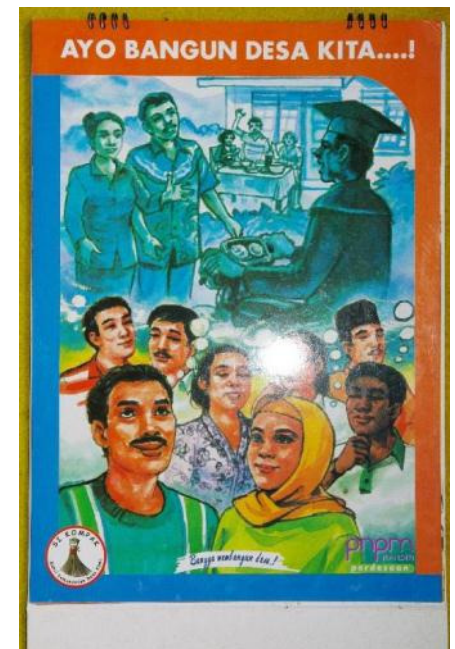
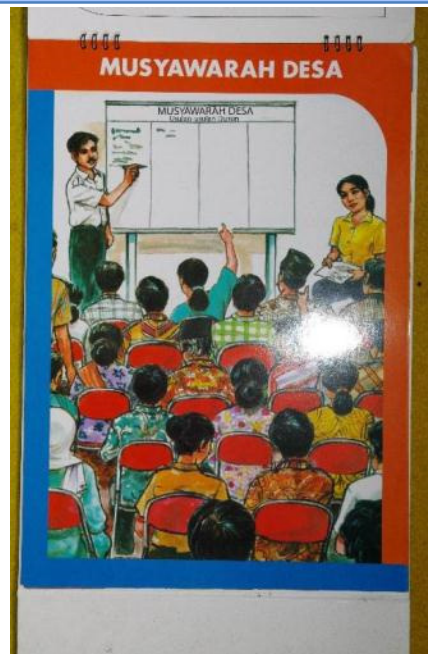
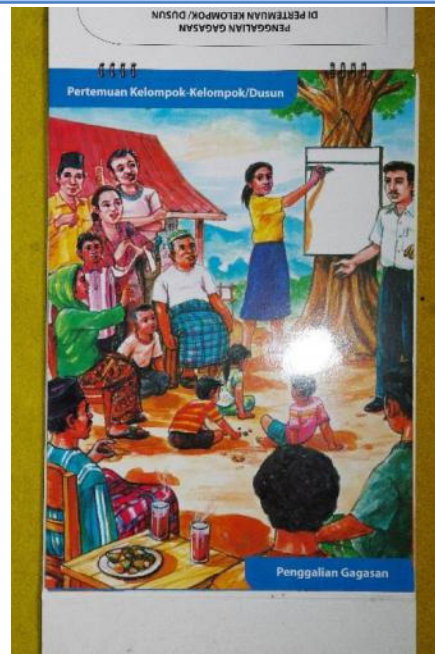




The Tyranny of Distance' in PNPM: Exploring the Paradox of Successful Participation / Project Failure in Central Sulawesi, Indonesia



Greg Acciaioli, The University of Western Australia
Niniek Sanoda Toley Acciaioli, Central Institute of Technology
Geoff Baker, Murdoch University
Vivi Rambe, World Bank & Murdoch University

Presentation Outline

- **Background of World Bank's Social Capital Initiative as a Social Development Intervention**
- **National Community Empowerment Program for Self-Reliant Villages (PNPM – Mandiri Perdesaan) and its congeners**
- **Case Study of Lindu**
 - High indicators of Social Capital
 - But a 'problematic subdistrict' in PNPM completion
 - Case studies of Failures
- **Conclusions**
 - Why These Failures
 - Rethinking the Role of Social Capital

World Bank's Social Capital Initiative

- **Social Capital Initiative intended as global transformation of development practice along participatory lines**
 - Poverty Eradication
 - Capacity Building
 - Democratic Governance Enhancement
- **Draw directly on social theory**
 - Robert Putnam's study of civic traditions and democracy from social capital framework
 - Neglect of Bourdieu's theory of social capital (class-based)
 - Harnessing and developing local social capital as the 'missing link' needed to transform development practice.
 - 'Trojan horse' in development practice
 - **1996 Local level Institutions Study**
 - Bolivia
 - Burkina Faso
 - Indonesia



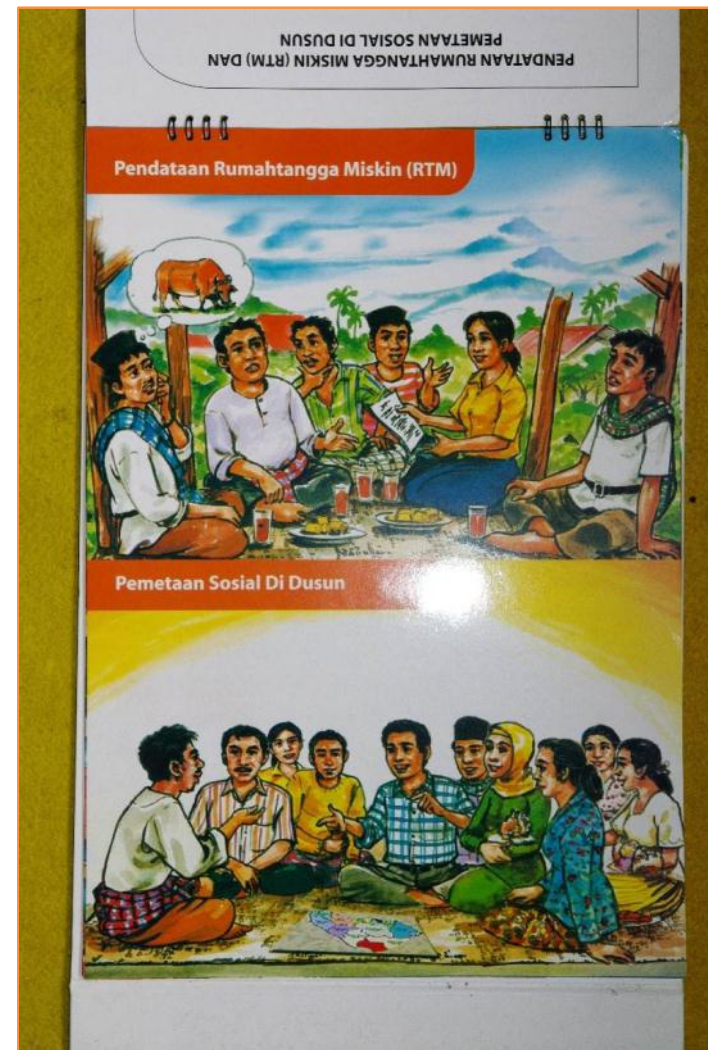
THE WORLD BANK
Working for a World Free of Poverty

World Bank's Social Capital Initiative in Indonesia

- **Kecamatan [Subdistrict] Development Project (KDP) or *Proyek Pembangunan Kecamatan* (PPK)**
 - Pilot project covering sample of 725 poor sub-districts in Indonesia
 - Launched in 1998 near beginning of regional monetary crisis
 - 3 overlapping phases: 1998-2002; 2003-2006; 2005-2006 (depending upon region extending to 2010)
 - **Goals:**
 - Raise rural income
 - Improve public infrastructure
 - Strengthen local government & community institutions

