

# The Effectiveness of the Intergovernmental Relations, Between Provincial and District Ones, on the Free Education Policy for Elementary and Secondary Schools in South Sulawesi

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**Abstract:** *This paper aims to reveal the intergovernmental relations between provincial and district ones in the implementation of free education policy for primary and secondary schools in the South Sulawesi province. To achieve the objective, the research methodology used a qualitative approach, a case study research. The results showed that the significance of cooperation between governments based on the policy of free education in primary and secondary education improve that the educational quality has not been effective yet in South Sulawesi. The implementation of this policy did not, should provide a wider access of education to the school-age children who have financial problems, reflect the promised result. The political consideration was another reason for the initiation of free education policy as perceived by political elites to disclose their promises during the election campaign in the Regional Government Election (PILKADA). In addition, there were some factors that affected the ineffectiveness of the intergovernmental relations, such as insufficient financial resources, political leadership, organizational and management structure, unavailability of established standards of accountability and transparency mechanisms as well at all levels of governments.*

**Keywords:** Effectiveness; Intergovernmental Relations; Provincial/District; Free education; Policy

## 1. Introduction

In Indonesia, the basis for implementation of intergovernmental relations among the local governments is a developmental concept on cooperation between the governments, and the government management (intergovernmental management) as well. In the study of decentralization (local autonomy), this relationship is directed at each activity or interaction among government units. Their decisions are based on what and who involved in and the consequences of those actions as well, (Smith, 1985; Anderson's, 1960; Edner, 1976, Arganof, 1986; Conlan and Posner, 2008). Thus, intergovernmental management is an integrated management system controlled together to overcome the complexity (Agranof, 2003).

Conceptually speaking, the primary issues that emerged from intergovernmental relationship among provincial and district/city governments, the free education policy which driven by the South Sulawesi government, cannot be separated from the ineffectiveness of the cooperation among the local governments. If the government, the provinces and districts, using the model of the intergovernmental cooperation, then it can be assumed that the issues that arise as previously described will not arise and could even be resolved (Agranof 1986; Conlan and Posner 2008).

One of the key aspects to accelerate the success of the development and welfare of the community in a region is the quality of human resources. The high awareness to develop the potential is not only driven by the international institutions to achieve the targets in the Millennium Development Gold (MDG) but also because of shared understandings among the regions in Indonesia, including the province of South Sulawesi. The free education policy has actually been implemented since 2008 " as the provincial government commitment in providing free of charge

education without involvement of the community (parents) in financing the operational expenses for the schools. If examined closely, the real free education program is not just to provide wide access to free education for all children. Moreover, the objectives of the program are to eradicate poverty and restore the rights of children, as well humanize those who have been oppressed by the power of capitalism.

The above commitment has a consequence because free education policy is heavily dependent on the accurate calculation of the unit cost in each school. The unit cost provides an overview of how the actual average cost required by the school to serve the students. The cost of the unit is to be comparable with BOS (school operational assistance) and the local government covers the difference through budgeting regulation that has been set up in the province, districts, and cities. This is what known as funds sharing between provincial and district governments.

Before the free education policy was operational in 2008, the IPM (human development index) in South Sulawesi province was still at the level of number 23 nationally with reference to education. Based on this, the government of South Sulawesi established cooperation with the district/city governments to improve the quality of education through a Memorandum of Understanding (MOU). The budget for trying out this free education in 11 regions was Rp 644 billion where Rp 405 billion was from school operational funds (BOS), Rp 125 billion from provincial budget, and the rest from the national budget. The free education program in South Sulawesi was expected to have implications for reducing the illiteracy rate among the schoolchildren.

When referring to the Regulation of No. 4 of 2009 article on the two and three stated that the scope of free education, namely; 1) for the people of South Sulawesi who get their

children to primary and secondary schools in South Sulawesi; and 2) for students who come from outside South Sulawesi education who are charged according to existing regulations. The principle used in the implementation of free education is equitable, quality assurance, participation, transparency, accountability, education, and competency.

