



Universiteit
Leiden
The Netherlands

Fisheries co-management, the role of local institutions and decentralisation in Southeast Asia : with specific reference to marine sasi in Central Maluku, Indonesia

Harkes, I.H.T.

Citation

Harkes, I. H. T. (2006, May 15). *Fisheries co-management, the role of local institutions and decentralisation in Southeast Asia : with specific reference to marine sasi in Central Maluku, Indonesia*. Retrieved from <https://hdl.handle.net/1887/4385>

Version: Not Applicable (or Unknown)

License: [Licence agreement concerning inclusion of doctoral thesis in the Institutional Repository of the University of Leiden](#)

Downloaded from: <https://hdl.handle.net/1887/4385>

Note: To cite this publication please use the final published version (if applicable).

10 DECENTRALISATION AND COASTAL RESOURCE MANAGEMENT IN THE PHILIPPINES AND INDONESIA*

In response to a call for better management of natural resources, there is a widespread move towards decentralisation of management authority to regional and local communities. Decentralisation is the way forward, but also has its setbacks. Current experiences in Indonesia show massive exploitation (especially in forestry) now that resources fall under district governments (Sudana 2004). In other countries, such as the Philippines, decentralisation has led to more positive results (Sajise 1995). A discussion about decentralisation is relevant because there is already a tendency to turn away from it due to negative experiences. This would be very unfortunate as, despite the current setbacks, decentralisation presents the highest hope for establishing the conditions for sustainable resource use and a more equitable and efficient social political system in the long-term. This chapter describes the process of decentralisation in Indonesia and the Philippines in relation to coastal and fishery resources. It reviews the process and explains how failure can be avoided or at least halted. It further describes the forms of decentralisation in both countries and its rationale. Through comparing the process within the two different contexts, we hope to distil some key factors that make decentralisation successful.

10.1 INTRODUCTION

Scientists today urge the governments of Southeast Asia to better conserve and manage their coral reefs. Throughout the region, coastal resources and coral reefs in particular are heavily degraded; an estimated 88% of the reefs are severely threatened (Burke *et al.* 1998; Burke *et al.* 2002; Amor 2002a; Clifton 2003). Most threatened are the Philippine reefs, which rank the second largest in the region and where as much as 98% is at risk (Amor 2002b). Indonesia with its 81,000 km long coastline accounts for 51% percent of the coral reefs in the whole of Southeast Asia. They support one of the largest marine fisheries in the world, generating 3.6 million tons in 1997 alone (Amor 2002c). Yet, even though Indonesia's coral reefs are among the most biologically rich in the world and contain the greatest diversity of reef fish, 86% is in a critical state.

*I.H.T. Harkes, Robert S. Pomeroy and Gerard A. Persoon (in prep.) Decentralisation and Coastal Resource Management in the Philippines and Indonesia.

World wide, among the major marine fish stocks or groups of stocks for which information is available, an estimated 26% are underexploited or moderately exploited, about 48% of stocks are fully exploited and another 16% are over-exploited. The remaining 10% of stocks have been depleted or are recovering from depletion (FAO 2001). Approximately 70% of the world production of food fish is now caught or produced in developing countries (ICLARM 1999) and the increasing international trade in fishery products is raising questions about the supply of food fish for poorer people in developing countries.

In countries such as Indonesia and the Philippines, close to 50% of people's animal protein intake comes from fish consumption (FAO 2003). For many poor communities aquatic resources represent a crucial rural safety net that not only bolsters household food security, but gives families a way to earn extra cash selling on the local markets (FAO 2003). Degradation of natural resources, reduced access to markets and lack of political power to reverse these processes thus pose a severe threat to people's livelihoods (Wrong 1997).

Causes of environmental degradation are sought primarily in human activities such as over-exploitation, destructive fishing, and sedimentation and pollution from land-based sources (Amor 2002a). Increasing competition and conflicts over scarce resources further stress fisheries management systems. Over the years, centralized management systems have largely focused on fish production, while they failed to address local issues and resource management. By its nature, centralized management provided the conditions under which fishers maximized their efforts. Only where property rights are established and where fishers have the responsibility over their resources incentives are created to sustainably use resources (Charles 2001; see also Chapter 11). In response to the decrease in global fish production and a call for better management, there is a widespread move towards decentralisation of management authority to regional and local communities (Pomeroy 2001).

A discussion about decentralisation, power and potential for local management is both interesting and relevant because despite some important steps forward, there are negative developments at the local level that hamper the process. In Indonesia some places show massive exploitation now that resources are 'managed' by local authorities. This is especially the case in forestry in East Kalimantan where logging is rampant now that natural resources fall under the district government (Sudana 2004). Because of these negative experiences there is already a tendency to turn away from decentralisation (von Benda-Beckmann and von Benda-Beckmann 2002, Ribot 2002). This would be very unfortunate as despite the current setbacks, decentralisation presents the opportunities for local people and those working at lower government levels to gain the authority and therewith the incentives, institutional structure, legal and judicial powers and political will, to manage local resources. It is also a way to refine the role of the national government, both

in addressing global issues and in playing a supportive and enabling role with regard to local processes. Therefore it is important to not obscure the important changes that *are* being made towards the establishment and conditions for sustainable resource use and a more equitable and efficient social political system in the long-term.

This chapter describes the process of decentralisation in Indonesia and the Philippines in relation to coastal and fishery resources. The process is reviewed to see what is happening and how failure in terms of corruption, a non-democratic structure, rampant exploitation of resources, and the formation of elites may be avoided or at least halted. It describes the forms of decentralisation in both countries and its rationale. Decentralisation will be assessed in terms of level of authority transferred, type of power passed on, responsibilities of local actors, and the accountability structure (cf Wrong 1997). Through comparing the process within the two different contexts, we hope to distil some key factors that make decentralisation successful.

10.2 OBJECTIVE AND RATIONALE OF DECENTRALISATION

Since the early 1980s, decentralisation has emerged as a valued political and economic goal in many developing countries (Agrawal and Ribot 1999; Casson 2001). Decentralisation refers to the systematic and rational dispersal of power, authority and responsibility from the central government to lower or local level institutions (Pomeroy and Berkes 1997). It involves the authority to make decisions over natural resources and control over resource benefits. One of the primary arguments for decentralisation is that since local conditions vary, management approaches are required that are more closely tailored to the environmental, socio-economic, and political conditions at the local level (Lowry 2002). In co-management, which requires a clear commitment on the part of the government to the sharing of authority with local users and lower government levels, decentralisation is critical.

Agrawal and Ribot (1999, 475) write:

‘Most justifications of decentralisation are built around the assumption that greater participation in public decision-making is a positive good in itself or that it can improve efficiency, equity, development and resource management [...].’

The assumption is that when people at the local community and local government level gain the authority – and therewith the institutional structure, legal and judicial powers to manage their resources – they will have an incentive and greater political will to manage resources in a more sustainable way. The deployment of power and resources to the community will enhance com

munity and economic development (Pomeroy 2001). Another assumption of decentralisation is that greater participation and efficiency through more involvement of people at the lower political levels and in the decision-making processes and procedures that affect them, will ultimately lead to local autonomy and wider political participation. In this way, decentralisation gives force to democratic ideals such as greater transparency and a fairer distribution of political and economic power, i.e. equity (Pomeroy and Berkes 1997; Agrawal and Ribot 1999; Pomeroy 2001; von Benda-Beckmann and von Benda-Beckmann 2002; Ribot 2004).

In order to achieve these objectives, decentralisation requires the devolution of *real* powers, including those over the disposition of productive resources (Agrawal and Ribot 1999). Thus far, however, most decentralisation efforts seem to end up *without* increasing the powers of local communities or authorities. In many cases, people lack the authority to make decisions locally and profitable resources are still controlled by the government. Benefits are retained by the state or captured by local or outsider elites and income distribution is often uneven (Casson 2001). As a consequence, after initial enthusiasm and support for decentralisation, local communities become disillusioned and discouraged (Shakleton *et al.* 2002).