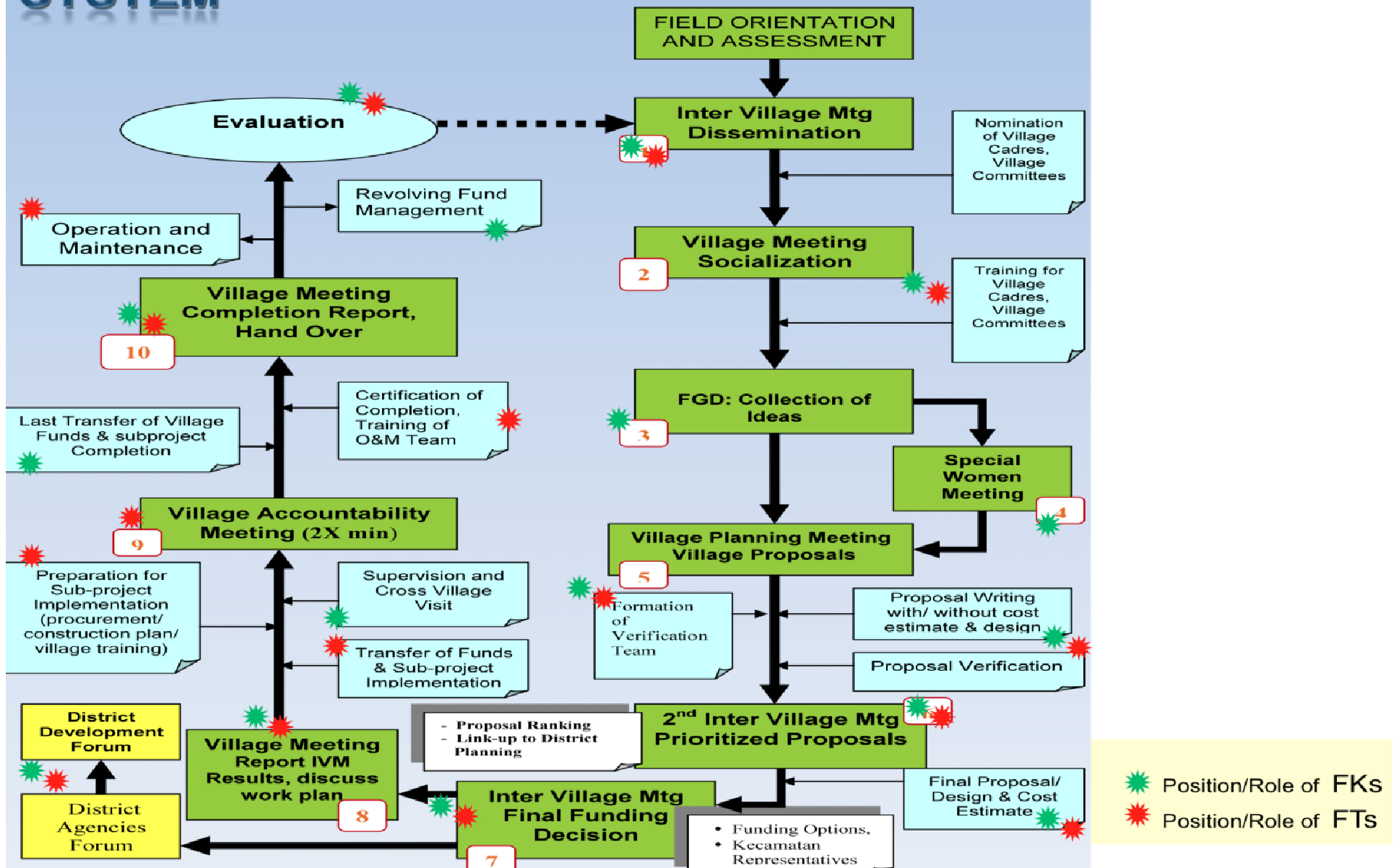
National Community Empowerment Program for Self-Reliant Villages (PNPM – Mandiri Perdesaan)

- Upscaling KDP to national program
- Continuing mandate: empower local communities by forming / strengthening institutions and groups at subdistrict (*kecamatan*) level
 - Enhancing social networks to meet local development needs
- Inclusiveness:
 - Participation in village decision-making processes
 - In-kind contributions to projects (e.g. labour)
 - Fostering women's projects for income enhancement
 - Micro-credit program for women



PNPM MP – Phases of Project Implementation

PNPM MP_D PROJECT MANAGEMENT SYSTEM

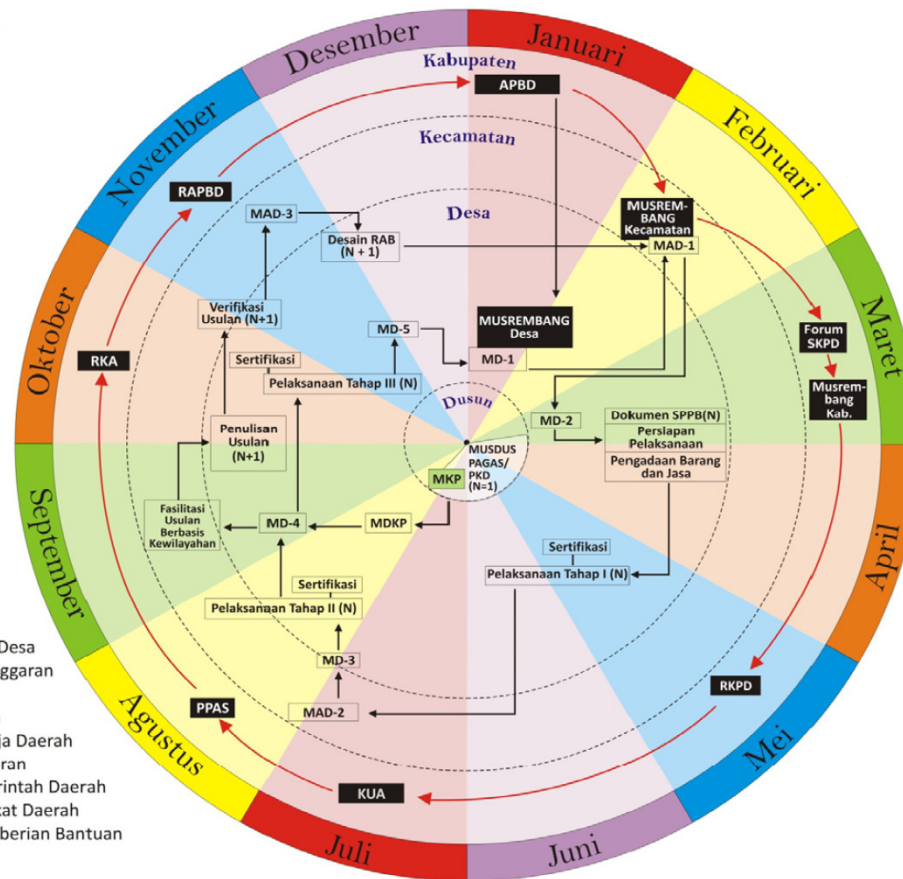


Timing of Project Implementation Phases

ALUR KEGIATAN PNPM MANDIRI PERDESAAN SKEMA INTEGRASI

DAFTAR SINGKATAN

KUA	: Kebijakan Umum APBD
MAD	: Musyawarah Antar Desa
MD	: Musyawarah Desa
MDKP	: Musyawarah Desa Khusus Perempuan
MKP	: Musyawarah Khusus Perempuan
Musdus	: Musyawarah Dusun
Musrenbang	: Musyawarah Rencana Pembangunan
PAGAS	: Penggalan Gagasan
PKD	: Pengkajian Keadaan Desa
PPAS	: Platform Prioritas Anggaran Sementara
RAPBD	: Rancangan Anggaran Pembangunan Belanja Daerah
RKA	: Rencana Kerja Anggaran
RKPD	: Rencana Kerja Pemerintah Daerah
SKPD	: Satuan Kerja Perangkat Daerah
SPPB	: Surat Perjanjian Pemberian Bantuan



Characteristics of Project Cycle

- **12-14 months cycle**
 - Socialisation
 - Planning
 - Proposal Preparation
 - Proposal Verification
 - Funding Decisions
 - Implementation
 - Evaluation/Follow-Up
- **Competitive process**
 - Proposal rejections
 - Not all villages receive projects each year
 - Exclusion of villages due to failures in previous cycle



Preference for Infrastructure Projects Examples from Subdistrict Lore Utara



Implications of this PNPM Process

- Preferences for projects accomplishable within the project cycle time limit
 - Basic infrastructure
- Uses of local labour
 - Sometimes *gotong royong*:
 - Ideally unremunerated shared labour by village members
 - In practice often labour performed at daily wage rate
- Special attention to projects to benefit women
 - Default option of Micro-Credit:
 - Savings and Loans for Women or
 - SPP (*Simpan Pinjam Perempuan*)