Based on the background above, the study aims to: 1) disclose the background of the importance of intergovernmental cooperation for the free education program in South Sulawesi; 2) reveal the factors that influence the intergovernmental cooperation within the government of South Sulawesi Province.

## 2. Research Method

### 1) The Research Location

The research location is in South Sulawesi province which launches the free of charge for education program. The chosen locations are constituted at three districts; namely Pare-Pare (representing urban areas), Gowa (representing the district closer from the provincial capital), and North Luwu district (representing districts far from the provincial capital).

### 2) Informan

The nature of the study was qualitative, so the determination of the informants employed a purposive sampling, where those who deemed to have information or be involved directly or indirectly regarding with this free education program in South Sulawesi province. According to Neuman (1997) such as a determination based on the assessment of the experts (or the researchers themselves) for a particular purpose or a particular situation. The informants include a) the Regent, officials, and employees of the Department of Education; b) the team of 9 in charge with free education program in South Sulawesi province; c) members of the Commission in Parliament in charge of the education sector.

### 3) Data Collection

Data collection techniques employed observation, interview, and review documents. The observation was primarily in relation to the object of study such as schools and various free of charge educational facilities and infrastructure. In-depth interviews were conducted to the informants mentioned above, while the technical documentation was performed by collecting documents such as regulations, journals, and studies related to this research.

## 3. Theoretical Framework

The conceptualization of cooperation among the regions provides local government with a more effective and efficient ways of implementing the systems. The effectiveness of managerial system will eliminate managerial fragmentation in a government to create equitable development. The achievement process is based on cooperation established earlier such as actions and management that have been taken together (Anderson, 1960; Edner, 1976; Agranof, 1986). Thus, inter-governmental management is an integrated management system controlled together to overcome the complexity (Agranof, 2003), such as free education program in South Sulawesi.

The free education policy is intended for sustainability that requires supports in the form of inter-regional cooperation policy. The cooperation among governments aims to reduce regional disparities and conflicts, improve services, empower the community participation, and improve the efficiency and effectiveness of resource utilization. The cooperation will strengthen the construction of the harmonious and balanced functions with regard to the principles of democracy, potential diversification of each region as well as integrated management (Tasmaya, 2007).

Agranof (1986) Conlan and Posner (2008) then added that the policy of cooperation between the local governments can be a solution to various problems that emerged between districts, especially in empowering communities to improve the efficiency and effectiveness of resource utilization. This will create a balanced and harmonious development, appropriate positions, roles, and functions with regard to the principles of democracy and diversity within an integrated management (Arganoff, 1986; Laffin, 2007; Tasmaya, 2007). To achieve the successful model of intergovernmental relations, the policy requires coordination of activities between one or more local governments (Post, 2002). Interrelation among governments at the district level will also constitute unification of two or more governments to achieve common goals, provide services or resolve problems together (Patterson, 2008; Domai 2009; Warsono 2009; Coon, 2011). Cooperation between top and lower level of governments has been conceptualized as a form of intergovernmental relationship (IGR).

The autonomy is, granted by the central government to the local authorities, based on the Law of No. 22 of 1999, which has been renewed into Law No. 23 of 2014. This regulation is the basis for the local authorities to implement their own systems in order to promote social welfare and development. This authority has enabled the local governments to establish the intergovernmental cooperation with different levels in the local governments, provinces, districts, or cities. In Indonesia, the basis for implementation of intergovernmental relations (intergovernmental cooperation) among the local governments is a developmental concept regarding cooperation between the governments, between the government management (intergovernmental management) that has derived from the study of decentralization (local autonomy). This relationship focuses on each activity or interaction among government units where decisions are based on what and who is involved as well as the consequences borne by those actions (Smith, 1985; Anderson's, 1960; Edner, 1976, Arganof, 1986; Conlan and Posner, 2008).

## 4. Results and Discussion

Free education policy is a scheme designed specifically by the government of South Sulawesi province based on the condition of education in 2008. During that time, the quality of education, especially in primary and secondary education was at level 23 nationally (BPS Data Centre, 2013). Therefore, the research on the intergovernmental relationship dealing with the free education policy in the province of South Sulawesi was designed to reveal as to why the intergovernmental relations for handling such program

has not been effective. In addition, a number of policy and resource utilization have not significantly changed the quality of education in the province of South Sulawesi to reach the level of the best top tenth in Indonesia. The Governor of South Sulawesi province has actually targeted the best top tenth since 2009.