The reasons why powers are often not transferred or decentralisation is incomplete are various. First of all, there is the unwillingness of politicians to allow greater democratisation of the political system. They may be reluctant to relinquish their authority (or part of it) in order to protect their power and position. Some policy choices that have been made may actually not even constitute decentralisation (Agrawal and Ribot 1999). Secondly, there is doubt, also sometimes within the environmental agencies, about whether resource users can be trusted or are capable to manage their resources. Sometimes there is a lack of skills or appropriate institutions to which powers can be successfully devolved (Berkes 1989, Lowry 2002; Ribot 2004). But often, people are simply marginalised, especially where it concerns ethnic groups. Where on the one hand in Indonesia ethnic diversity is valued, on the other ethnic groups are perceived as a threat to the unity of the state. Ethnicity is therefore often turned into folklore and not into the empowerment of people (Schefold 1998; Eindhoven 2005).

Fortunately, the relevance of fishers' knowledge and the importance of their participation in management of resources is more and more acknowledged (Salim 1995). In countries such as the Philippines, decentralisation has led to positive results and sustainable resource use (White *et al.* 1994; Sajise 1995; Katon *et al.* 1998; Katon *et al.* 1999; White *et al.* 2002; Pasicolan 2003). These cases prove that local people are willing and able to manage resources, provided property rights are in place and benefits accrue to them. This strengthens the arguments for decentralisation as an alternative to failing

government management. Especially in those places where there is a history of collective self-management, of which there are various examples in Indonesia, traditions can be effectively revived and strengthened for contemporary management (Hviding 1991, 1996; Ruddle *et al.* 1992; Novaczek *et al.* 2001; Lowry 2002, and this thesis).

10.3 SHIFTING POWER

World wide an increasing number of post-colonial states are moving from conditions of basic inequalities and centralised government systems towards more political freedom, equity and democracy (F. and K. von Benda-Beckman 2002). Positive developments fuel the high expectations that are connected with decentralisation and democracy, especially in the context of resource management. Empowered, representative authorities are seen as the hope for the future. The process to achieve this is, however, not without obstacles as is illustrated by a number of authors (Casson 2001; van Klinken 2002; Peluso 2002; Agrawal and Ribot 1999; Knight and Lowry 2003; Ribot 2004).

‘Presently, insufficient and inappropriate powers turn most decentralisation reforms into charades’ writes Ribot (2004). Local decision-makers rarely receive meaningful discretionary powers.¹ Responsibilities are usually accompanied by excessive oversight and most powers can easily be taken back. These insecure transfers are a formula for manipulation from above (McCarthy 2004; Ribot 2004). On the other hand, in cases where power is actually transferred, it creates new issues and challenges. If power over important resources changes hands, it sometimes falls under the authority of people who are not committed to the basic values and goals envisaged in decentralisation, leaving room for abuse. The stakes are high and so are the interests. Changes in authority pose a threat to the position of urban elites, those with commercial interests, and government administrators (Hadiz 2004). The shifts in power also undermine entrenched patronage relations previously enjoyed by the highest-level central officials, local merchants and local bureaucrats. What happens is that even in cases where significant devolution of authority was intended, local politics and power relations intervened to prevent this and obstruct more democratic control (Shakleton *et al.* 2002).

10.4 THE FORMATION OF LOCAL ELITES

At many sites, problems occur because of local elites seizing control (Shakleton *et al.*, 2002). It is, however, not right to simply associate the formation of new elites with the process of decentralisation or expect these elites to *not*

¹ For more on power, see Lukes (1986).

exist or to *not* capture control. Experiences from countries like India, which has faced similar transitions, teach us that so-called identity politics can simply be viewed as an added level of complexity (van Klinken 2002). Elites have always played a role in hierarchical systems, either as essential parts of it or as parasites, depending on which view one takes. In Indonesia, the 'power-elite' just has taken a rather extreme form. If we look at history, we can learn that modernisation and democratisation are processes that were certainly not promoted by those who controlled power, but by enlightened middle class elites (van Klinken 2002).

The 'new' elites that currently play a role in Indonesia are local elites who do not necessarily aspire national leadership, but who want power at the level of the province. In order to achieve this they have to maintain relations upwards with representatives in the capital, as well as downwards with their chosen constituencies (van Klinken 2002). What is new about these elites is that they build on pre-colonial structures and claim to represent local chiefs, traditional authorities, and landlords thereby mobilising parts of the population that were not involved before. The role these local elites play can be extreme and varies from excessive resource extraction and abuse in some places to the channelling of funds to their constituents.

The process towards democratisation in Indonesia thus takes very different forms. Van Klinken (2002) suggests looking at the process of democratisation as arenas of domination and resistance. He illustrates this by comparing Central Kalimantan, where elites caused serious mayhem without Jakarta being able to intervene, to the situation in East Kalimantan where elites got enough funds from the central government to multiply district budgets. From the above it is apparent that within a country or even within a province, there are separate power arenas. Between countries the variability thus will be even larger. It is therefore important to deconstruct the process and look at these different arenas, including the political context and opportunity structure of the different political actors (van Klinken 2002). It is also clear that viable institutions are required to restrain elites in achieving their anti-democratic goals.

10.5 GETTING THE INSTITUTIONS RIGHT

Case studies from around the world indicate that the institutional arrangements necessary to bring about decentralisation are rarely established (Ribot 2004). In order to counter the power of local elites, the best candidates to receive decentralised powers are democratically elected institutions. Elections give people the opportunity to judge the performance of an institution, and if elected officials cannot justify their decisions they can be voted out of office (Dupar and Badenoch 2002). However, elections alone are not sufficient to

ensure adequate representation of local people's interests. Sometimes, candidates are selected by political parties and thus represent the interests of these parties rather than those of the local people (Agrawal and Ribot 1999). To make the councils democratic requires admitting independent candidates in local elections.

While 'getting the institutions right' probably leads to better outcomes, there are two major obstructions. The first are the groups that fear losing power and thus pose strong resistance to adequate policy making and implementation – the process we described earlier. The second is that sometimes the institutions chosen to counter the negative effects of decentralisation are inappropriate. Institutions imposed from outside, for example, even if they include democratically elected authorities and restructured political processes, may have no grounding in the local culture and lack legitimacy (Ribot 2004). It is therefore important to identify the groups of actors, to assess the power arena, and to define which local institutions are in place that actually can play a role in the decentralisation process.

Democratic participation needs to include customary authorities. However, a number of scientists have expressed apprehension about working with those institutions. Ribot (2004) writes 'When governments, donors, and NGOs arrange public inclusion through customary authorities, they subjugate local people to these authorities and their forms of belonging which are often highly unequal and usually severely gender biased.' Also Schulte Nordholt (2003) stresses the fact that many traditional systems are based on exclusion since only people of certain origins, ethnicities, lineages or religious identities are allowed to partake in the political process. In their view the legitimisation of these authorities thus undermines the formation of democratic institutions.

It is important to be aware that, in our search for democratic principles like representation and equity, we often condemn structures that are locally accepted, have a high level of legitimacy, and are functional within the political and cultural context (Shackleton *et al.* 2002). What Ribot overlooks in his analysis, for example, is the high degree of legitimacy that these traditional authorities and structures often have – legitimacy which is based on and embedded in the local culture, including the position of women. It is true that transparency and participation are not per definition characteristics of traditional decision-making processes, but again this does not necessarily have to be a problem as it can be a legitimate and accepted situation (see Chapter 6). Besides, in-depth studies in feminist anthropology show that where women are not represented directly in the public sphere, they often have indirect ways of exerting power, through informal structures (Moore 1988). Likewise, the strongly hierarchical process of decision-making in Maluku, for example,

may not be highly equitable, but it definitely makes these institutions highly effective (Novaczek *et al.* 2001).

Where efforts are made to establish (co-)management structures that hold the principles of participation and equity high, the absence of structures that allow for greater participation can become an obstruction. Yet, mistakes can also be made where governments choose to hand over power to new institutions which base inclusion on participatory processes or membership in certain organisations, such as fishing committees or fishermen's associations. Not only do these organisations pose problems on the longer term as they cannot be easily scaled up or sustained, they often lack local legitimacy. As a result these interventions are usually short-lived.