PNPM project model's generalisability

- **PNPM programs complementing PNPM Perdesaan Mandiri**

- **Within Ministry of Home Affairs**

- KDP → PNPM as mainstreaming and upscaling
- PNPM template



PNPM Perkotaan
PNPM Generasi
Green PNPM
PNPM Peduli



- **Adopted by other Indonesian ministries/departments**

- **Ministry of Public Works: Rural Infrastructure Development Program (*Program Pembangunan Infrastruktur Pedesaan or PPIP*)**

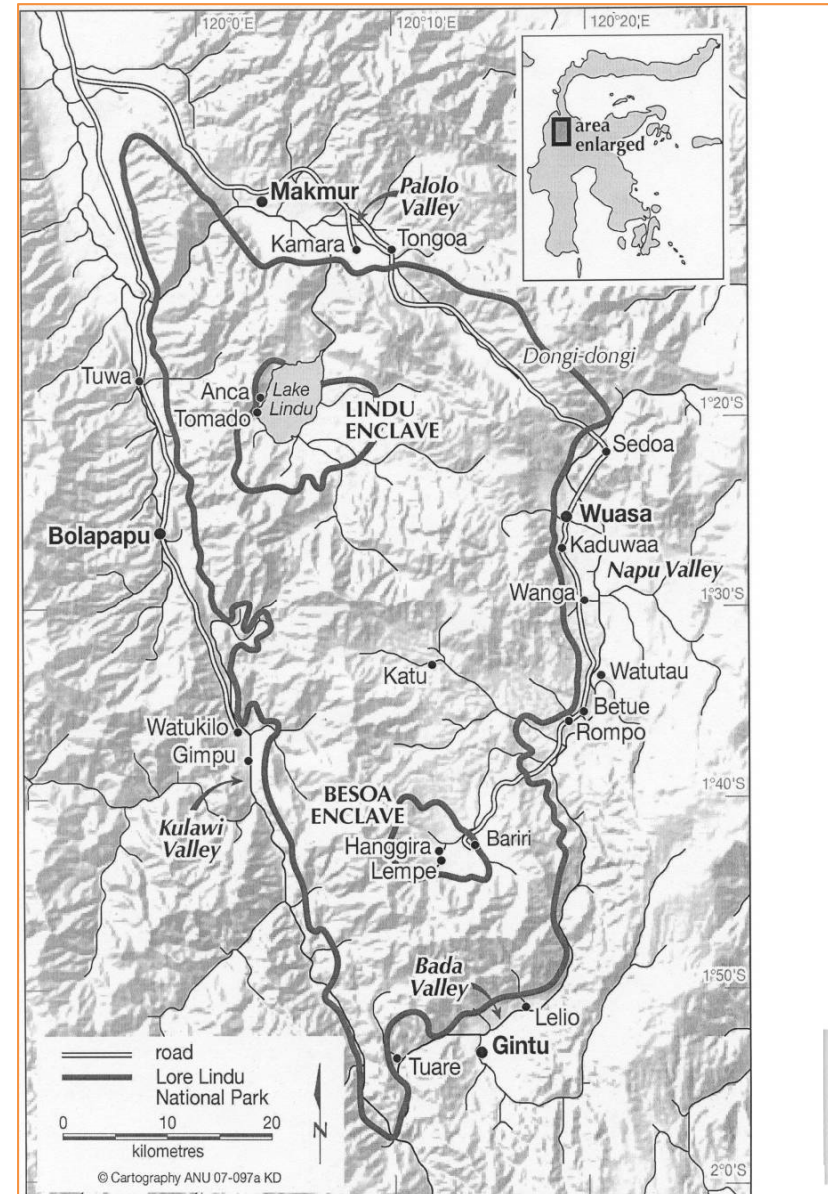
Program Pembangunan Infrastruktur Pedesaan or PPIP



Studying PNPM in Indonesia: Social Capital, Natural Resources and Local Governance in Indonesia (ARCDP)

- **Multi-methods study of PNPM implementation, results, and environmental impacts**
Ethnographic (qualitative) investigation of program experiences
 - Quantitatively analysed survey in (mostly) 2 villages from each area
- **Provinces studied**
 - Aceh
 - Bali
 - Bengkulu
 - Jawa Tengah
 - Kalimantan Barat
 - Kalimantan Timur
 - Maluku
 - Nusa Tenggara Barat
 - Papua Barat
 - Sulawesi Tengah
 - Sulawesi Tenggara

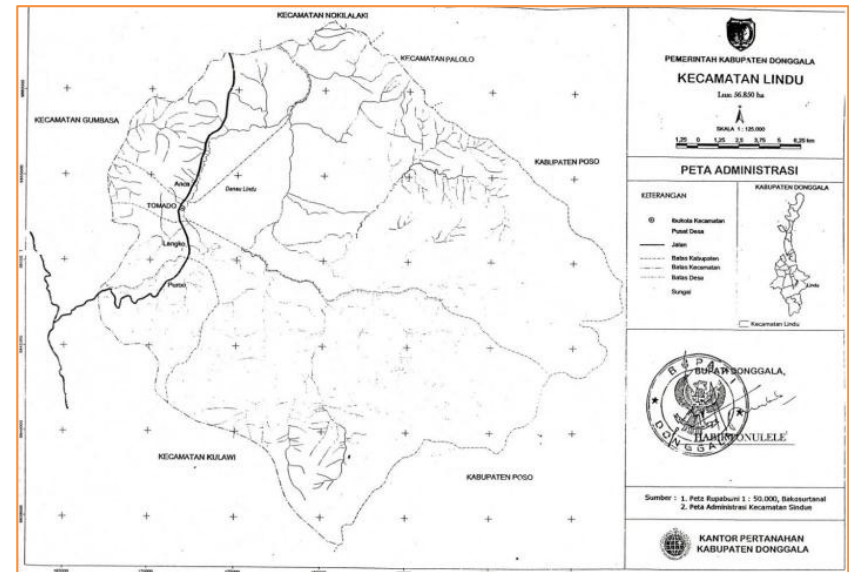
Central Sulawesi Case Study: Lindu Plain (now (Conservation) Subdistrict [Kecamatan] Lindu)





Context of Lindu

- A highland valley / local domain (*ngata*) declared an enclave in Lore Lindu National Park (1982)
- Transformed into an autonomous ‘Conservation Subdistrict’ (2007)
- Joint efforts with The Nature Conservancy (TNC)
 - Co-manager of Lore Lindu National Park

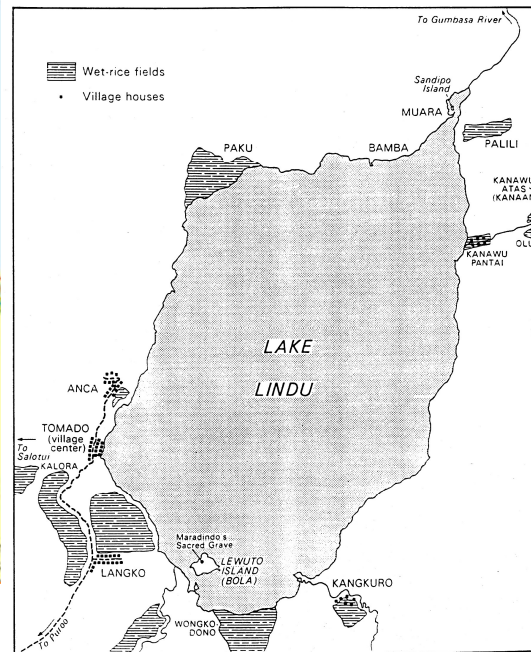


Re-empowerment of *adat* as community resource management system through community conservation agreement brokered by TNC

Lindu Adat Council's assumption of resource management within the enclave

- Extension of judicial authority to executive measures over harvesting resources of Lake Lindu
 - Post-reseeding of the lake with *tilapia mossambica* (*mujair*) by CSIADCP in 2001 after 1989 depletion
 - Declaration of *ombo* when fish stocks and sizes begin to dwindle
 - Previously only at the death of a notable *maradika*
 - Differ from *sasi* in original function
 - Refunctionalisation of *ombo* as a conservation measure

Lindu Study Villages



- **Langko**
 - Majority indigenous Lindu (To Lindu) village
 - Established by Dutch in 1920s
 - Near southwestern shore of Lake Lindu
- **Puroo**
 - Village of local transmigrants
 - Imposed on To Lindu grazing land
 - Arrivals begin in early 1960s
 - At southwestern edge of the plain away from the lake

Indices from PNPM Survey

In-village networks (i.e. bonding social capital)

	Component 1
Number of active or very active memberships	.769
Is the household involved with an organisation inside the village?	.704
Participation Communal Discussion for Soc. Hardship	.554
Communal development meeting	.539
Collective aid activity	.429

Extraction Method: Principal Component Analysis.
a. 1 components extracted.