After the implementation of the program, the survey conducted by Inspirasi Jemari Foundation in 2009 found that the knowledge and dissemination of the free education program in several districts and cities was still low. These include the city of Makassar (14.7%); Jeneponto (12.7%); North Toraja (9.7%); Luwu (8.3%); and Pinrang (3.3%) were lower when compared with the value of Gowa 92.3%, Maros 85.7%, Bantaeng (83.9%), and Takalar (71.7%). This data suggests that the effectiveness of free education is far from expectations implying there have been problems in the implementation. By the year 2010, South Sulawesi Province will have been launched as free illiteracy people province beginning at 6 (six) districts that have implemented free education since 2009 such as the district of Gowa, Sinjai, Pangkep, East Luwu, North Luwu and Pare -pare. The survey found that all of the six districts are no longer withdrawing funds from school peoples as is often done by other schools and school committees. Nevertheless, the results of the survey also found that in addition to the six districts other schools are still charging the students. This is certainly contrary to the purpose of this policy, which seeks to create educational equity for poor families.

In 2001, for example, the educational budget had significantly increased eight-fold from 42.3 billion in 2001 to 200 billion in 2009. Free education program for elementary and junior high school launched by the government in 2009 had increased the BOS allocation per student per year in 2012 that reached Rp. 580,000, - per primary school student and Rp. 710,000, - per junior high school student. Unfortunately, the increase in the educational budget has not been effective to overcome the challenges of education and even many people are still unable to have access of education, especially those from the poor families (Kopeland Tifa Foundation, 2012). Conceptually speaking, the primary issues that emerge from intergovernmental relation between provincial and district/city government concerning free education policy led by the provincial government are the effectiveness of cooperation. If the provincial government as well as district government employ a model of intergovernmental cooperation (intergovernmental cooperation), then the problems can be overcome (Agranof 1986; Conlan and Posner 2008).

### **The Importance of the Intergovernmental Cooperation on Free Education Policy**

The targets of the program include formal education that constitute public and private elementary schools, public and private Islamic schools, as well as outstanding elementary schools. The program is also targeting junior secondary schools including private junior high schools as well as public and private secondary Islamic schools and outstanding secondary school. Finally, the program has also targeted secondary schools, which include public and private

high school, public, and private vocational schools, public and private outstanding secondary schools, as well as private Islamic high schools.

Based on the information obtained, it found that the implementation of the free education program was funded by the Regional Budget Scheme of South Sulawesi provincial government. Besides, there were also some funds from the district and city governments called sharing funds that exhibited 60 %, where the provincial government provided 40% from the grand total. The fund was allocated to some schools according to the school profiles and school units. The financing component included the learning activities which use operating costs, maintenance, extracurricular activities, and teacher and education personnel incentives.

The Free Education is implemented based on Memorandum of Understanding (MOU) between the provincial governments and the district/city governments. Based on the MOU which states that the implementation of the free education in each educational unit is capable of reaching the targets as stipulated in the Law No. 4 2009. The MOU contains the details of funded components from both the provincial governments and district/city governments. Thus, there are differences in the allocation of a budget for each MOU signed between the provincial governments and district / city governments. The fund allocation was in reference to the real needs and profile of each of school units. To achieve the effectiveness of the implementation of free education program, the Supervisory Team that consists of provincial and district and city representative was established. In addition, the district and city government even issued a Technical Guidance regarding program implementation and its accountability. This was done in order to successfully achieve the goals of the free education program at regional and district levels.

It was assumed that the implementation of the program might have fulfilled the goals and objectives that had been set up. However, from the results of analysis it was found that there were no significant changes had occurred. When referring to Human Development Index regarding the indicator of educational quality in 2013, the rank of South Sulawesi was at 18 out of 34 provinces in Indonesia. This means that within four years of implementation from 2009 until 2013, the province was only able to move four points (ranked 22 in 2009). In other words, the program only contributed less significant changes with excessive budget allocation of 190 billion rupiahs from 2009 to 2013.