Other means that ensure that the dealings of institutions will be transparent and responsive to the public interest also need to be considered carefully before being implemented (World Bank 1999, 2001 in WRI 2003). Open elections, for example, are considered as a mechanism to ensure accountability. However, if the structures to prevent this are not in place, elections can be stage-managed (Crook and Sverrisson 2001 in WRI 2003, see also Novaczek *et al.* 2001). In order to enhance transparency and responsiveness it is important to stimulate open forums and deliberations and to have open media coverage of events. Local government performance needs to be monitored and evaluated, people need to have access to legal resources, and financial records need to be auditable (World Bank 2003 in WRI 2003). Local people should be able to challenge the rules and decisions, as well as the way they are implemented and enforced by those who hold the power (Agrawal and Ribot 1999).

10.6 APPROACH

Between the theory of decentralisation and its practical execution exists an immense gap. A number of case studies illustrate the process of decentralisation in various countries (Torell *et al.* 2002; Tulungen 2003; Delgado and Barriga 2003; Balgos and Ricci 2003; Wyckoff-Baird 2003). Most authors, however, do not use a structured approach to study the extent and effects of decentralisation while a cross-continent comparison would be very interesting. An interesting framework is presented by Ribot and Agrawal (1999) in their study of decentralisation in Senegal, Mali, India and Nepal. It forms an interesting basis to study the process and make comparisons. In this article, we apply the factors that Agrawal and Ribot present as well as a few others that we find relevant to the process of decentralisation in Indonesia and the Philippines. The purpose is to make structured comparisons and improve our understanding of the mechanisms at play in the process of decentralisation.

Pomeroy and Berkes (1997) distinguish various types and forms of decentralisation that coincide with categories used by various scientists working on this issue:

- *Deconcentration*: The transfer of authority and responsibility from the national government department and agencies to the regional and local offices. This is referred to as administrative decentralisation. It usually concerns a sectoral approach with upward accountability
- *Delegation*: The passing of some authority and decision-making powers to local officials, but where the central government retains the right to overturn local decisions and can, at any time, take these powers back. Accountability here is both upwards and downwards.
- *Devolution*: The transfer of power and responsibility for the performance of specific functions without reference back to central government. The nature of transfer is political (by legislation) and the approach is geographical. Those in power are accountable to the population in their jurisdiction.
- *Privatisation*: The transfer of responsibility for certain governmental functions to non-governmental organisations, voluntary organisations, community associations and private enterprises. Here accountability is downwards too.

Decentralisation thus does not necessarily imply total devolvement of all authority to local and lower government levels. Authority granted may ebb and flow over time as it is transferred to lower levels and recaptured by higher government levels. And, in reality, decentralisation often proceeds in a sequence from deconcentration to administrative delegation, then to political devolution and finally, to popular privatisation (Helmsing 1991 in Pomeroy and Berkes 1997). In a way, decentralisation can thus be seen as a continuum.

Accountability is a second important issue. For decentralisation to be equitable and efficient there must be a clear line of accountability from decision-makers to the local population (Ribot 2004). Only when empowered local actors are downwardly accountable will the presumed benefits become available to local populations (Agrawal and Ribot 1999). Perceived benefits as well as initial benefits are important in enhancing involvement of the local population and participation (Pollnac and Pomeroy 2005; this thesis). Therefore accountability is an essential element in evaluating the effectiveness of decentralisation.

A third aspect to take into account are the actors, defined as those who exercise powers over public resources. This can be traditional leaders, the local government, NGOs, donors, the private sector, or people's organisations. Actors may be differentiated from each other by their beliefs and objectives,

the internal structure of their organisation, and the laws to which they are subject (Agrawal and Ribot 1999; Shakleton *et al.* 2002). Each actor is positioned in particular relations of accountability depending on the historical, socio-economic and political constitutions of the powers of each actor. As each actor is positioned at a different level of social action and is part of a playing field including within-community interests and power relations, it is relevant to describe the so-called actors' field.

Power is a fourth important aspect to analyse as the transfer of power is one of the principles that makes decentralisation effective. In understanding decentralisation, four powers of decision-making are crucial (Agrawal and Ribot 1999):

- 1 The power to create rules or modify old ones (legislative).
- 2 The power to make decisions about how a particular resource or opportunity is to be used (executive).
- 3 The power to implement and ensure compliance to the rules (executive).
- 4 The power to adjudicate disputes that arise in an effort to create rules and ensure compliance (judicial).

The four case studies on forestry of Agrawal and Ribot (1999) show that rarely all types of power are decentralised to the local level. In forestry, decentralisation to the local actors included only the transfer of authority over forest products that are important for subsistence, while the Forest Departments retained significant control over the commercial benefits from the sale of timber. In Mali, for example, it is through its influence over forest management plans and the quota fixing process the Forest Service can set *how much, where, when, how, and with which management obligations* exploitation will take place. In other words, operational rules are delegated to the local level, while decisions on the collective-choice level remain in the hands of the government.

Also, the powers to enforce are transferred to administrative branches of the state rather than to representative local governments at the same level. Yet, without the transfer of powers to enforce them, the devolution of authority to make decisions and rules is virtually meaningless (Agrawal and Ribot 1999). Whether such a transfer of power still leads to effective decentralisation depends on the nature of accountability relations, as well as on the mix of powers a certain actor holds, and horizontal relations among actors at the same level.

The last important dimension of decentralisation is accountability. Downward accountability broadens participation and enhances the responsiveness of empowered actors. Agrawal and Ribot (1999) suggest that if powers are decentralised to actors who are not accountable to their constituents, or who

are accountable only to themselves or to superior authorities within the structure of the government, then decentralisation is not likely to accomplish its stated aims. It is only when constituents come to exercise accountability as a countervailing power, that decentralisation is likely to be effective.

Vertical and horizontal ties among branches of government can shape the relation of accountability between local government actors and their constituencies (Agrawal and Ribot 1999). Similarly, relations between customary authorities and their administrative superiors can shape their downward accountability. Actors can be held downwardly accountable to local constituencies by, for example, electoral processes. However, often elections are not sufficient. Other mechanisms to increase downward accountability are hearings, procedures for recall, referenda, advisory groups, third party monitoring, controllers, auditing, and the creation of opportunities for community consultation (Crawford *et al.* 2003). Aside from these formal mechanisms, local officials are often in other ways accountable to friends, colleagues, kin and local citizens (Lowry 2002).

It is all these aspects that we will include in our analysis of decentralisation in fisheries and coastal management in the two countries.

10.7 DECENTRALISATION IN COASTAL MANAGEMENT

The process of decentralisation in the context of coastal and fisheries management involves the restructuring of national laws, national fisheries agencies and bureaucracies. New laws and policies need to include specific reference to the security of local level tenure and property rights over coastal resources. It is important that these new or revised laws are compatible and consistent with the existing laws and policies in other sectors as well as with the overall administration. Also national agencies and bureaucracies need to adapt in order to take on the new responsibilities and functions (Pomeroy and Berkes 1997). The decision on what fisheries management functions should be handled at which level, could be taken jointly by local representatives and fisheries agencies. The government may further provide a forum or formal administrative structure for the various parties to interact. It has an important role in overseeing local arrangements and in dealing with abuse, conflict management and appeals. Finally, the government can provide assistance and services to support local organisations and institutional arrangements. Depending on the capabilities of local-level organisations and their increasing experience, the handing over of responsibilities and functions could be phased (Pomeroy and Berkes 1997). The most common approach currently promoted in decentralisation is adaptive management, or 'learning-by-doing' including flexibility and feedback loops.

10.8 REGIONAL CASE STUDIES OF DECENTRALISATION

There is no 'best' form of decentralisation. Decentralisation can occur as a broad administrative mandate in which fisheries are included, as in the case of the Philippines, or it may occur for specific management functions. The form of decentralisation depends on country specific conditions such as the socio-cultural context, the economic situation, and the political history of a country, especially in the case of post-colonial states (Pomeroy and Berkes 1997; Pomeroy 2001). It also depends on the history that people have in relations with the state and with conservation agencies (Wyckoff-Baird 2003). But mostly of all it depends on the qualities, aspirations, visions, possibilities and incentives of those who are involved or those who will be.

10.8.1 The Philippines

In the Philippines, the process of decentralisation came about as a reaction to governance problems (Pomeroy and Berkes 1997). In 1991, the Philippine government enacted the Local Government Code (LGC) which granted local governments (municipalities) a number of powers, including the management of nearshore waters – defined as all waters within 15 kilometres from the coastline. Another important operative principle is a provision that Local Government Units (LGUs) may group themselves and coordinate their efforts, services and resources for purposes commonly beneficial to them (DENR 2001). LGUs also have the power to create sources of revenue and they have the exclusive authority to grant fishery privileges in municipal waters and levy taxes, fees and charges. The objective is to enable LGUs to attain their fullest development as self-reliant communities and make them more effective partners in the attainment of national development and social progress (DENR 2001).

