# ADMINISTRATION OF POST-REFORMATION DECENTRALIZATION GOVERNMENT

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# Administration of post-reformation decentralization government

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# Abstract

The study aims to investigate administration of post-reformation decentralization government implemented in the city of Makassar. The method used is a literature study, in addition, the authors also use media such as newspapers, magazines, bulletins, and other sources relating to the discussion as reference material in reviewing the discussion, analysis using descriptive-analytic methods. As a result, the implementation of decentralization that has been running is growing the regional economy of each district/city. In conclusion, urban space that allows the division of regions for development will be easier, and more perfect to become a municipality.

**Keywords:** Regional Autonomy; Decentralization; Reformation.

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# Administración del gobierno de descentralización posterior a la reforma

### Resumen

El estudio tiene como objetivo investigar la administración del gobierno de descentralización posterior a la reforma implementado en la ciudad de Makassar. El método utilizado es un estudio de literatura, además, los autores también usan medios como periódicos, revistas, boletines y otras fuentes relacionadas con la discusión como material de referencia para revisar la discusión, el análisis utilizando métodos descriptivos-analíticos. Como resultado, la implementación de la descentralización que ha estado funcionando está haciendo crecer la economía regional de cada distrito / ciudad. En conclusión, el espacio urbano que permite la división de las regiones para el desarrollo será más fácil y más perfecto para convertirse en un municipio.

Palabras clave: Autonomía regional; Descentralización; Reforma.

# 1. INTRODUCTION

Regional autonomy applied in Indonesia through Law No. 32 of 2004 concerning Regional Government that guarantees broad autonomy to every region in the territory of the Unitary State of the Republic of Indonesia, especially for regency or city areas. This directly provides an opportunity for local governments to improve the professionalism of work, creativity, and quality of government and is subsequently expected to

increase the dignity and welfare of the people. The regional government, in this case, has three main tasks, namely: public services, community empowerment, and development. The three main tasks, in carrying out their duties, regional governments are required to be able to carry out strategies in the process of creating community welfare in the regions.

Community welfare is certainly always the main benchmark in assessing the success of the government in the region. With the existence of decentralization, the problem is not limited to the surrender of power alone, but the readiness and ability of the regions that are given the authority is an important point of the success or failure of the implementation of decentralization in Indonesia. Because regions that have decentralized rights, it means that it is required to be independent for regions that are not ready for decentralization not only carrying out a heavy-duty other than that also must be clever to anticipate all the problems that exist so that they are able to be independent.

One of the supports for the success of decentralization is the extent to which local governments are able to strive to develop their existing potential so that they can be optimal for the progress of their regions. The regional government is demanded to be professional, clever with the hope that all policies taken are in line with the aims and objectives to be pursued. The results of empirical studies conducted by the World Bank and the IMF indicate that the success of decentralization has increased the efficiency and effectiveness of public sector services, and has successfully accommodated the pressure of political forces. Conversely, the failure of decentralization has threatened economic and political stability and disrupted the provision of public services (JAYA, 2010). A number of studies in developed and developing countries, show that the enactment of including Indonesia, decentralization law has encouraged accountability, but also has become an opportunity for new channels to occur in the practice of abuse of power such as corruption, money politics, lobbies, even thuggery (SEYMOUR & TURNER, 2002).

The important point in this research is the regional potential which is the consequence of the regional government to regulate and manage their own household. Implementation of these tasks is not as easy as turning the palm of the hand, because one of the important things is the existence of regional potential. The first is about how local governments can produce finance to run an organization including empowering the community, secondly how local governments see their function

in developing regional economic capacity (RAHAYUNINGSIH, MATULESSY, RINI, & PANDIN, 2019). From the description above, the main characteristic of a region's ability lies in the potential of the region, meaning that the decentralized area must have the authority and ability to explore its own potential (Kord et al., 2017).

This research is focused on the implementation of decentralization in Makassar City, the largest metropolitan city in Eastern Indonesia. From the aspect of development and infrastructure, the city of Makassar is classified as one of the metropolitan cities in Indonesia, which is the largest city outside Java after the city of Medan. With an area of 199.26 km<sup>2</sup> and a population of more than 1.6 million people, the city is in the fifth largest city in Indonesia after Jakarta, Surabaya, Bandung, and Medan. The economic growth rate of Makassar City is ranked highest in Indonesia. In the last five years, the average economic growth of Makassar City was above 9%. Even in 2008, the economic growth of Makassar City reached 10.83%. The rapid economic growth at that time, along with the incessant development of infrastructure that encouraged economic turnarounds, such as the construction of Sultan Hasanuddin International Airport, toll roads, and means of Trans Studio world-class play in the Tanjung Bunga Mandiri City Area.