From the perspective of education, there are emerging problems to the implementation of this free education program. This implies that the quality of education in the province of South Sulawesi based on the Human Development Index version (HDI) is still at level 20 (BPS, 2014). This is strengthened by the fact that the provincial government has not yet reached the optimum level of educational equity. During the period 2007 - 2012, there was a large number of population aged 15 years and over who were still illiterate (the complement of illiteracy). Despite the tendency for an increase, approximately 13.76% (86.24%) of the population is still subject to illiteracy. In

addition, the illiteracy rate in successive years was (87.00) in 2009, (87.75) in 2010, and (88.07) in 2011, and in 2012 there were still 11,61 persen of the population aged 15 years were subject to illiteracy. This means that up to 2012 there were 26.52 rate of illiteracy (BPS Data Centre, 2013). Similarly, when viewed from the average length of the school during the period 2008 to 2012, the increase had not shown optimal results.

The period 2008 – 2012 showed an improvement in terms of schooling period. In 2008, the average length of schooling was (7.23) years and this has experienced an increase to (7, 95) years in 2012. This figure was still below the national average which had reached (7.97) years in 2012. This figure suggests that residents of South Sulawesi were only able to complete education until first and second year of junior schools and experienced dropout at the time of entering the fifth semester in the third year of junior high schools. The disparity between the achievements of provincial government and central government was gradually getting better from year to year due to the average length of the National School moves slower than the average achievement of schools in South Sulawesi. In 2008, there was a difference of (0, 27) point of average length of schooling between South Sulawesi and national government that rose to (0, 31) points in 2009. However, there was a significant decrease in the successive three years later to (0.02). Within the sustainable situation, the average performance of schooling period in South Sulawesi surpassed the average school length of the National government.

Similarly, the Gross Enrolment Ratio (APK) also experienced the same thing. The GER is the simplest indicator to measure the absorption of the school age of population at each level of education and description of the participation of the population at every level of education. The statistical data demonstrated that the GER of primary schools and Islamic primary schools experienced a decrease in the year 2008-2012. The GER value of those aforementioned schools in 2008 was (111. 51%) implying that there was a greater number of peoples from the total population aged 7 to 2 years were in both primary and Islamic primary schools. This figure experienced a slight decrease to (103.05) in 2012. The exceeded value of the GER to 100% was due to the fact that there was a wide range of schools ages at both primary and Islamic primary schools. This implies that there was a greater number of primary and Islamic primary school children experienced delayed grade promotion.

Other important educational indicator is in reference to the so-called actual enrolment participation (APM) that concern educational participation of population at particular level of education. When compared with the APK, APM is a better indicator of schooling participation because APM refers to the standard age group population participation in education in accordance with these standards. The APM of both primary and Islamic primary schools at provincial government of South Sulawesi experienced a decrease from 92, 17% in year 2008 to 97.90% in 2012. Meanwhile, the APM of both secondary and Islamic secondary schools experienced a rise from 61, 06% in year 2008 to 68, 27% in 2012. An increase of APM also occurred at both senior and

Islamic senior high schools from 41, 99% in year 2007 to 47, and 92% in 2011. This trend indicated a clear ineffective implementation of free of charge education that generates questions and investigation.

## **5. Factors Becoming Less Effective Cause Intergovernmental Cooperation in Education Policy Guide**

Based on the information from key informants and direct observation to the educational units as well as analysis of secondary data, some factors appeared to contribute to the ineffectiveness of implementation of free education program as follows.

### **a. Factors of Financial Availability and Other Resources**

When referring to the Regulation No. 4 of 2009, the budget allocated for free education has amounted to 40% borne by the provincial budget and 60% borne by the regional/city budget. Based on field information, it seemed that the sharing fund as stipulated in MOU has burdened the Regency / City Government. A team from regional and district representative claimed that the regional government still needed other expenditure apart from the sharing funds that they were to sign in the MOU with the provincial government. At the same time, they were no longer allowed to withdraw funds from school committee as well as students.