The Philippine form of decentralisation thus is devolution. The LGUs and local communities have certain privileges and preferential rights. LGUs may enter into joint ventures and other cooperative arrangements with People's Organisations (POs) and NGOs to engage in the delivery of certain basic services, capability building and livelihood projects, and to develop local enterprises designed to, among others, diversify fisheries (Section 35), (DENR 2001).

The second legislative measure was the passage of the Fisheries Code of 1998 which incorporated Integrated Coastal Management (ICM) as one of its policy approaches. It reinforced the active participation of local fisherfolk and coastal communities through the establishment of municipal Fisheries and Aquatic Resources Management Councils (FARMCs), (DENR 2001). The codification of this law facilitates enforcement, local legislation, and project implementation. New provisions include prohibitions against destructive fishing. Under this law, enforcement is assigned to LGUs who can ask

BFAR² for assistance in the training of a local taskforce or *Bantay Dagat*. The municipal government has the right to enact ordinances in accordance with the National Fisheries Policy. They are further authorised to prohibit or limit fishing and establish reserves and sanctuaries.³ The law further provides for coordination and consultation with adjoining municipalities for the management of larger resource systems.

Other important acts are the National Integrated and Protected Area System (NIPAS) act of 1992, which allows the government to identify and segregate defined areas of land and/or waters and classify them as protected areas for various purposes (e.g. National Parks, Wildlife Reserves). And the Agriculture and Fisheries Modernisation Act (AFMA) of 1997, which provides an overall framework for industrialisation of agriculture in the country, including fisheries. Under international treaties, such as CITES, local governments are required to prevent the collection and trade of species listed.

This legal framework has opened up opportunities for community-based fisheries management which has proven successful in terms of resource rehabilitation as well as empowerment of local people (White *et al.* 2002).⁴ Currently, the Philippines are experiencing a rapid expansion of coastal initiatives at local and national scales (Yambao *et al.* 2001; Balgos and Ricci 2002). Ahead of most countries, conditions in the Philippines are now favourable for the wider application of Integrated Coastal Management (ICM). The Integrated Coastal Management Sustainability Research Project (2001-2002) supported ICM activities through research, project assistance and capacity development. The Coastal Resource Management Project (CRMP) which lasted from 1996-2004 provided technical assistance and training to coastal communities, local government units, non-governmental organisations, and national government agencies to promote improved management of coastal resource in the Philippines. However, many local governments endowed with the authority to manage coastal resources, are lacking financial and technical resources to effectively carry out this mandate. Therefore, municipalities are looking up to higher government levels for assistance.

² Bureau of Fisheries and Aquatic Resources.

³ In the granting of fishery privileges in municipal waters, priority is given to resident fisherfolk and/or their cooperatives and organizations.

⁴ The first-ever marine sanctuary in the Philippines was established in 1974 on Sumilon Island (Cebu). This case has served as an example for other reserves such as Apo Island (Negros) which was established in 1985, Balicasag and Pamilacan Islands (Bohol), Mabini (Batangas) and San Salvador Island (Zambales), (White 1988; Parras 2001; White *et al.* 2002; Walmsley and White 2003). These initiatives are often cited and serve as international examples.



FIGURE 10.1 – Map of the Philippines (map: Micheal Waber)

Based on experiences in Negros Oriental province, recently three provincial-level coastal management pilot projects were initiated (Balgos and Ricci 2002). For each of these projects, ICM working groups were established which, on the longer term, will become permanent units within the offices of environment and management. They are funded through annual allocations from the National Economic Development Fund. The main functions of these units are: 1) formulation of provincial plans (in collaboration with municipalities), 2) developing an coordinating mechanism on province level, 3) extend technical skills in planning, implementation and enforcement, 4) facilitate the expansion of ICM, 5) conduct environmental education and

training, and 6) assist municipalities in monitoring and evaluation of ICM plans and programs (Balgos and Ricci 2002). The successes thus far point to a paradigm shift wherein provinces play a greater 'facilitation-coordination-replication' role in ICM.

The following sections present two case studies to illustrate how Coastal Management under a decentralised scheme can actually work out in practice.

Murcielagos bay (based on PIPULI 2002, Panorel 2004)

Murcielagos Bay lies on the northern coast of Mindanao and contains productive mangroves, seagrass beds and coral reef systems. Migrant settlers from the Visayas occupied the area of which the Subanen were the original inhabitants. Nowadays approximately 3400 households reside in the area of which 40% are directly dependent on fishing (PIPULI 2002). Over the past years, fish catches declined drastically from 11 kg in 1985 to 1 kg in 2000. Illegal fishing was rampant and of the 27 types of fishing gear used in 2001, 12 were considered destructive. Fish corrals and fine meshed nets result in growth overfishing. With the introduction of compressor diving, big fish have become very vulnerable. The harvest from these gears was double to that of the non-destructive gears.

As Murcielagos Bay crosses various political boundaries within two different provinces and two different regions, attempts at joint development in the efforts did not progress due to poor coordination and low priorities on coastal protection. As in other parts of the Philippines, communities were regarded as subjects of national and local governments and as such did not participate in the formulation of laws and development programmes. The majority of the community were not politically aware and during elections would simply sell their vote to the highest bidder (PIPULI 2002).

However, in the late 1990s, the communities at Murcielagos Bay became involved in a community-based coastal resource management (CBCRM) program. As they were fragmented, most activities were geared towards community organising, capacity building, networking and advocacy. PIPULI, a Philippine NGO, was the catalyst in establishing stakeholder cooperation. The main stakeholders were the poor fishers in the 24 coastal *barangays* (villages), the local government and other government agencies, a number of NGOs, and church based organisations. The process was also supported by academic institutions and international organisations such as the International Marinelife Alliance (IMA). As the fishers were very keen on seeking solutions for their concerns, organising the fishers proved an effective strategy. The initiative was institutionalised at the level of the *barangay*, the municipality, and Murcielagos-wide through the establishment of Resource Management Organisations (RMOs). In the mean time networking and advocacy was a strategy in building a broader support base for pursuing the necessary policy

changes. The parallel activities led to the establishment of the Murcielagos Bay Multi-Stakeholder Management Body which ensured active participation of all resource users.

The first Stakeholders Conference was held in November 2000 and led to agreement on approach, cooperation, goals and strategies. A series of meetings led to the forging of a Unified Fisheries Ordinance (UFO) that embodies policies and acts that provide for the conservation, development and management of Murcielagos Bay. The UFO covers a number of activities that are important in the context of decentralisation: 1) it combines both scientific and local knowledge for decisions on fisheries management, 2) a Resource Users Assembly (RUA) revalidates the decisions of the majority of fishers and thus is an important mechanism for accountability, 3) an Inter-Stakeholder Conference is a representative body on a higher level which supports decision-making, 4) fund counterparting and a Technical Working Group (TWG) are mechanisms to carry out the decisions, 5) lobbyists ensured that the UFO is passed as a Municipal Ordinance, and 6) the ordinance is implemented through the resource management organisations and *Bantay Dagat*.

Naturally, there are disputes and conflicts, but the communication structures help to reach negotiations. Fish corral owners and dynamite fishers agreed to use legally prescribed nets. Also the length of the closed season was negotiated and agreed upon through an assembly of resource users. Delays in the release of the counterpart funds by the bureaucratic systems of the Internal Revenue Allotment have led the local organisations to pressure the authorities to look for other means to comply with the agreed commitments.⁵ So in that respect these organisations are actively involved and do have certain powers.

There is still tension between fishers and authorities with regard to the power to decide over specific issues, such as the ban period for fishing. Government officials insisted on scientifically based limit, while the fishers asserted their local knowledge. A last point is the fact that those in authority are dominant in discussions, giving the fishers little opportunity to speak.⁶ But good facilitation and preparation of fishers overcomes this tension. The biggest threat to the system is external support for the existing institutional arrangements which are still weak.

