

# *“Third Parties” and Empowerment Policy in Local Government of Indonesia*

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**Abstract**--To the recent, issue regarding people empowerment program raise inherent both with local autonomy era and democratization, so that almost local government in Indonesia has formulated and or implemented people empowerment programs. The research is applied research of third party role on people empowerment program formulation. The research carried out in Banyumas and Purbalingga Districts, Central Java. Result of the research is show us that formulation process of people empowerment program at local government level, Banyumas and Purbalingga Districts, almost never hire “the third party”. At this context, role of the third parties are more as suppliers and construction of many buildings. By policy analysis perspective, local government have not hire yet policy analyst to formulate and design people empowerment efforts. It is, therefore, a recommendation for local governments to hire policy analyst when they want empowerment policy conceptually.

**Keywords**--empowerment program, framework, policy analysis, third parties.

## I. INTRODUCTION

The issue of community empowerment which is getting stronger in the era of regional autonomy and democratization has spawned a variety of community development programs, both at the local level (district / city) as well as at the national level. At the national level, one of the massive empowerment programs implemented was the National Program for Community Empowerment (PNPM) The program is implemented since 2008 to 2015 and it was organized by the Ministry of Social Welfare. Despite its name, national community empowerment program, but actually PNPM a "new clothe" for the Kecamatan Development Program (KDP) and the Development of Poor Urban (P2KP) that has been conducted since the 1997's, therefore, the pattern formulation and implementation is equally between the KDP and P2KP with PNPM. Meanwhile, at the district level, most of them have programs on community empowerment. In Banyumas, for example, there are Banyumas

Health Card program while in Purbalingga, among other things, there's Food Security Program. Such programs are funded by the respective district budget.

Both types of community empowerment programs always involve a "third party" in the formulation and or implementation. At the national level program (PNPM) known for their consultant and companion, while the program at the district level known a Management Consultant. At the national level, the involvement of a "third party" is considered more on the implementation of the procedures that have been defined at the national level, most of the individual contracts, while at the local level, the involvement of a third party even more on the procurement or other work, all contracts legal entities in the form of limited liability company. In this respect, at Banyumas alone, job procurement through auctions to contract with third parties such as 221 activities (2011), 396 activities (2012), and 353 activities (2013).

The general objective of this study is to describe a framework for third party involvement in the process of empowerment policies at the district level, while the specific goal is to identify, describe and analyze third party involvement in the process of community empowerment policies at the district level. The results of applied research is very useful to develop the concept of partnership between government, society, and the "third party", particularly at the district level, which is now known as the concept of governance. Therefore, the results of this study can be identified position of third parties, and resources of rural communities in the governance process, especially at the district level.

Studies on public policy and public policy analysis has become popular in developed countries (Ripley, 1985, Lester and Stewart, 2000, Dunn, 2000, Hogwood and Gunn 1984) but is still very rare in countries that are developing. Whereas the framework of public policy analysis is believed to be an academic product for policy formulation more conceptual. Therefore, it is interesting to examine how the involvement of

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third parties from the perspective of public policy analysis in policy formulation people empowerment. Third party involvement in the policy process of community empowerment can be identified from the framework of policy analysis includes formulation of policy issues; develop alternative formulation of policy; the selection of the best policy alternative, formulate policy design, and to formulate policy recommendations.

## II. RESEARCH METHODS

The location of this research in two districts, namely Banyumas and Purbalingga. Data sources of this research are

Local Development Planning Agency (Bappeda) and the District Legislative (DPRD) in Banyumas and Purbalingga.

**Tabel 1. Planning and Budgeting Circle in Indonesia  
(Regulation of Internal Affairs Minister No. 54 Tahun 2010)**

No.	Month	Activities
1.	January	Development Planning Forum at village level
2.	February	Development Planning Forum at sub-district level
3.	March	Forum for local government units, their work-plan formulation, and budgeting through local legislative.
4.	March	Development planning at district level
5.	May	Confirmation for local government's work plan
6.	June	Discussion and deal for general budgeting policy between executive and legislative
7.	June	Discussion and deal for tentative budget quotation between executive and legislative
8.	July to September	Formulation of local government units' work-plan and budget as well as tentative local budget
9.	October-November	Discussion and agreement for local tentative budget between executive and legislative
10.	December	Evaluation for draft of the local government's tentative budget act.
11.	December	Ratification for local budget act.
12.	December	Formulation for budget priority list of local government's units.