Out-village networks (i.e. bridging social capital)

	Component 1
Is the household involved in an organisation outside of the village?	.637
Household involved in Political Organisation	.612
Participation in official meetings out of the village	.582
HH Members Out-Village	.452
Occupation Civil Servant	.451

Extraction Method: Principal Component Analysis.
a. 1 components extracted.

Economic welfare

	Component 1
HH Facility TV	.699
HH Facility Telephone	.676
Does the HH have Washroom and toilet?	.625
Hardship to pay for daily needs?	-.609
Hardship expenditure on Daily Goods	-.595
Motorised vehicle	.550
Does the HH have electricity?	.509
Land ownership certificate	.484
Occupation Trader or Entrepreneur	.433
Asset Ownership In-Village	-.403
Average Monthly Income	.399
Household involved in Credit Organisation	.354

Extraction Method: Principal Component Analysis.
a. 1 components extracted.

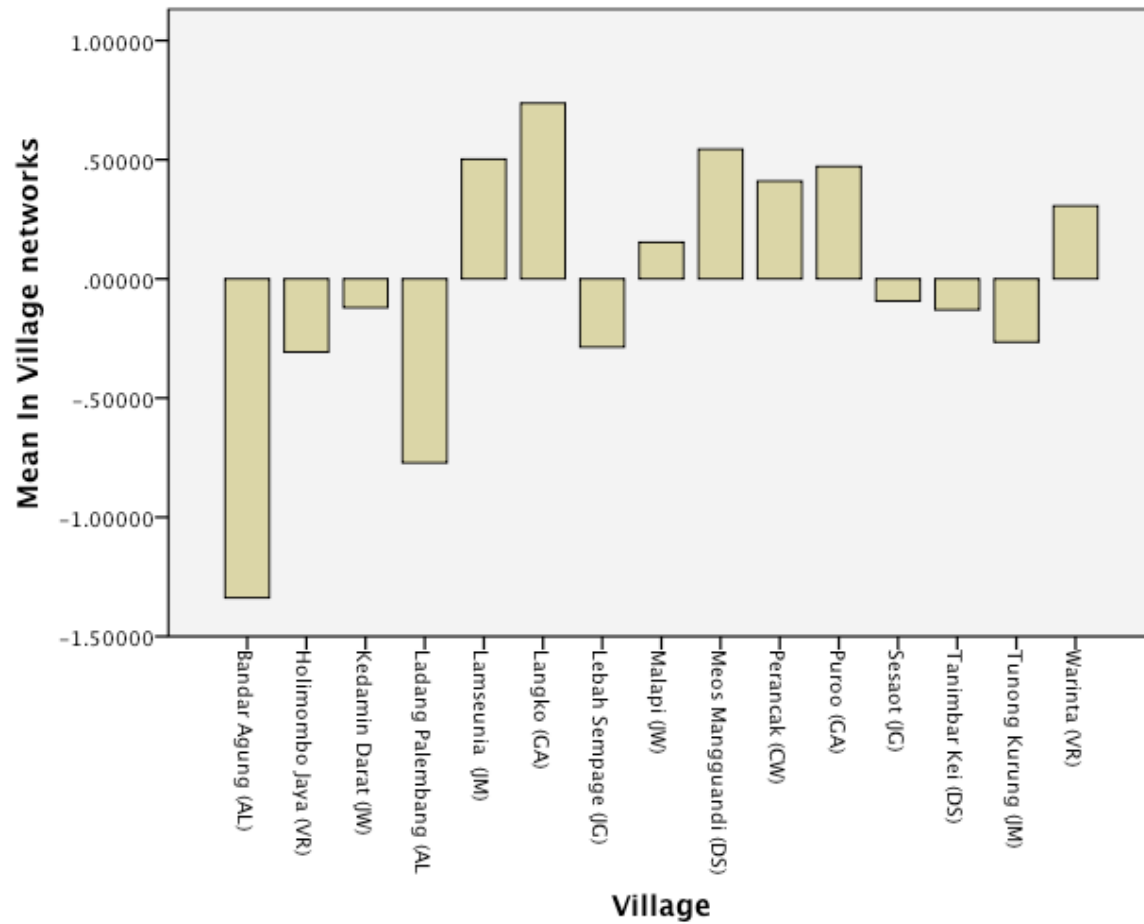
Tabulated Results in terms of standard deviations from mean

Report

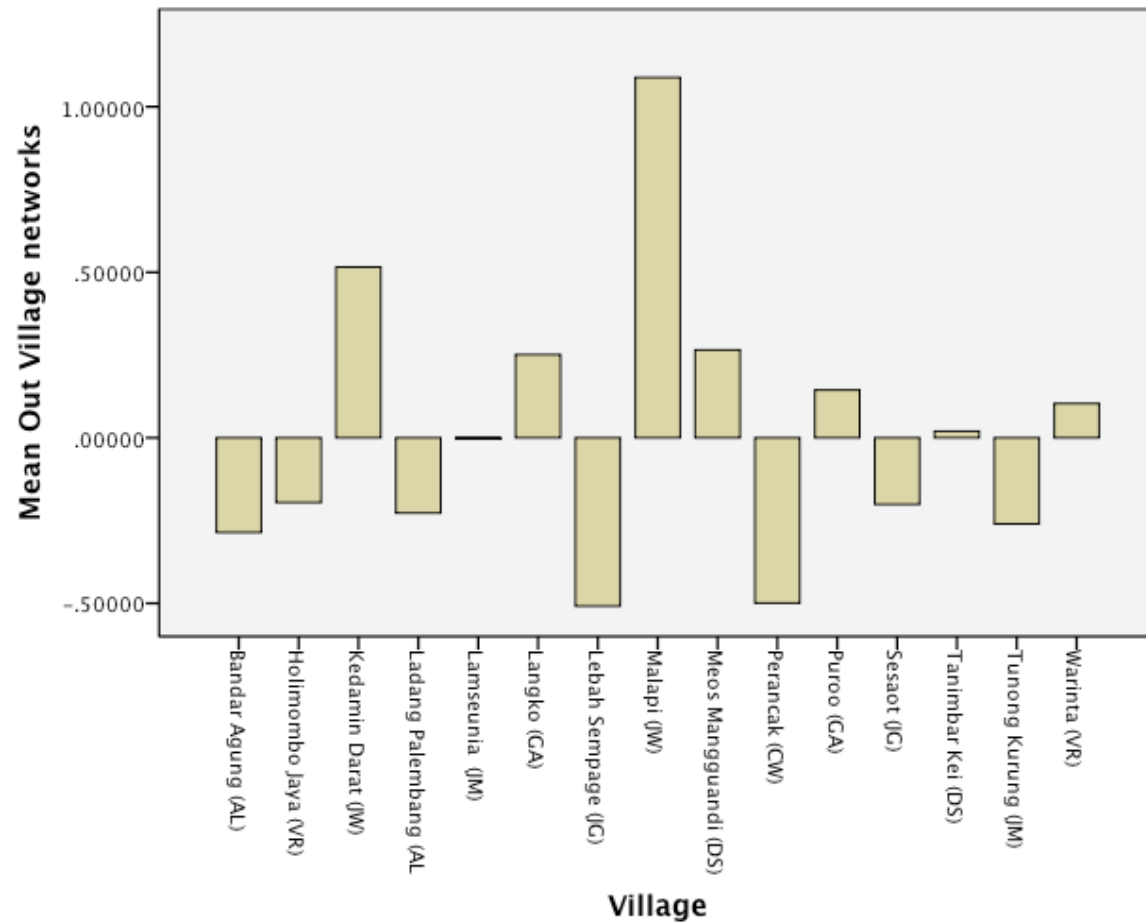
Mean

Village	Out Village networks	In Village networks	HH Economic Wellbeing factor score
Bandar Agung (AL)	-.2861126	-1.3384511	-.9274138
Holimombo Jaya (VR)	-.1949785	-.3071972	-.1160451
Kedamin Darat (JW)	.5158003	-.1210313	.9244744
Ladang Palembang (AL)	-.2272968	-.7717185	-.1529975
Lamseunia (JM)	-.0020026	.5020069	.6744401
Langko (GA)	.2511559	.7370469	-.5644366
Lebah Sempage (JG)	-.5081255	-.2865466	-.3593649
Malapi (JW)	1.0887045	.1541181	.6781312
Meos Manguandi (DS)	.2655892	.5437817	-.5261299
Perancak (CW)	-.4988677	.4107764	1.2127632
Puroo (GA)	.1440275	.4721979	-.5428108
Sesaot (JG)	-.2009832	-.0925049	.0733484
Tanimbar Kei (DS)	.0202889	-.1298884	-.5769400
Tunong Kurung (JM)	-.2604386	-.2656665	.4205320
Warinta (VR)	.1035808	.3062564	.0654519
Total	0E-7	0E-7	.0032590