⁵ The scheme for fiscal decentralisation of the government as mandated under the Local Government Code allows an Internal Revenue Allotment (IRA) sharing that provides little income for less populated areas, like Murcielagos. Marine resources are not included in the IRA computation, much less in the local development prioritization of the government.

⁶ In contrast to Panorel, the document of PIPULI states that fishers find it difficult to assert their rights because they do not see themselves as active participants in resource management. However, this information is of an earlier date than that of Panorel.

The case illustrates that Murcielagos Bay is well on the way to form a decentralised management structure. Major shifts of power have occurred, decision-making forums and umbrella organisations are established to negotiate conflicts and enhance accountability and participation. Issues raised by PIP-ULI in 2002, such as compartmentalised fisheries management and resource users that were not united and felt disempowered, were dealt with. The process was strongly supported by a number of NGOs, academic institutions, and foreign organisations. Issues currently dealt with have to do with power, but no longer to the point where the government authorities automatically win. The local groups assert their rights and defend their knowledge. This is an important move forward towards integrated management of the fisheries in Murcielagos Bay and a good example of a local process that includes important mechanisms to enhance participation and democratic principles.

Bohol, Philippines (based on Mayo-Anda 2004, Indab and Suarez-Aspilla 2004)

Bohol is the easternmost island in the Central Visayas region in the Philippines. At least 60% of the coastal residents are either full-time or part-time fishers. The coral reefs were suffering from blast-fishing and the use of sodium cyanide (Parras 2001). The Environmental Legal Assistance Centre (ELAC) started community-based coastal resources management through education and extension of legal assistance. The local government was open to multi-sectoral initiatives. In 1997, a year before the Fisheries Code was promulgated, the 'Bohol Environmental Summit' was held where pressing coastal issues were discussed. There was also a 'Bohol Covenant for Sustainable Development' signed by People's Organisations (POs) and NGOs working in the area, and in 1998 a comprehensive environmental code was drafted. Dissatisfied with the way the summit addressed coastal issues, NGOs and some government representatives formed the multi-sectoral 'Bohol Coastal Resource Management Task Force' and 'Coastal Law Enforcement Councils' in every district. This clearly illustrates the organisational and institutional capacity in the Philippines.

The Enforcement Councils, composed of representative from government,⁷ villages, FARMCs,⁸ police and coast guard, were formalised through a Memorandum of Agreement signed by the municipalities of Bohol, the national government and the ELAC. A group of advisers assist the councils in their work, i.e. the formation of an enforcement team, drafting of enforcement plan, procurement of budget allocations and logistics, capacity building plan, the standardisation of policies, and coordination with local LGUs. The last two tasks are very important as one of the predicted pitfalls in Philip -

⁷ DENR: Department of Environment and Natural Resources; BFAR: Bureau of Fisheries and Aquatic Resources.

⁸ FARMCs or Fisheries and Aquatic Resource Management Councils were established under Executive Order No. 240 to institutionalize participation of fishers in resource management.

pine decentralisation is the large number and overlap in laws (Van Weerd, pers. comm. 2004; Plutz, pers. comm. 2004). Again, in these activities all important government departments and enforcement agencies are actively involved including the Provincial Board who donated 3 patrol boats. During 2000-2003 a large number of illegal fishing activities were reported and offenders prosecuted.

Of course, there are problem areas too and the most eminent ones, as in most cases discussed, were inadequate funding, logistics and support from government agencies and NGOs. Lack of education of the people was also mentioned as an obstruction. Corruption and lack of assets (equipment and boats) undermined enforcement and even when offenders are caught under capacity leads to weak prosecution. MPA management in the Bohol Sea is still fragmented.

Factors that enhance success are strong support from political leadership, community participation and networking among sectors. An important lesson is that enforcement leads to greater success of community management of natural resources. Management involves a multi-sectoral and multi-agency approach that has both a 'hard' (actual patrolling) and a 'soft' component including IEC activities (information, education and communication). More collaboration between LGUs is required and municipal waters need to be delineated. Finally, municipal ordinances need to be harmonised.

This case study that shows that in the Philippines the process is away from merely community-based initiatives. There are more horizontal and vertical linkages established. These linkages are important in creating accountability structures and forums for appeal. They also help in getting real authority over resource management as enforcement is in local hands with legal back-up.

10.8.2 Discussion Philippines

The Philippines have put in place an institutional basis and legal framework to facilitate devolution and support local autonomy. In various provinces, local governments have adopted CRM on their own merit (Yamba *et al.* 2001). There are a number of factors that motivate people to collaborate in CRM, such as the recognition of a resource problem and the need for conservation. The recognition that management is a way to address poverty on the longer term, and the realisation that technical support is important and increases the political will for coastal management. Skills and knowledge of the people have vastly improved and local resource users have gained a more positive attitude towards coastal management. They have developed new perspectives and are actively involved in local committees and organisations. The involvement of People's Organisations also creates opportunities for advocacy. Empowered local organisations can make their needs known and ask for assistance or demand effective government services. They can also lobby for more

favourable policies and allocations, and oppose measures that they consider detrimental.

The two cases show that the process of decentralisation and transfer of authority to local government and partners is definitely taking shape. In Murcia lagos bay, a few important building blocks to local resource management are in place like representative bodies and umbrella structures as mechanisms to ensure accountability and representation. Local organisations do have certain powers that enhance their autonomy. The case of Bohol shows the development of a sound organisational and institutional capacity to deal with the new powers. Standardization of policies will help to counter the overlap of laws and policies and improve the legal framework that forms the basis for coastal resource management.

However, despite the sound legal framework and clear commitment of the Philippine government to empower local communities and support them in the management of resources, the implementation of policies and laws remains weak (PIPULI 2002). This is due to legal and jurisdictional conflicts which arise from the plethora of legislation and administrative issuances affecting different types of economic activities in the coastal area (DENR 2001). Conflicting interpretations of these laws and poor dissemination of information contribute to difficulties in implementation. Another factor is the multiplicity of institutions at the national and local levels with mandates in coastal management as it complicates the lines of authority over resources and sometimes results in fragmented management initiatives.

At the same time, successful projects move the process forward and are replicated elsewhere or scaled-up where favourable conditions are in place. Scaling up of the model for coastal management can take two forms: 1) in terms of area and population involved, and 2) in kinds of tasks performed or diversification. Scaling-up requires careful planning, groundwork, and experiments. Important is not to rush the process under the pressure of donors and funding (Balgos and Ricci 2002). Currently, the process of scaling-up is taking place in Leyte-Samar (Region 8) covering 6 provinces under the auspices of Leyte State University, the Philippine Council for Aquatic and Marine Research and Development and the University of Rhode Island. In 2002, discussions were held involving numerous stakeholders about the role in terms of support of the provincial government, NGOs and academic institutions. At this moment, the role of the provinces is being further defined, as well as that of other (research) institutions. This institutional set-up is expected to solidify and push forward devolution towards long-term effectiveness and success (Balgos and Ricci 2002).

10.8.3 Indonesia

The 'New Order' regime of president Suharto (1966-1998) was characterised by heavy resource extraction for economic development and a weakening of many local traditional institutions that mediated access and use of local resources (Thorburn 2002). After the fall of autocratic Suharto regime in 1998 and in response to a greater demand for transparency, honesty and autonomy, a series of laws shifting both the political power and financial control from the central government to the regional level have been drafted (Casson 2001; Patlis *et al.* 2001). This so-called 'post-New Order' period signals a shift in the management of natural resources that has profound implications for the rights and roles of local communities and regional governments. Decentralisation, however, is still in its initial stages and brings with it a host of new worries and problems that often have roots in the previous regimes (Peluso 2002; Thorburn 2002).

During the brief presidency of Suharto's successor, president Habibie (1998 – 1999), the government passed a number of reform measures committing the government to a course of administrative and financial decentralisation. Law No. 22/1999 on regional autonomy and Law No. 25/1999 on financial relations created the legal and financial framework for governance primarily by the districts, with assistance from both provincial and central levels of government (Dahuri and Dutton 1999; Patlis *et al.* 2001).⁹ In the same year, both the National Maritime Council (NMC) and the new Ministry of Marine Affairs and Fisheries, the DKP¹⁰ were established.