## III. RESULTS AND DISCUSSION

### A. Empowerment Policy Formulation Process at District Level 1). Community Empowerment Programs 2015

Here is a list of priorities and budget ceilings that exist in Banyumas and Purbalingga. It is identified at Banyumas district there are 31 programs of empowerment, while in Purbalingga there are 18 community empowerment programs. Data from the two locations is not the same time, but they can be analyzed, especially the involvement of third party in the process of formulation, not of quantity.

### 2)Formulation Empowerment Program

In the early stages, as detailed in the planning and budgeting circle (Regulation No. 54/2010), planning and budgeting policies, in this case the empowerment program, starting from the development planning at hamlet, village, and then the district. At the district level, both Banyumas and

Research sampling conducted purposively with the primary consideration informants who know well the process of formulating policies and empowerment program at each study site. Data collection techniques mainly use interviews, focus-group-discussion (fgd) and analyze of relevant documents. Data analysis techniques performed "interactive", from data collection, data reduction, the appearance of the data, and conclusion of the study (Miles and Hubermas, 1992) and is combined with a simple "Delphi technique" on three levels. Stages of this research includes the preparation, data collection, data processing, and write the report.

Purbalingga, development planning place in late of March. In the district development planning discussed the proposal of development planning districts, priority of government units, and the budget proposal of the legislative. At this level reconcilable among the priorities of government units with the results development planning districts, including the Parliament's proposal. However, from the interviews is known that the priority of government units is stronger than the results development planning at sub-districts level.

### B. Third Party Involvement in Empowerment Program

Here is the identification of various community development programs from the perspective of simple management, including planners, implementers and supervisors. From the research, it turns out all of empowerment programs are planned by the local government's units, even if it turns out the same result, it is just accidental that development planning priority are same between local government units and people

forum results. The role of the third party is very limited. Here is a list of third parties that can be identified by the type of work

performed through the local government's procurement of goods and services.

**Tabel 2. Pihak Ketiga dalam Pekerjaan Pemerintahan**

No.	Assignment	Amount	Annotation
1.	Supplier	58	Counterpart
2.	Construction-Rehabilitation	144	Counterpart
3.	Construction of Road/Street	108	Counterpart
4.	Supervision	3	Counterpart
5.	Insurance/Guarantee	1	Counterpart
6.	Research	7	Counterpart
7.	Internet Service	1	Counterpart

Source: Local Government of Banyumas, 2013, adapted.

### C. Discussion

From the description of the data upfront, it can be checked that almost all development programs or policies that are considered to empower communities, formulated and implemented and monitored by government agencies themselves. While the role of third parties in the programs of community empowerment is still very little, almost nothing. Here are the stages of policy analysis in relation to the formulation of community empowerment programs at the district level.

1) *Formulation of policy problems.* As outlined in the conceptual overview, the formulation of policy issues more or less significant than the fact that the phenomenon exists and can be even formulated a policy that will be considered by the government, in this case the local government, to be followed up with a policy or program. From the research, there are actually leading in this process, but still very simple in form. Instead of the direct results of this study resulted in a single policy alternative.

2) *Formulation of policy alternatives.* The various activities carried out by third parties but there are no alternative options for the government explicitly. Most results of the study provide a single alternative, while the other third party involvement is more available to the procurement or execution only.

3) *Policy alternative choice.* The involvement of a third party in the process of selecting the best alternative turned out to be nothing at all. All involvement is not up on these activities, especially in the process of community empowerment policy formulation. Even the results of discussions with informants, these activities are still considered as odd.

4) *Formulation of policy design.* Just like any other process, the process of policy design also not be used yet, however, instead of direct community that gives inspiration to formulate the design of this policy. For example in development planning precisely no input if the implementation of an activity should be directed by the community itself or the monitoring program. In this case, the process of empowerment policy design was carried out by local governments itself.

5) *Policy recommendations.* As stated in the formulation of policy issues, third party involvement in the process is still very limited policy recommendations. The process of formulating recommendations thus still uses a conceptual framework from academic research.

## IV. CONCLUSION

From the analysis and discussion can be concluded that the involvement of third parties in the process of policy formulation empowerment at the local level is still very limited. More involvement of third parties in the procurement and construction of the building, both buildings, roads, bridges, and irrigation canals. At the same time, the role of "expert staffs" cannot be defined their conceptual job output. More expert staff working behind the scenes and thus making it difficult to fulfill his job responsibility. In other words, the framework of policy analysis has not been carried out in the policy formulation process of community empowerment at the district level. Whereas the results of interviews with most of the stakeholders agree to use the framework for policy analysis in the formulation of various community development programs. In this case, they feel there are many constrains by strict rules for the government's procurement of goods and services.

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