the opportunity for successful change through decentralization is seriously limited. In sum, the greater the accepted vision of decentralization within and between the distinct centers of power, the greater the chance of success.¹

1 Hanson, M. (1998). Strategies of Decentralization of education: Key Questions and Core Issues. *Journal of Educational Administration*, 36(2).

The success of educational decentralization in Indonesia would be achievable if the people involved in the process have the willingness to take the responsibilities and authority and do the best they can to improve the condition. However, successful decentralization is closely related to informed decision-making, adherence to local priorities and accountability. This is not easy considering the fact that Indonesia has many different provinces with their own specific and different needs. The reform in education needs the willingness of community members in order to make it work.²

Despite considerable barriers to the implementation of decentralization of education in Indonesia, significant changes have taken place in the way public administration is run. This is understandable, especially if we look at the implementation of decentralization of education in western countries, which has not been easy. Not surprisingly, educational reform in the form of decentralization in a strongly hierarchical social and institutional structure like Indonesia will be even more difficult.

While there is an argument whether decentralization of education in Indonesia has improved the quality of learning, there have been considerable benefits that can be noted. Early findings have shown the increase in job satisfaction. The fact that people are now involved in the decision-making is having positive influence on the way perceive their job. Effectiveness has also been improved. Bureaucratic administration that was once the feature of many public services has now begun to fade away. However, continuous efforts are still very much needed if the decentralization of education is to

2 Ibid

achieve its intended outcomes.



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