The implications of these legal changes for resource management are profound and entail a larger role for the regional governments (province, district and sub-district). The province has jurisdiction over the territorial sea up to 12 nautical miles from the coastline (art. 10.2), while the district may establish jurisdiction over one third of the provincial waters or 4 nautical miles from the shoreline. There are two exceptions: 1) the territorial sea should not restrict traditional fishing rights and 2) the seabed underneath the sea territory still falls under the authority of the central government (Patlis *et al.* 2001; Satria and Matsuda 2004). The central government also maintains direct responsibility over the maritime areas within the Exclusive Economic Zone (EEZ). In contrast to other resources from which revenues are allotted directly to the district of origin, benefits from fisheries are redistributed in equal sums to all regencies throughout Indonesia (Reg. 104/2000, Art. 11(2)). This highlights the fact that fisheries are regarded as commonly owned (Patlis *et al.* 2003).

⁹ Government levels: Province (*Propinsi*); District (*Kabupaten*); Municipality (*Kotamadya*); Sub-district (*Kecamatan*); Village (*Desa*).

¹⁰ DKP: Departemen Kelautan dan Perikanan.

Instead of direct regulation and control, the role of the central government has become primarily one of indirect action. However, the central government retains authority to develop policy regarding natural resource management and to take administrative action against a regional government that fails to implement existing laws or regulations (Law No. 25/2000, art. 7), (Patlis *et al.* 2001). The province is responsible for: a) exploration, exploitation, conservation and management of the sea, b) administrative affairs, and c) law enforcement. District and municipal governments are now empowered to set resource use and spatial planning policy, and to manage revenues and budgets. District and provincial assemblies (DPRD) must issue scores of new regulations and decrees to administer these new responsibilities (Thorburn 2002).

After the major problems in various parts of the country and under pressure of certain groups Wahid (1999-2001) agreed to revise Laws No. 22 and 25 in order to maintain the 'unitary state'. President Megawati Sukarnoputri was pursuing the review, including the reestablishment of the government hierarchy (Down to Earth 2001). A more powerful standpoint and continuation of the decentralisation process is expected from the newly elected president, Susilo Bambang Yudhoyono (cf Maas 2004b, 2004c).

The two following sections describe the process in the field and show recent developments in coastal resource management in Indonesia.

Minahasa, North Sulawesi (based on Tulungen 2002, Patlis et al. 2003)

Minahasa district comprises 150 villages along a 260 km long coastline. The district was one of the first to create a legal framework for community-based integrated coastal management (ICM). The law is a culmination of a 5-year effort by the Coastal Resources Management Project (CRMP) or *Proyek Pesisir* funded by USAID and implemented by the National Development Planning Agency (BAPPENAS) with support of the University of Rhode Island and other agencies¹¹ (cf. Crawford *et al.* 1998; Crawford *et al.* 2003). Strategies centred upon the development of enabling frameworks and the documentation and institutionalisation of good practices to enable replication. This was done through a combination of legal instruments, guidebooks and training.

¹¹ USAID and the Coastal Resources Center of the University of Rhode Island (USA) have been responsible for a number of long-term field programs that work to build local and national capacity to effectively practice coastal governance. Other sites with field programs are Balikpapan Bay in East Kalimantan, Lampung Province in South Sumatra, and Bintuni Bay in Papua (see Patlis *et al.* 2003). Another project implemented to counter coral reef degradation is COREMAP funded by the WorldBank, ADB, AusAID and LIPI.



FIGURE 10.2 – Proyek Pesisir field locations (photo: Brian Crawford)

The formulation of the new district law or *Perda* involved bottom-up community participation and involvement of the private sector, NGOs and Sam Ratulangi University (UNSRAT) in Minahasa. It sets out the key principles, goals, benefits and priorities for community-based management, transparency, and accountability. It also recognises traditional rights. An Integrated Coastal Resources Management Board oversees the process of preparing and approving community plans to integrate the different concerns among stakeholders – government, private sector and community – as well as the coordination of the different sector interests within the government institutions themselves. The Minahasa Fisheries and Marine Office has been assigned the role of providing technical assistance to villages.

The community based approach builds on four village-based pilot projects carried out earlier.¹² These projects had already resulted in locally approved plans and village ordinances to implement marine reserves, no-take zones, mangrove conservation and reforestation, shore erosion control measures, and supplementary livelihood activities. In turn, the district supported these efforts. The law now provides an important new level of institutional commitment for upholding local regulations, as well as for carrying out non-regulatory measures. Adoption of the new law also makes financing village-initiated plans easier. By 2003, 24 coastal villages in Likupang sub-district at the northern tip of North Sulawesi were involved (Crawford and Kasmidi 2004).

¹² In Blongko, Talise, and Bentenan-Tumbak village.



FIGURE 10.3 – Capacity building and project activities in Blongko (photo: Brian Crawford)

The drafting of the law was a process that involved local experts who prepared a ‘white paper’ for discussion. The academic draft that followed was distributed and discussed in a variety of meetings, also international. Central government agencies were also consulted, including those of Fisheries and Marine Affairs. Finally, in 2001, the regulation was submitted to the Minahasa House of Representatives to enter the enactment process. The process followed the formal mechanisms in legislature and included the establishment of a special task force, public hearings, and final meetings to enact the regulation.

In order to fully utilise or enforce the law, however, it is essential that the constituency which was mobilised to pass the law continues to remain engaged in the integrated Coastal Resources Management Board in promoting its use by Minahasa’s villages and evaluating its implementation.

Proyek Pesisir is now assisting Minahasa as it begins to implement the new law. This includes operating the Integrated Coastal Resources Management Board which was established in 2003, and working with the Fisheries Office to prepare a plan for getting budget appropriations. They are also helping to meet the demand for technical assistance by villages. Basic elements in the law are: 1) definitions of key terms such as ‘coastal area’ and ‘participation’, 2) clarification of authorities and responsibilities among agencies and government levels, 3) creation of mechanisms and programs for coordination, education, training and outreach, 4) identification of basic criteria for coastal

management for villages, and 5) it mandates funding for implementation. The new law stand as a model both in terms of the process in developing the law, as well as in the substance of the law.

Keys to success were the de-politicization of the process (by inviting representatives of all political parties), 2) the signing of letters of intent to enhance commitment, 3) extensive public participation, 4) sound documentation and explanation of the process, and 5) a media campaign which increased public awareness. Important was also that the law is not overambitious. A primary lesson is the flexibility to adapt to comments and revise the draft *Perda* as it went through the process thereby increasing its legitimacy. Shortcomings were the lack of documentation of initial public consultations, the timing of the background material, including the 'white paper', and the lack of engagement with the administrative offices of the *Bupati* (district head) until near the very end of the process.

This case study shows how with adequate support, local resource management can become a reality. The case of Minahasa, however, is an exception in Indonesia and its success is largely due to strong financial and institutional support of foreign donors for this program. However, the case provides a possible format for similar initiatives elsewhere in the region and provides an example of how local autonomy and the development of a sound legal framework can become a reality.

Maluku (based on Kissya and Dwisasanti 2004)

In Central Maluku local resources are managed *undersasi*, a traditional regulatory system geared towards sustainable use (Benda-Beckmann *et al.* 1995; Novaczek *et al.* 2001). Here, the effects of decentralisation also become visible. During the *reformasi*, the area was in great turmoil due to a period of civil strife that lasted from 1999 to 2003 (cf van Klinken 1999; Goss 2004). During the riots, in many villages the social structures were no longer adhered to and laws or rules neglected or violated. Exacerbated by the economic crisis and humanitarian tragedy this tendency led to habitat destruction and resource depletion.

When the riots ended, villages re-established resource regulations. Interestingly, in Haruku village where *sasi* is deeply rooted, customary law (*adat*) really helped and supported the process of conflict resolution and recovery (Kissya and Dwisasanti 2004).¹³ The revival of *sasi* regulations and customary

¹³ The revival of *adat* and a second traditional system which creates alliances between villages called *pela* are seen as two important building blocks in ensuring stability and peace all over Central Maluku (Welsh 2003). In this respect, van Klinken (1999) mentions the restructuring of the government, i.e. replace the nepotistic connections (often based on religion) for accountable and transparent structures.

practices was strongly supported by the local traditional taskforce called *kewang* and community members. In November 2003, when for the first time after the period of civil strife *sasi* was opened again, more participants than ever came to witness the rituals (Rumaruson 2003).