# 2. RESEARCH METHOD

The method that will be used is a literature study by trying to find and collect data in libraries that are in accordance with decentralized government administration after bureaucratic reform. In addition, the author will use media such as; related newspapers, magazines, bulletins and other sources, as reference material in reviewing the discussion. The analysis uses descriptive-analytic methods, namely an approach by describing or parsing the elements related to the theme and analyzing it, so that the data obtained is either through regional regulations or other references, in order to obtain a definite answer about the matter being studied.

# 3. RESULTS AND DISCUSSION

The idea of regional autonomy is quite an interesting discussion, with many demands coming from regions that want their territories to have autonomous rights. The shifting of a centralized system to decentralization is referred to as the backflow of central power to the regions. Changes in Makassar to the municipality through a long historical process, efforts to

find a form of government that is suitable for a region, including by forming autonomous regions within the scope of the country in Indonesia.

Law Number 8 of 1965, Makassar was changed to the Regional Municipality of Makassar. In the economic field, the city government applies short and long-term development patterns, with programs to eradicate poverty, misery, and ignorance. While the long-term program makes Makassar a 5-dimensional city in the form of trading cities, cultural cities, industrial cities, academic cities, and tourism cities. In the field of transportation, it can be seen that the city government of Makassar began to organize the city and its roads with a focus on road arrangements, circulation, and mobility of city activities which are associated with the shape of the city structure.

Physically, the development of Makassar City is clearly progressing. This cannot be separated from changes in status experienced within the framework of national decentralization policies. With the existence of regional and central financial balance policies regulated in Law No. 32 of 2004, it is possible for local governments to make sound policies in terms of development. The community wants reforms, followed by fundamental changes in the design of people's lives, related to

political, social, economic and cultural dimensions. Changes in the structure, culture, and paradigm of bureaucracy in dealing with society are an important thing to do because the bureaucracy has contributed to the multi-dimensional crisis that occurred in Indonesia (YUSRIADI, 2018b).

Makassar City is now advancing, with many public facilities being built starting from the Mall, Hotels, Business Centers and Offices and various high-rise buildings. One of the icons of Makassar City is the concept of a very modern airport by combining local custom designs and modern designs. The Bugis Water Park was built in Bukit Baruga housing and entered as an international level Water Park by having 9 water games. Losari Beach, before this beach was renovated, is a beach that is stretched and filled with traders along the coastline until it was called the longest restaurant in the world that reached 1 KM more, but now it has changed 100%, with a courtyard called Bahari until Losari Beach is able to accommodate many visitors who want to relax.

At present, all areas in the city of Makassar have been touched by routes and adequate transportation facilities. City transportation or so-called "angkot" is now increasing. Besides that, paving the road and concreting were carried out to support transportation routes in the Makassar area, which would have an impact on the economic aspects of development. 35 large property projects are under construction in Makassar, from a number of these projects, two of which are multifunctional properties namely St Moritz Makassar, and Karebosi Condotel (ALEXANDER, 2014).

The elevated toll road construction project has been started since the end of April 2018. This development is also shown as an addition to the scope of the Ujung Pandang Toll Road Section I & II (PT BMN), A.P Flyway Toll Road. Pettarani (Section III), this elevated toll road will connect Maros - Sultan Hasanuddin International Airport - Toll Road Section I and II - Andi Pangerang Petta Rani street to Sultan Alauddin street. This Makassar Layang Toll Road has an off / on a ramp in three points, namely on Urip Sumoharjo street, street Boulevard, and street Sultan Alauddin (SOPLANTILA, 2018).

Economic growth in Makassar City averages 7.85 percent in 1 year, making it the largest contributor to South Sulawesi Province as a whole. Economic growth is experiencing a positive trend; this is inseparable from the real role of Small and Medium Enterprises (SMEs) that are in the halls and surrounding areas. The importance of the contribution of Small

and Medium Enterprises (SMEs) to the economy of Makassar City, the government and related stakeholders continue to pay attention to the development of SMEs. The Technology Business Incubator Program is intended to develop technology-based entrepreneurship. Seeing barriers to the implementation of smart city-based e-government in Makassar and Indonesia in general, it needs an expansion of the use of information and communication technology in various fields in government services, the current limitations of the services becomes an obstacle to be solved (YUSRIADI, SAHID, AMIRULLAH, AZIS, & RACHMAN, 2018).