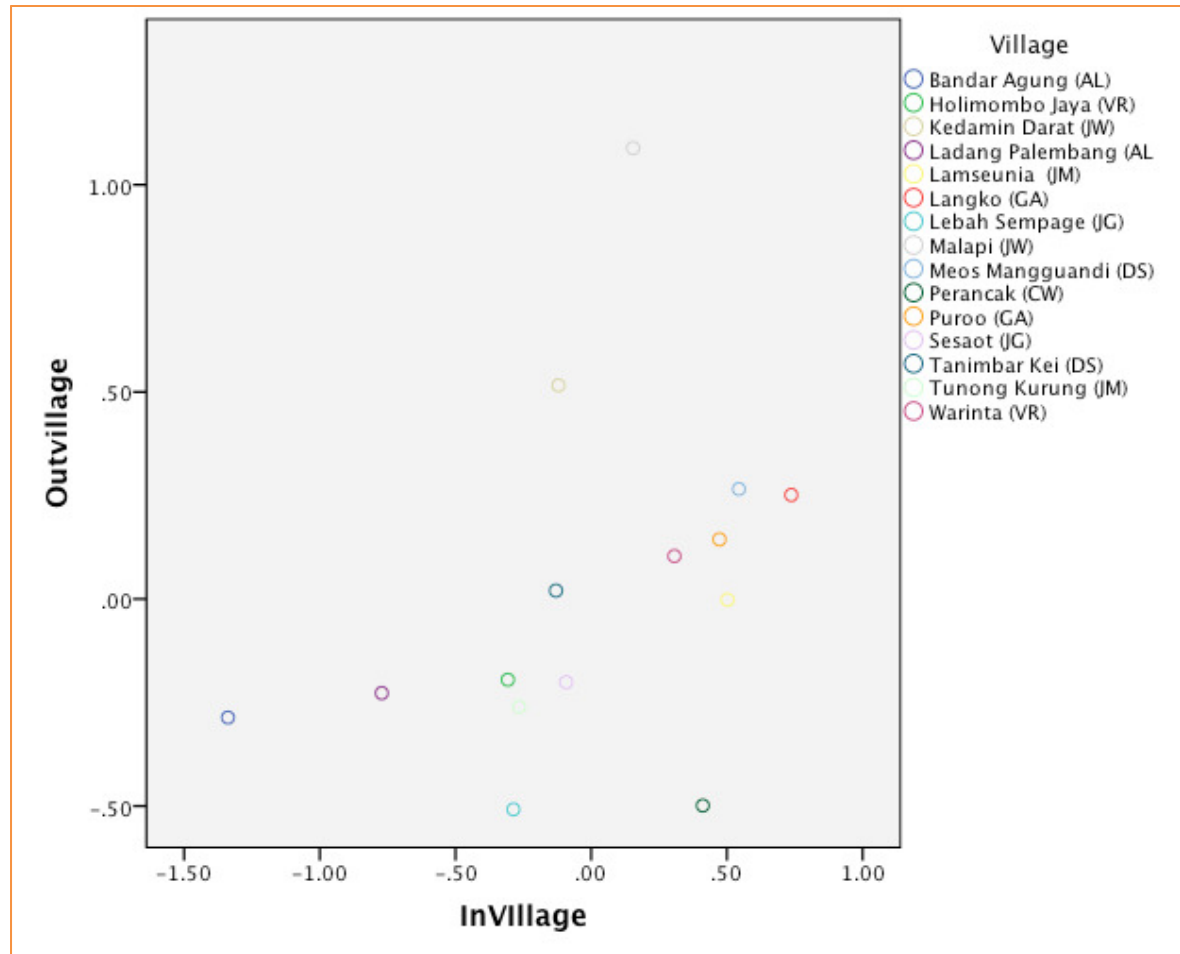
Bonding Social Capital



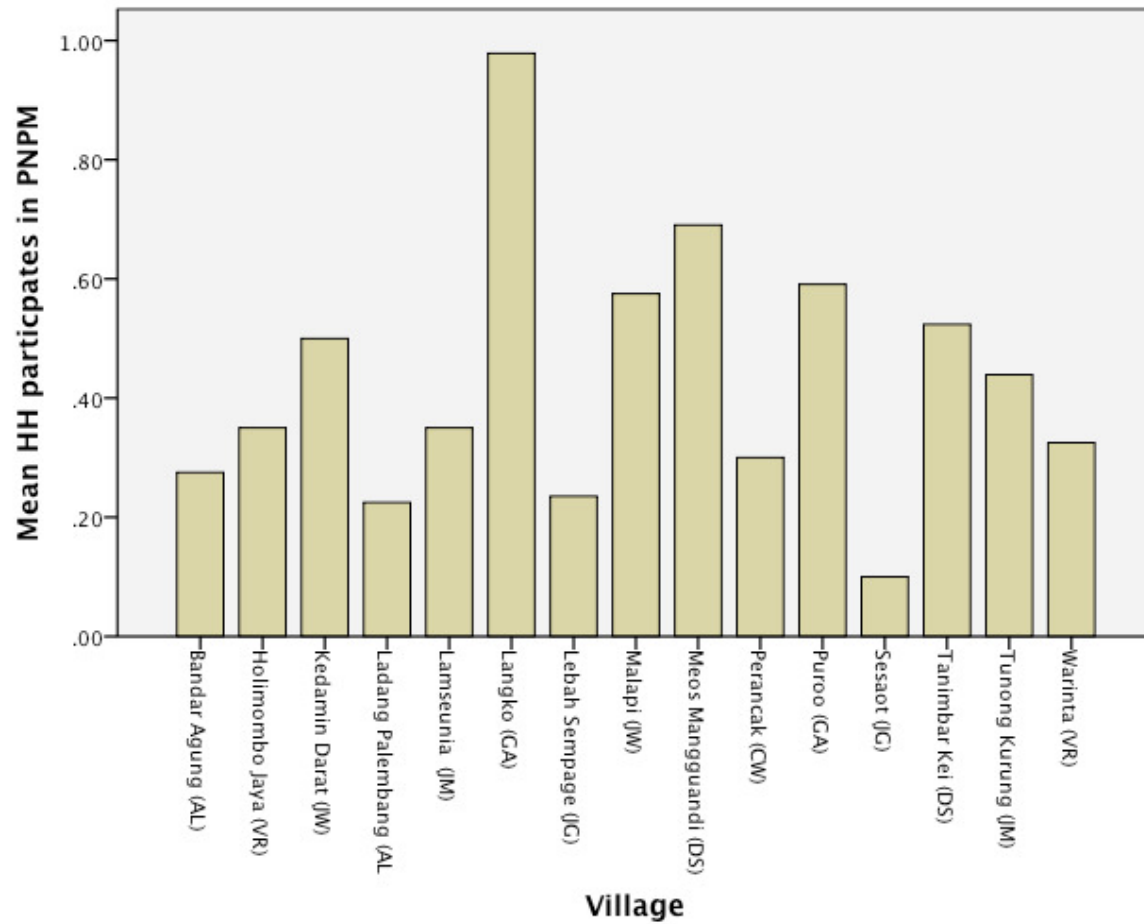
Bridging Social Capital



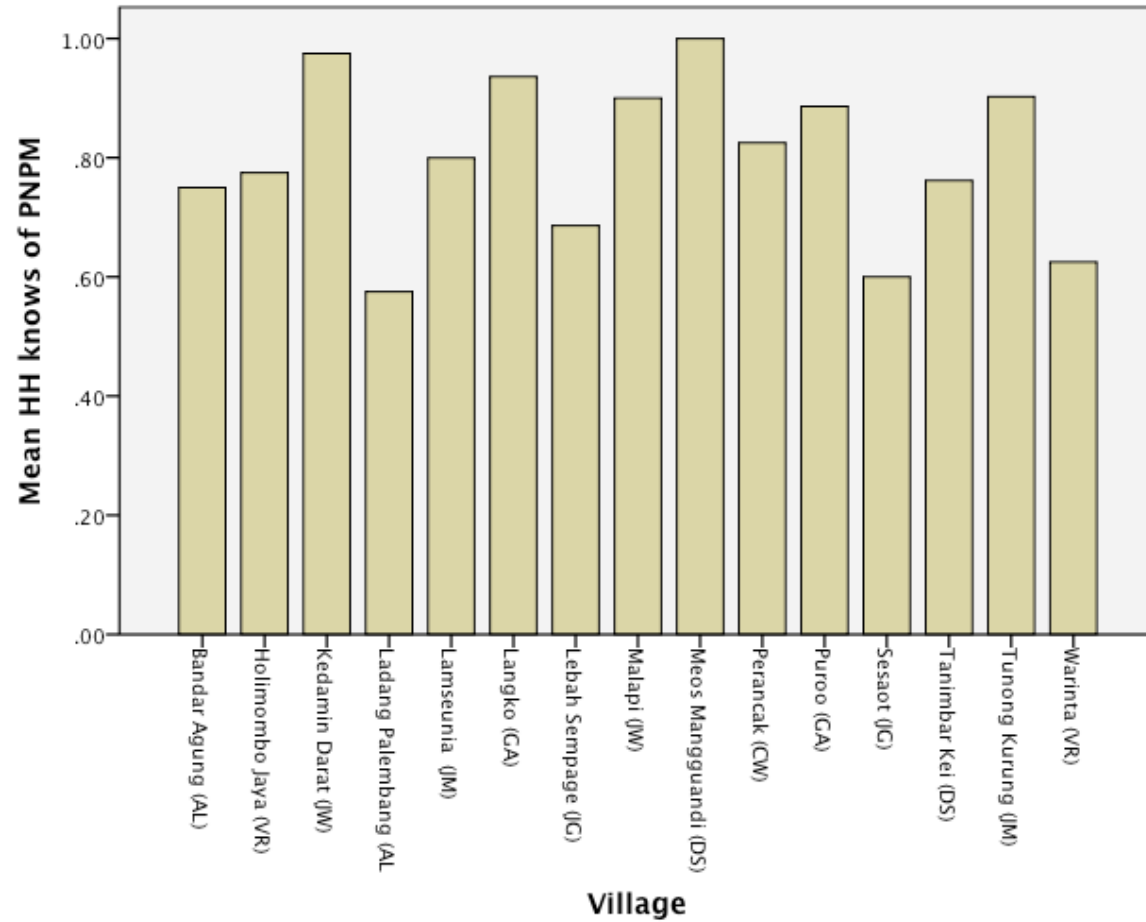
Mapping Bonding Social Capital (InVillage) vs. Bridging (Outvillage) Social Capital



Participation in PNPM



Knowledge of PNPM



The Paradox

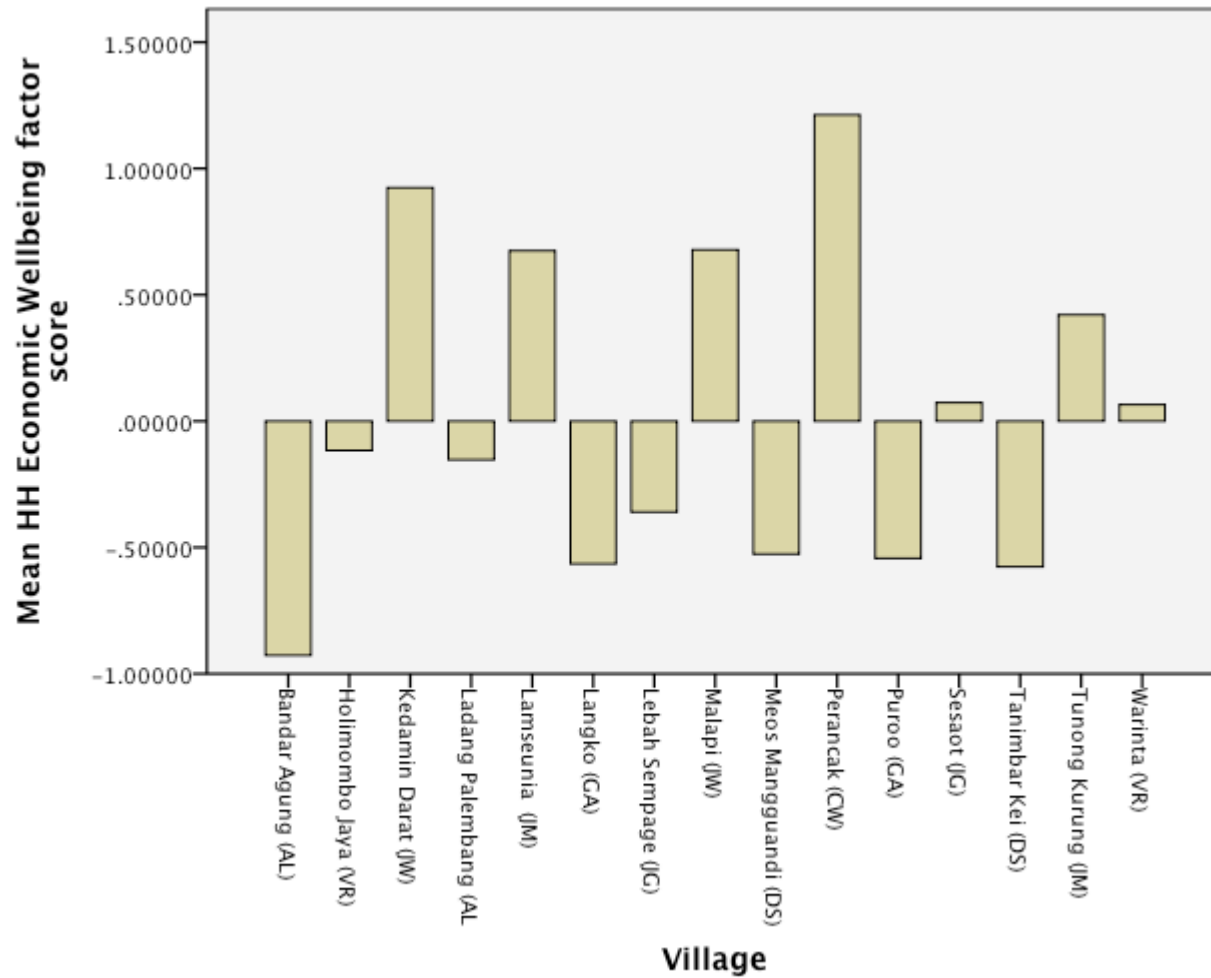
- By measures of social capital Lindu should be a success story
 - Highest bonding social capital of whole national sample (Langko)
 - Moderately high bridging social capital
- High participation and project knowledge
 - Instead it is rated as a **failure** in district-level PNPM evaluations
 - 1 of 4 *kecamatan* in Sigi District labelled 'a problematic subdistrict' (*kecamatan yang bermasalah*)

WHY?