FIGURE 10.4 – Head of the *kewang* Elli Kissya with Binny, Meentje and myself in 1998.

Efforts are being made to put into place a national and provincial agenda to acknowledge *sasi* as a model for effective community-based governance. Proposed components of this agenda are: 1) to extend the power of the *sasi* authorities (traditional, church or mosque) to a broader level so that they can deal with outsiders, 2) to provide a legal basis at the provincial and local level for customary laws and property rights, and 3) to urge government officials to open and transparent decision-making, including policy. It is further suggested that local traditional authorities participate in seminars and conferences as to promote this model and improve it. This would provide a learning forum for indigenous leaders, CBCRM practitioners and facilitators and could lead to the formation of solidarity groups engaged with effective community-based governance.

The case of Haruku shows the enormous potential of traditional resource management institutions in coastal management and their vital role in conflict resolution and the re-establishment of local rules and regulations, even in the case of major upheavals. The strong community commitment and

presence of organisational structures form an important basis for capacity building towards autonomy. Noted must be though that Haruku is one the very few villages in Maluku with a strong *sasi* system and a well-known reputation for traditional resource management. How villages where *sasi* is less prevalent survived the period of conflict and social breakdown is not clear. The current efforts to draft a district law (*Perda*) meaning to reintroduce *adat* village structures (Soselisa pers. comm. 2004) may have a positive effect on the functioning of this traditional management system and its revival.

10.8.4 Discussion Indonesia

In countries that are in transition from an authoritarian regime to a more democratic system, such as post-New Order Indonesia, the transition often has great impact on social structures and local institutions. The success of decentralisation is location specific and dependent on the manoeuvring space for local governments, the presence of the army;¹⁴ and the type resources and subsequent business interests (Spyer, pers. comm. 2005). In West Sumatra, for example, decentralisation has not only rearranged the political and economic relationships between the centre, province and districts, it has also led to a reorganisation of village constitutional structures and institutions (von Benda-Beckmann and von Benda-Beckmann 2002). In Central Kalimantan, decentralisation involves ethnic conflicts instigated by local elites who use their ethnicity to attain a powerful position (Snyder 2000). In other areas, the introduction of the new laws on local autonomy, has led to an increase in the exploitation of natural resources, pollution and degradation as a result of the eagerness of local government to earn local revenues (Casson 2001). So what should have been a chance for improved governance has become an actual threat to local systems and regulations (van Klinken 2002).

The case of Minahasa illustrates one of the very few successful cases of decentralisation in Indonesia. With strong support and international funding, the CRMP program has become a showcase that offers opportunities for replication and inspiration. The program has contributed to the development of a new district law on integrated coastal zone management, including the principles of transparency and participation. A similar law is now apparently being drafted for Maluku. The case of Haruku provides another positive example as it shows how customary law (*adat*) and traditional institutions such as the *kewang* as well as support of the community can help to sustain local resource management systems, even after major impacts (Chapter 7). These cases provide important

¹⁴ The army (and police) are mentioned as playing an important role in the local power arenas in Indonesia, especially as the army is represented from national to village level and use security issues to generate an income. Various experts on Indonesia mention their critical role in decentralization (Schulte Nordholt 2003, Spyer (2005) pers. comm.; Jones 2004) but also in the recent regional conflicts. This complex issue will not be further dealt with in this paper, but for more detailed information I recommend to read the above authors.

building stones for the formulation of new laws and the acknowledgement of local traditional resource management systems such as *asasi* (Salim 1995).

The inclusion of local traditional management structures adds extra complexity to the drafting of a new district law, but is vital to effective coastal zone management and in creating wider political stability (Crawford pers. comm. 2004). However, two important aspects should be kept in mind. One is that in areas where customary law (*adat*) is weak or dysfunctional it does not provide a sound basis for local resource management. In West Sumatra, for example, von Benda Beckmann and von Benda-Beckmann (2002) describe a situation where the Adat Village Council could rarely come to consensual decisions. The second aspect concerns the role of traditional elites. Where on the one hand decentralisation creates opportunities for those who aspire to increase their personal power, on the other some traditional elites will not be able to adapt to more democratic structures. In both cases, mechanisms to enhance a more democratic system such as more transparency and representation are likely to fail.

10.9 BOTTLENECKS AND OPPORTUNITIES

Freedom of the regional governments to use natural resource revenues at their discretion, potentially leads to unbridled resource exploitation as is happening in certain forest areas in Central Kalimantan. Also the role of powerful new elites who are trying to retain power and budgets is a potential threat. Ribot (2004) explains how some projects in the context of decentralisation use people as mere labour rather than empowering them and that if there happens to be a transfer of authority, it often does not include lucrative opportunities. These experiences lead us to question to what extent the process of decentralisation is effectively taking place.

It is not surprising that some researchers are developing a sceptical view. The cases described in this chapter, however, provide us with an opportunity to bring in some nuances and distil the aspects that *do* work. Key aspects in decentralisation that, if not properly dealt with, can lead to problems are: accountability, funding, property rights, the legal framework, the institutional structure, and external support.

Aside from a few exceptions such as the Inuit fishery in the Canadian Arctic and Japanese fisheries (Kearney 2004) most political structures concerning resource management are in the top down direction. Accountability structures thus are upward. Most institutions currently being chosen to receive powers over natural resource management are not accountable to the local population and therefore susceptible to elite capture, as is currently happening in Central Kalimantan. It is thus necessary to redirect these structures

and create downward accountability. This is, however a difficult process. An analysis by workshop participants on Fisheries Co-management from 11 different countries concluded that even where decentralisation efforts were sincere, accountability structures were still upward (pers. obs. IAC training course 2004).¹⁵ Only in a few places, like the case studies in this chapter, are mechanisms that ensure downward accountability in place. Their general establishment and implementation throughout the country, especially in Indonesia, are an important next step.

In order to effectively handle decentralised powers at the local level, certain conditions have to be met such as adequate funding. The lack of budgets, adequate staff, and skills cause the local governments to face serious challenges in handling their new responsibilities (Lowry 2002; Crawford *et al.* 2003; Knight and Lowry 2003; WRI 2003). Again this issue is common in many countries and forms one of the major obstacles towards effective decentralisation (pers. obs. IAC training course 2004). This is also why local elites and district offices under the new law in Indonesia grab the opportunity to increase their income by the issuance of licences for forest concessions. The rampant exploitation of forest resources is, however, not likely to occur to the same extent in fisheries as the revenues of marine resources cannot be claimed by the individual district offices but are being redistributed all over Indonesia.

The transfer of burdens without resources has not only led to scepticism, but has also increased the vulnerability of local people. This vulnerability can increase when property rights are not well-defined. For example, if the community is required to draft complex management plans to arrange exclusion while large-scale commercial interests enter and use the resources with permits acquired from the national government (Ribot 2004), decentralisation is likely to fail. Specified and secure user rights are a prerequisite for local support for management and the development of a positive attitude towards conservation and sustainable resource use (Chapter 11). It is the task of the central government to establish conditions for the specification, legitimization and enforcement of property rights and fishers' rights to organise and develop rules for management (Pomeroy 2001).

Law itself is one of the foundations of society as it shapes the behaviour and activities of its citizens, write Patlis *et al.* (2003). In order to sustain and institutionalise the concepts of integrated coastal management and good govern-

¹⁵ Every year, the International Agricultural Centre (IAC) of the University of Wageningen organizes a training course on Fisheries Co-management. Last year, the course was entitled 'Fisheries Management: Perspectives, Information, and Co-management' (4 Oct-19 Nov 2004). Participants came from Angola, India, Italy, Mozambique, Nigeria, the Philippines, Senegal, Sri Lanka, Tanzania, Uganda, and Zambia. My lecture and exercise on co-management and decentralization, and in particular on accountability structures and obstacles towards decentralization, lead to the insights written above.

ance, they have to be internalised through the legal system. The drafting of a law itself is a process that can enhance understanding and support democratic principles such as participation and transparency and in this way increases legitimacy. A flexible, consultative process and realistic objectives help in the adoption and practical application of a new law. The law itself should include the authority and functions delegated under the existing legal framework, including developmental, regulatory, revenue generating and other activities associated with effective coastal management (Knight and Lowry 2003).

