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DECENTRALISATION AND LOCAL HEALTH DISCRETION: PURSUING THE HAZY PATH BETWEEN LOCAL INITIATIVES AND CENTRAL POLICIES

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Abstract

Introduction

Decentralisation is a process of devolving roles and authorities from a central or national administration to local, subnational or regional unit for various purposes, from economics, political or pragmatic reasons. In Indonesia, decentralisation aimed to increase local responsiveness and efficiency in public services, particularly health. However, more than a decade after decentralisation implementation its impact on Indonesia's health status remains unclear. Some health indicators, such as maternal and infant mortality rates, have shown significant improvement in recent years, but there are also signs of setback in other indicators such as contraception use and mother and child vaccination. These observations prompted questions of how decentralisation policy was interpreted and implemented at the local level, what factors influence policy implementation and what has been the role of central government in interpretation and implementation of the policy. This study explored local discretion in decision making processes, an aspect of decentralisation that has been largely been overlooked in the literature.

Methods

Using a purposive sampling process, qualitative information on local interpretation and implementation of decentralisation policy was obtained from thirty local stakeholders across eight districts. These stakeholders included representatives of the local executive, legislature and technical offices. Districts were carefully selected to represent variations that may influence policy implementation, such as Java and non-Java, affluent and less

affluent and urban and rural districts. Districts were also selected with consideration of interviewer accessibility and familiarity.

In order to explore decentralisation in-depth interviews were performed using an open-ended questionnaire to provide direction but at the same time give local stakeholders flexibility to express their story. There were four foci of discussion: local health planning, local health financing, local health program implementation and program evaluation. Data was organised using the framework approach and later analysed using an interpretive technique.

Results and Discussion

The central government intended decentralisation to increase local responsiveness and efficiency by devolving the power to plan, finance and implement public services to local governments. However, in reality the relationship was never straightforward. The process of planning, financing and implementing public services, besides being determined by local fiscal ability and technical capacity, was also influenced by a number of other factors such as local commitment, local actors' interpretation and interest, central policy and negotiation between local and central governments. As a result, instead of incorporating responsiveness or efficiency, recognised local health programs reflect the negotiation between these potentially opposing factors. Thus, compromise was often the result of decentralisation at the local level.

A particular example of this negotiation was development of the local health coverage program, or *Jamkesda*. This program was the result of a combination of central government inability to provide a program of universal coverage, public demand for free health services, local politicians' response to demand and support of local resources. A free health service has always had strong appeal for both the public and

local politicians. However, as local fiscal ability varies, the extent of coverage offered by each district varied widely. This distinctiveness has been used by local politicians to strengthen and support local identity, especially with the fading and sometimes irrelevant influence of traditional allegiances in some districts. These allegiances, such as ethnicity and historical solidarity were once the major force in shaping local identity, but now such influences tend to be weakening. The void has been filled among other things by local government programs. Local politicians found *Jamkesda* to be a more effective local identification as it has a more direct and tangible benefit for the local public than other traditional bonds.

Implementation of decentralisation in Indonesia was often portrayed within the context of the dominant role of central government. Standardisation of health services, stratified government planning and national health programs, such as *jamkesmas* and *jampersal*, are prominent central government policies that have had considerable influence on local health policy. The national policy has at times collided with local interest that has required local government to find the most suitable solution that balances both central and local interests. One such example was the moratorium on government civil servant recruitment that was applied nationally. Even though the central government formally exempted health personnel from the policy, nevertheless in practice respondents from across the districts were prevented from recruiting health personnel as government civil servants during the moratorium. Some districts defied this policy by employing new health workers on time-limited contracts.

Indonesian health decision making is not all top down. Reciprocally, local government can influence central government policy. An example is the decision of a particular district to open a classless hospital, thereby meeting strong central disapproval. After

countless discussions a compromise was reached, not for a classless hospital, but for an all-third class hospital with a higher standard of care. These examples illustrate that the decentralisation process has been a dynamic and vibrant process.

This study shows that decentralisation has been moving towards greater central government involvement in local affairs, including in the health sector. In Javanese cultural values the central government has become the personification of father (*bapak*) that has the responsibility to nurture, direct, and at the same time limit, local power for the sake of national objectives such as stability and public welfare. Local discretions and initiatives are supported but only within the framework of central government policies and interests. Nonetheless, room for negotiation and 'local defiance' has at times been tolerated.

In conclusion, decentralisation in Indonesia has been a reflection of the national value of *kekeluargaan* that emphasise on uniformity rather than *keragaman*, or diversity. Therefore, decentralisation initiated as devolution of power with a clear distribution of power between central and local governments has become more akin to power-sharing where the power of central and local governments is increasingly fused and less specified.

Key words: decentralisation, health program, local identity, local commitment, fiscal ability, central control, negotiation, local interpretation, shared responsibility.

Thesis Declaration Statement

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