In addition to the financial resources, the quality of human resources also generates problems. Although scholarships were available for educators as stipulated in the MOU, the knowledge and skills of these educators were insufficient. Moreover, the budget allocation has not been sufficient in providing opportunities for equitable use by these educators. The technical instructions and guidelines that aim to provide convenience to every operator are not yet functioning properly and it has even triggered complexities in its implementation. The guideline seemed to be too rigid that it restricted the executors in making adjustments for implementation based on the context of regions and schools.

Other factors that hinder the implementation of free education are the budget distribution mechanism to schools. There are too many procedures that must be passed while the disbursement of the funds is often too late, making it difficult for schools to use the budget according to the predetermined schedule. As a result, many scheduled programs underwent postponement, especially concerning the provision of incentives for education personnel. This delay led to decrease in work motivation of education personnel. Similarly, the proportion of funding deemed disproportionate by the local government creates difficulties in distribution.

### **b. Leadership and Political Interests Factors**

Because the Governor of South Sulawesi province initiated the idea of free education policy then many actors of the political elites in the districts / cities considered it as the enforced policy. The district/ city governments had to allocate a total budget of 60 % from the total allocation in support of the free education policy of the provincial

government. This condition had made the elite districts / cities to become less optimal in support for the success of this free education policy.

#### **c. Organizational Structure and Management Factors**

There is a structural control team to control both at the provincial and district / city level who serve to verify the data of schools based on the profile of the schools sent to the Provincial Control Team at the provincial level. Based on this verification, the governor set up a budget through the Head of the Provincial Education Department for further submission to the Districts / City. Distribution of 60% funds from the district to the school units is a commitment of Regional and Provincial government on the policy of free of charge education. This fund is to be submitted to the respective districts / cities as stipulated in the Decree of Regent / Mayor. The model of budget distribution to the units of schools is often subject to delay.

In addition, aspects of monitoring were often not effective because of the monitoring system conducted by the provincial government that employed purposive sampling which was in contradictory to the larger number of supervised schools. Consequently, this has led to the ineffective supervision. This is worsened by the lack of shared standardization that should become a reference standard by each supervisor both at the provincial, district and city level.

#### **d. Unavailability of Quality Standards**

Unavailability of a standard arrangement both in terms of quality and in terms of facilities and infrastructure is what has made the attainment of free education program to be less optimal. The quality standards are intended in terms of not only implementation process, but also the output of each activity so that inputs can be compared.

#### **e. Accountability and Transparency of Budget Use**

The standardization of the use of the budget at both the provincial and district/ city levels up to the level of educational units is not yet available. This indicates that there is still very low level of accountability and transparency of the budget, including the use of the funds used by the executors of the programs. Likewise, the allocation of funds and mechanisms of accountability to the public is not proper. This is worsened by the weak supervision of the legislatives and media.

In many areas, for example, an indirect expenditure (especially the salary component), has greater budget allocation from the increase of educational budget than on education (program spending) which is relatively fixed and even limited. The surge in the budget is not in line with the urgency of a free education that has been set up and in fact, it still focused on the aspect of improvement and equity of access compared with the quality and management. In addition, it appeared that the funding scheme is not based on real data of students with poor family background. This led to the misleading determination of the location of disbursement. As a result, it is often inappropriate for schools receiving the budget allocation. This is certainly an impact on equal opportunities in education as it has been the mission of free education policy.

## **6. Conclusion**

Supposedly, the free education policy has some significant contribution to the provincial government of South Sulawesi because there has been unequal opportunity for all children to have access for education. As a result, the school enrollment rate among school age was still very low that may have broad impact, especially on the quality of future human resources in South Sulawesi. There are some emerging factors that inhibit the implementation of the free education policy. These factors include;

- a) Having limited financial resources and other resources;
- b) Leadership;
- c) The organizational structure and management;
- d) Unavailability of standardized measurement for both input and output process in the implementation of free of charge education;
- e) There has been a lack of accountability and transparency in the utilization of the budget.

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