Problems with the new legal and institutional arrangements are common. The laws at the local level are so manifold that they overlap and lead to confusion. Local governments can pass ordinances that are not necessarily in line with those of neighbouring villages or municipalities. Regulations are also apt to change as with elections new leaders and parties may very well change the ordinances again (van Weerd, pers. comm. 2005). If no mechanisms are in place to halt this or where people are not capable to oppose these changes – as is the case in remote villages around Murcielagos Bay where people are not politically aware and depend on authorities – this situation can lead to insecurity and short-term perspective of local resource users. It is therefore that political empowerment, capacity building and social preparation as applied by the MREP program are so significant.

It is also important to study the role and position of the traditional authorities in a community and define to what extent there are possibilities to work with these institutions under a decentralised regime. Where traditional institutions exist that are locally supported, legitimate and capable to deal with resource management responsibility, power should be handed over to traditional authorities. If a functional, democratic local government is present this would be the appropriate authority to become engaged in the process. What we would argue against, is the handing-over of power to newly established institutions such as fishing committees that have neither the political nor cultural grounding to function long-term. Often these organisations lack the legitimacy that is required or the scope to operate at a wider level. Most important, however, is the fact that these new structures often provide opportunities for local elites and outside powerful actors to play a major role in resource management.

The Philippines are ahead in scaling-up and dealing with resource management at a wider scope than the local community. Coordination of efforts in the province or region is important as fishermen face similar issues (Caasi in LeaRN Newsletter 2004). It is important therefore that local structures allow for scaling-up to province wide or regional management. Fishers' organisations or LGUs may therefore not always be the proper institutions as they are limited in membership and scope. There is more potential in working with NGOs as they can operate on wider level and often have the financial and

technical support that are required (PIPULI 2002). In Indonesia, however, large-scale NGO intervention may not be feasible because, if at all present, there is a history of distrust between NGOs and local people (Crawford *et al.* 2003). Other structures need to be devised to deal with resource management on a larger scale.

Transparency and responsiveness are important aspects in decentralisation but may not be easily achieved in a country like Indonesia where government control and manipulation of the media has been unbridled. Even now that there is a political willingness to create an atmosphere of openness and transparency, it seems impossible to shed off the harness of the past. After a period of relative freedom of press, the Indonesian government is again pulling the ropes of control with the incarceration of the chief-editor of Tempo, a renowned national newspaper, after the publication of allegations against a politically important businessman (Maas 2004a). The outcome of a court case dealing with this issue will be decisive for the role the government plays in controlling the media. Nevertheless, the little faith in media coverage that people may have built up over the past years is probably seriously undermined and it will take more than time to re-establish that confidence. Only on the long term will processes like the drafting of district laws involving multiple parties and the establishment of transparent, accountable structures in the villages enhance democratic principles.

On the national level, large international organisations such as the World Bank or the Asian Development Bank play a key-role in the move towards decentralisation (Persoon and van Est 2003). International donors can help to push the process of decentralisation through political pressure, or simply offer new approaches, ideas and input for sustainable resource management. Also on the local level, external agents such as German Technical Cooperation (GTZ) and the Japan Official Development Assistance are active in providing training, technical assistance, in offering a new approach in decision-making and conflict resolution, and in creating political awareness (GTZ 2001, 2003, 2004). Funding from donors is critical in financing the development and facilitation of decentralisation. The case of North Sulawesi and the MREP program shows how important sustained financial input and technical assistance is in developing and establishing sound local management systems.

10.10 CONCLUSION

The process of decentralisation is slow and sometimes painful. Setbacks lead to discouragement and especially those who are threatened by decentralisation are quick to declare its failure (Ribot 2004). However, the assessments in terms of negatives currently being made, obscure many important changes that are taking place. F. and K. von Benda-Beckmann (2002) say: 'Politi -

cal ideals, such as democracy, do not provide a good standard for evaluating actual political processes. The risk is that they create a selective and inevitably negative assessment as they do not measure the actual (past) conditions and change.¹⁶ For Indonesia, the reference to evaluate change should be the oppressive and exploitative Suharto regime, its systematic corruption and its minimal room for political discussion and critique. So what has changed?

In Indonesia, since 2002 at least 15 districts and 30 provinces have drafted district and provincial coastal management laws or *Perdas*.¹⁶ At numerous case study sites (Balgos and Pagdilao 2002; Shackleton *et al.* 2002; Ribot 2004), local governments have demonstrated capacity and initiative in natural resource management. Local people have been empowered and local councils increased their revenues from resource use. Marginal and disadvantaged groups are playing a greater role and are benefiting from newly set-up management schemes. Both in Indonesia and the Philippines, positive effects are clear with the local communities taking up responsibility for management, the drafting of new district laws, the revival of traditional institutions, and the scaling-up of local efforts to province-wide management.

The new financial decentralisation scheme has certain shortcomings. Freedom of the regional governments to use natural resource revenues at their discretion, potentially leads to unbridled resource exploitation as is happening in certain forest areas in Central Kalimantan. Also the role of powerful new elites who are trying to retain power and budgets is a potential threat.¹⁷ Therefore, the role, mandate and authority of the district and provincial governments need to be clearly demarcated. To make decentralisation more effective it is necessary to further operationalise Law No. 22/1999 and to legitimise and empower local institutions. The development of an umbrella law, procedural mechanisms and an interdepartmental coordinating body are suggested to support a nationwide approach that allows for local management and to enhance coordination and effectiveness of various agencies.

There is no blueprint formula for decentralisation. Each country will need to develop a strategy based on its own needs, conditions, and experiences. From the above we can learn that the type, form and process of decentralisation is very much dependent on the local conditions and context. Decentralisation should be viewed as an evolving process that adjusts and matures over time. It will move from one type to the next as more knowledge and experience is

¹⁶ The number of provinces has increased from 26 to 32, and the number of districts from 360 to 450. The reason for this formation is the opportunity to benefit from local resource revenues, as well as the delivery of central government services. The risk of this development is *pemekaran* or administrative fragmentation (Jones 2004).

¹⁷ The mapping out of the power arena is an important tool in dealing with these parties and in setting out strategic moves to undermine their power (Shackleton *et al.* 2002; Ribot 2004).

gained by the government and the political will for decentralisation increases (Pomeroy and Berkes 1997). Mistakes and setbacks are unavoidable, especially in a country like Indonesia where the process was pushed and decentralisation laws executed at a faster rate than the lower government levels and local population could handle.

From the cases we can learn important lessons. Important in Murcialagos Bay is the establishment of local assemblies, inter-stakeholder conferences, umbrella organisations and other mechanisms that support accountability. The local organisations are actively involved and have adequate powers to make local decisions and rules, albeit within the limits set by the local government. In Bohol, policies were standardized and coordinated with local LGUs which was an important move in countering the large overlap of local laws and ordinances. There is a task force in place to deal with enforcement, and actions are coordinated on district level. From Minahasa we can learn that with sufficient external support decentralised local resource management is possible. The development of the new district law was a sound process with a positive outcome that can serve as an example for other districts. Ongoing support, however, is necessary to sustain these efforts (Crawford 2004, pers. comm.). From Maluku we learn that traditional institutions can play a strong role in resource management and help to rebuild social structures even in the case of a major disruption.

To get 'the institutions right' requires a thorough analysis of the existing political structures, the role and position of traditional authorities, and the appropriateness of these institutions to deal with new management requirements. Where local communities themselves lack expertise – and not everywhere do local people have sustainable resource practices – they need assistance from government line agencies, NGOs, or the private sector (WRI 2003). Large donors and international organisations play an important role in providing the funds and expertise for large projects. Their support and training help to establish management regimes that form important examples and can be replicated at other sites or scaled-up to bay-wide or province wide management regimes.

In conclusion, we can say that even though perhaps scattered, there are positive experiences in the setting up of local resource management systems under decentralisation. A first lesson is to give decentralisation time. Especially for countries with a history of colonisation and dictatorship, such as Indonesia, expectations should be realistic. With a legacy of corruption, nepotism and fraud power structures, little or no individual responsibility, a large degree of distrust between communities and government, the shift towards a decentralised and, in the long run, more democratic state is immense and will take generations. Other countries, such as the Philippines, provide an inspiring example in achieving this goal.