Regional income value (GDP) provides an overview of the production of all goods and services produced by a region in one year. The city of Makassar was ranked first in the amount of GDP generated by districts/cities in South Sulawesi, reaching Rp. 59,802,552.53 million. The trade, hotel and restaurant sector contributed the most, reaching 29.38%, followed by the manufacturing industry at 17.11%. GDP of Makassar City is highest in South Sulawesi. Within five years the GDP of Makassar City increased by 80.08%. The trade and hotel sector contributed greatly to the GDP of Makassar, which reached 29.38%, followed by the industrial and processing sector at 17.11%. In 2008, the trade sector contributed Rp.6, 484,958.86

million or around 29.05% of the total economy of Makassar City. Then in 2012, it increased to Rp.14, 888,102.54 million or around 29.36%. When viewed from the value-added of trade goods that go in and out of Makassar City, both between regencies, provinces and between countries, there is an increase every year (Juniarti, 2016).

One measure to determine the success of the development is the measurement of human performance presented in a composite indicator (single number), namely the Human Development Index (HDI) that reflects the achievement of progress in the fields of education, health, and the economy. By seeing the HDI rate of Makassar City continues to increase from year to year. In 2009 Makassar City HDI amounted to 78.20 increased to 78.79 in 2010, as well as in 2011 to 79.11 in 2012 it rose again to 79.49 and in 2013 to 80.17. The components of HDI have increased from year to year; this can be seen from the increase in life expectancy, literacy rates, average length of school and purchasing power parity, health index, and education index. Makassar City HDI in 2013 amounted to 80.17 which ranked first in South Sulawesi and ranked sixth nationally (Juniarti, 2016).

One of the results of the reforms was the birth of regional autonomy which the government and the people hoped for in the region (YUSRIADI, 2018c). The principle of regional autonomy adopted by Law No. 32 of 2004 concerning Regional Government is regional autonomy, real and responsible. With the principle of broad, real and responsible autonomy, it gives more authority to the regency or city regions that are based on the principle of decentralization. By being granted rights and powers to autonomous regions such as the province and district or city, then the region on its own initiative can take care of the household. To manage the area, it can be done in two ways, namely: First, making regional legal products that do not conflict with the Constitution or other laws. Second, organizing public interests (KOESOMAHATMADJA, 1979).

Decentralization taken by Indonesia is notable for its scale and speed. It was a Big Bang (KOICHI, 2004). Some of these countries witnessed an unprecedented "big bang" shift toward comprehensive political and economic decentralization: Bolivia in 1995 and Indonesia after the fall of Suharto in 1998 (BARDHAN & MOOKHERJEE, 2006). Decentralization is a demand for reform, namely the existence of justice in the political and economic fields for the local community. Many factors can affect the performance of the government

bureaucracy (YUSRIADI, 2018a). In Indonesia, which is one of the developing countries, especially South Sulawesi Province, the implementation of decentralization that has been running is growing the regional economy of each district/city.

# 4. CONCLUSION

Decentralization is a policy for regions to maximize the functions of a regional government authority. Proportional and optimal authority in mobilizing every resource in the area will make the region have independence in developing the region. With the decentralization system that is implemented in tandem, it can place the region as an inspirator for establishing regional development policies. Development that prioritizes the balance of the center and regions will make the region an area whose development is based on the potential in the area. The basic potentials that develop in an area are very closely related to sustainable regional interests. Therefore, the regions must regulators, controllers become inspirators, and development that takes place in the area. Makassar as a big city in eastern Indonesia is a city that has opportunities like other cities in Indonesia in developing its territory. Due to the

enactment of regional autonomy, it will provide an opportunity to provide the best for the city of Makassar, which is very wide open.

The development of the city of Makassar in various sectors experienced very significant progress; this was the impact of the implementation of regional autonomy, especially for the city of Makassar. With regional autonomy, the decentralization system has made the regions as policymakers who can move various sectors of life and support the city of Makassar to be more advanced. The city of Makassar, which was originally an administrative city, is now a municipality that has its own regional budget with an expanded area consisting of 14 sub-districts. Thus, urban space that allows the division of regions for development will be easier, and more perfect to become a municipality.

Decentralization implemented in the city of Makassar has made a very positive contribution to the community because with decentralization the Makassar city government can plan its development independently for the sake of a sustainable city. The implementation of decentralization in the city of Makassar has implications for the progress of regional development; this can be seen in the physical development of the city and the level of economic growth.

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