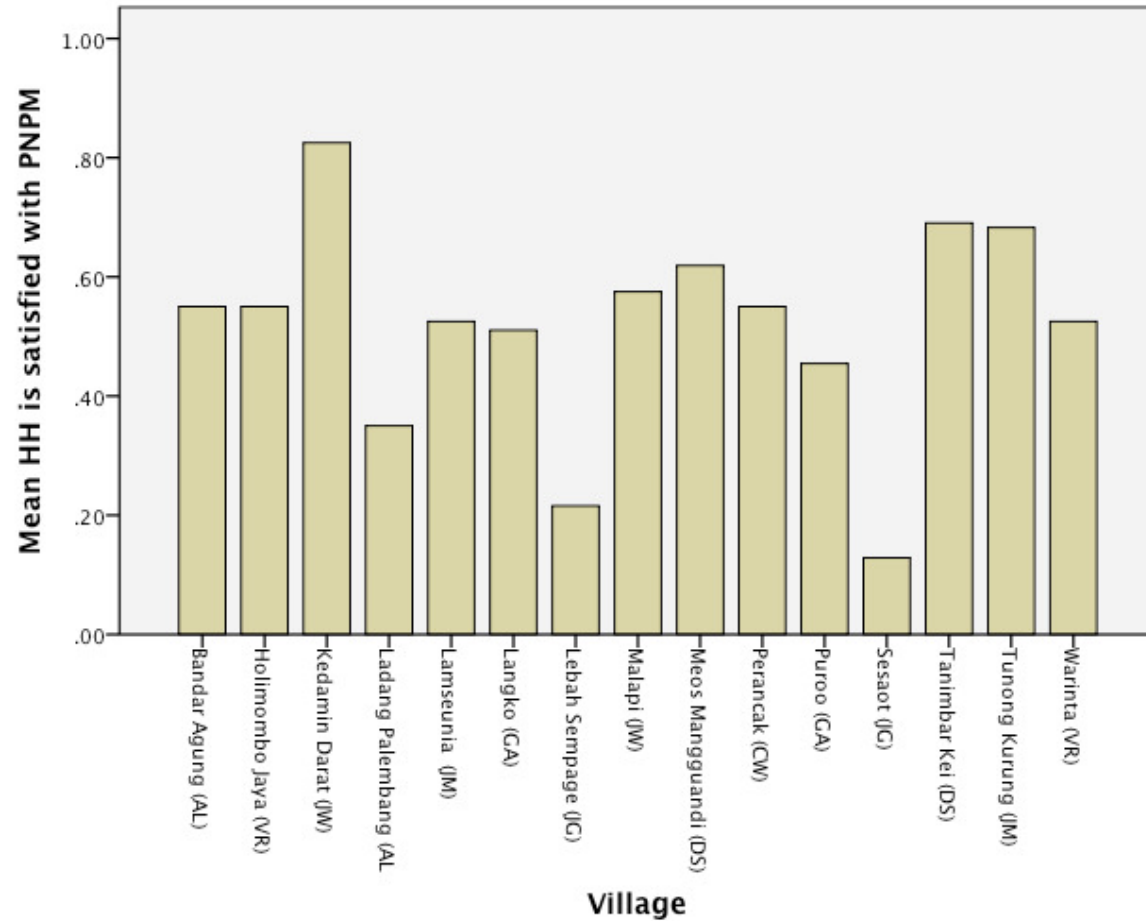
Composite Index of Bonding and Bridging Social Capital with Economic Well-Being

Village	Nothing	At least we have each other	Linked and OK	Outlinked
Bandar Agung (AL)	64%	28%	8%	0%
Holimombo Jaya (VR)	23%	38%	33%	8%
Kedamin Darat (JW)	13%	5%	60%	23%
Ladang Palembang (AL)	41%	22%	38%	0%
Lamseunia (JM)	3%	17%	69%	11%
Langko (GA)	4%	64%	19%	13%
Lebah Sempage (JG)	22%	43%	35%	0%
Malapi (JW)	13%	13%	43%	33%
Meos Mangguandi (DS)	0%	81%	10%	10%
Perancak (CW)	3%	3%	95%	0%
Puroo (GA)	9%	64%	14%	14%
Sesaot (JG)	12%	35%	49%	4%
Tanimbar Kei (DS)	16%	68%	11%	5%
Tunong Kurung (JM)	27%	13%	53%	7%
Warinta (VR)	9%	41%	41%	9%
Total	17%	36%	38%	9%

Village Differences in Economic Well-Being: Low Rating of Lindu Villages



Satisfaction with PNPM: Relatively low rankings of Langko and Puroo



Why such dissatisfaction?

- **Not due to corruption or elite capture**
 - Projects generally rated as related to the welfare for the whole community
 - Women declaring the micro-hydro was their choice because of wide community benefit
- **Rather, problems of project completion**

Project successes



- **Successes where projects**
 - Require little technical expertise
 - Can involve village labour paid a daily wage
 - **Examples:**
 - Kindergarten building (*Gedung Taman Kanak-Kanak*)
 - Production Access Roads in areas of wet-rice fields distant from village settlements (Paku & Wongkodono)

Project failures: *Micro-hidro*

- PLTMH (*Proyek Listrik Tenaga Micro-Hidro*) as 2011 choice of all 4 villages
 - Failure to reach operational status
 - Anca: constructed but failed to operate
 - Water flow data provided by winning contractor incorrect
 - Village team select the most conservative estimate
- Failure to even be constructed in other 3 villages of Lindu Plain
 - Tomado Village eventually use funds to buy portable generator
 - Outside guidelines but Jakarta evaluation team allows it
 - Technical failures
 - Machine and turbine to which it is to be connected differ in height by 1cm.
 - Inability to get more than one solderer (*tukang las*) to reside at Lindu
 - No road to Lindu: Motorcycle taxi (*ojek*) on a widened horse path



Project failures: SPP

- Complete failure of Women's Micro-credit (*Simpan Pinjam Perempuan*)
- Two cycles in local transmigrant village Puroo
 - Low-level success in funding for housefront kiosks (*warung*)
 - High repayment rate in first year
 - Problem of corruption by SPP head in 2nd year
 - One cycle with zero repayments in Indigenous Lindu villages ringing Lake Lindu



PNPM's clash with *adat* as community resource management system

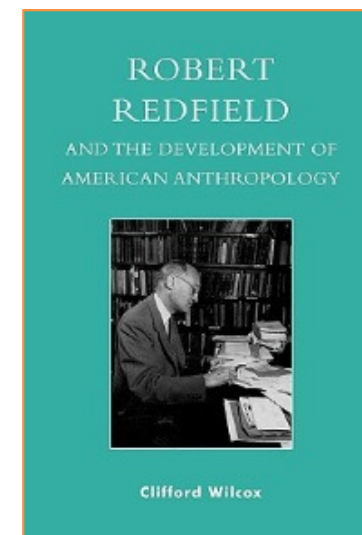


- Sanction of non provision of projects to villages in next round of PNPM proposal evaluations
 - Consequence averted by August 2012 earthquake at Lindu destroying all PNPM projects

- 2010 Women's Micro-credit program (SPP)
 - All 3 indigenous Lindu villages decide on provision of micro-credit for women to build dried salted fish enterprises
- Two months after PNPM decision Customary Council declare *ombo* on harvesting fish from the lake
 - Women unable to gain fish for salting
 - Inability to pay back credit extended

Conclusions: Why such failures?

- Peasant conservatism
 - Any novelty may undermine the precarious balance in peasant households of meeting demands
 - Internal demands
 - Subsistence and replacement funds
 - External demands
 - Rent extractions
 - Keeping continuity of traditional social relations and ceremonial funds
 - Insurance that labour and goods shared
- ‘Safety first’ as basic orientation of the peasant
 - Risk aversion
 - James C. Scott’s *Moral Economy of the Peasant*
 - Convergence with Redfield’s emphasis upon value orientations or ethos



Conclusions: Why such failures?

- **Lack of integration with other social development / conservation initiatives**
 - Running counter to revitalization of *adat* as community resource management system
 - Failure to draw on ‘social capital’ of other organisations
- **Reliance on protocol of project phases neglects actual practices and working relationships**
 - Overreliance on project facilitators for selection and operationalization of projects

Conclusions: Why such failures?

- **PNPM as a community empowering program**
 - But also a program for socialising into risk as essential component of 'self-help'
 - SPP credit for enterprises
 - Obligation to repay credit
- **Risks of failures in infrastructure projects**
 - Evaluating tenders of contractors
 - Carrying out technically precise labour

Indigenous Lindu reactions to risk

- ‘Why do we have to have this PNPM? It just gives me a headache. Before, I could sleep soundly, but now , since there has been women’s microcredit, I can’t sleep any more because I’m always thinking of having to pay back my debt.’
 - Lindu SPP member
- ‘Our human capacity is lacking, so we are stuck in a circle of poverty. It is better to focus on infrastructure. Lindu people do not have an entrepreneurial spirit and still need training in financial management.’
 - Anca head of the PNPM Activities Implementation Team

Conclusions: Why such failures?

- **Social capital cannot overcome structural inequalities**
 - **Not all villages located on a level playing field**
 - **Structural factor of social/territorial distribution of (access to) resources/assets**
 - Lack of road to Lindu
 - **Lack of access to technical expertise needed for project success**

Need for complementarity in development projects

**State/bureaucratic organisation and implementation
of projects involving technical expertise**

Complemented by

**Participatory implementation of projects
involving little technical expertise**

- **Political preconditions of social capital creation: need for structural change**
 - Including state-facilitated equalisation of access to resources
 - E.g. Land reform in India
 - Even basic infrastructure such as road access to Lindu
- **Structural transformation as a prerequisite of social capital formation rather than the reverse**
 - Reversing the order of Putnam's 'virtuous cycle' supposedly cause by high social capital

Social Capital as the “Missing Link” in Development?

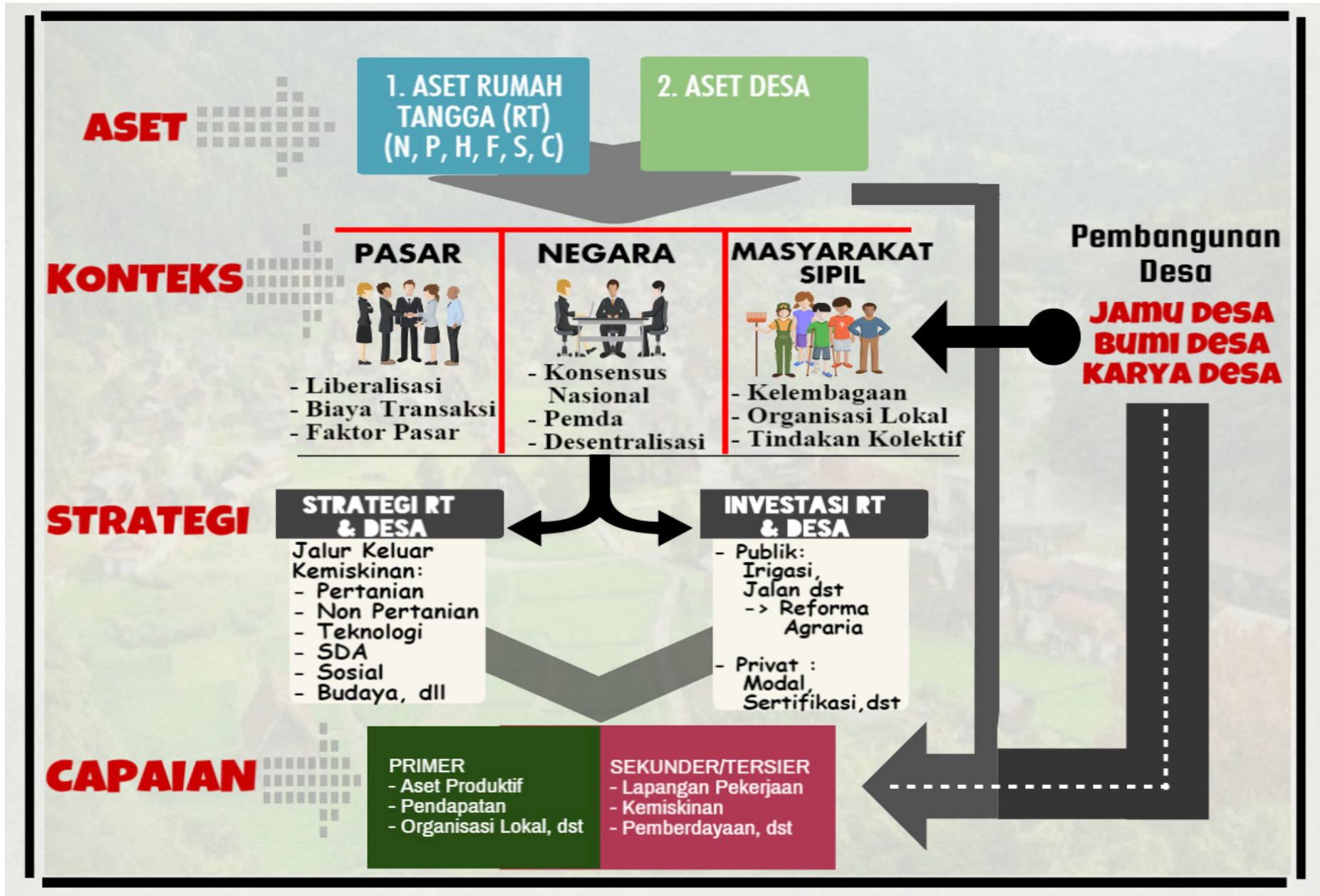
- ‘According to these arguments the cause of the weakness of development in parts of the Third World is “lack of social capital”. But if the absence of civic capacity is the by-product of politics, state-building and social structure then the causes of the malaise (of development) are more likely to be structural. Then policy-makers who attack the lack of social capital would be attacking the symptoms and not the causes of the problem. ‘
 - Sidney Tarrow 1996 ‘Making Social Science Work Across Time and Space: A Critical Reflection on Robert Putnam’s “Making Democracy Work”. *American Political Science Review* 90(2), p. 396.

Will the New Village Law address such shortcomings?

- New Village Law as a further mainstreaming of the PNPM participatory process
- Presentation of Ahmad Erani Yustika of Dirjen Pembangunan dan Pemberdayaan Masyarakat Desa (PPMD) at LIPI/Universitas Brawijaya workshop 'Membangun dari Pinggir: Menelaah Masyarakat Pinggiran sebagai bagian dari Bangsa Indonesia'
 - *Undang² Desa* as the basis for guiding further village development
 - *Modal sosial masih sumber daya manusia: aset desa utama*
- Greater articulation of development with *desa* governance
- Need to have local capacity complement local authority
 - Otoritas mesti didampingi Kapasitas utk mencapai Kedaulatan/Kemandirian Desa
 - Jangan kewewenangan kalau pengetahuan kecil
 - Tidak hanya 'kearifan lokal' tapi pengetahuan dari luar
 - Akses mesti diperlancar oleh Undang² Desa
 - 'Sumber kekacauan'
 - Banyak desa masih tertinggal di dalam konteks ini



KERANGKA PEMBANGUNAN DESA





Strategi Membangun Dari Pinggiran

1 Perubahan Paradigma Pihak yang Berkepentingan

- Pendekatan pembangunan sentralistik ke partisipatif,
- Pendekatan project ke pendekatan program pemberdayaan,
- Pendekatan *Community Driven Development* ke *Self Governing Community*.

2 Penguatan Basis Komunitas

- Komunitas yang mampu dan mandiri,
- Akses ekonomi yang lebih luas,
- Kesempatan berusaha individu dan komunitas lebih luas,
- Kedaulatan politik masyarakat dalam pengambilan keputusan pembangunan.



Strategi Membangunan Dari Pinggiran... (lanjutan)

3 Proteksi Komunitas

- Regulasi yang spesifik mengenai penguasaan aset komunitas,
- Regulasi Daerah yang pro penguatan basis komunitas dan lahir dari proses integrasi antara eksekutif, legislatif dan partisipatif.

4 Penguatan Sumber Daya Manusia (SDM)

- Penguatan kapasitas pemerintah
- Kelembagaan Masyarakat,
- Kelompok-kelompok usaha ekonomi,
- Fasiltiasi pengembangan ruang belajar masyarakat,

5 Penguatan Modal Sosial

- Penguatan nilai gotong-royong,
- Penguatan jati diri kebangsaan,
- Penguatan semangat kewarganegaraan.