

UNPACKING THE EFFECT OF DECENTRALIZATION ON ROUTINE VIOLENCE: LESSONS FROM INDONESIA

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Introduction

- After the fall of President Suharto and the collapse of the New Order (1965-1997), several provinces throughout Indonesia experienced widespread violence.
- Since 2003, violence has declined in intensity and scale and Indonesia is now by and large peaceful.
- Small-scale violence has continued to occur frequently, often taking on new forms.
- Areas previously affected by high levels of violence continue to harbor specific vulnerabilities.

Introduction

- Since the 1998 transition, other dramatic changes have occurred in Indonesia including economic growth and Indonesia's "big-bang" decentralization.
- Wide-ranging decentralization reforms have re-allocated political and fiscal authority and service delivery responsibilities to the local level.
- Is there a meaningful link between Indonesia's decentralization reforms — fiscal, institutional and service delivery – and the different types and overall intensity of violent conflict in Indonesia?

The NVMS Data

- Through KTF, Bank provided funding to the Gol to establish the NVMS.
- NVMS collects accurate and regularly updated data on where, when, how and why violence takes place and its impacts.
- The dataset records all incidents of violence as reported in the subnational media, triangulated with NGO and other reports.
- With 200,000+ individual entries, NVMS is the world's largest sub-national violence dataset.

The NVMS Data

An incident is considered violent if:

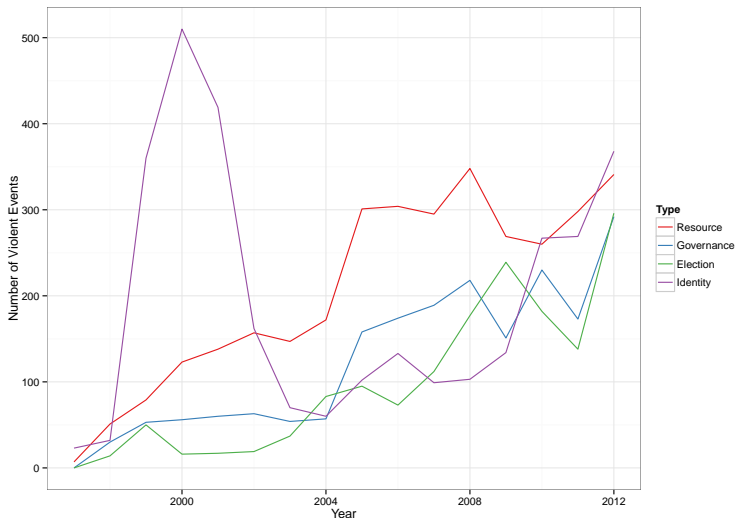
Actions cause or may cause physical harm to humans or property; actions restrict physical freedom of individuals or groups; and actions are intentional.

Analysis

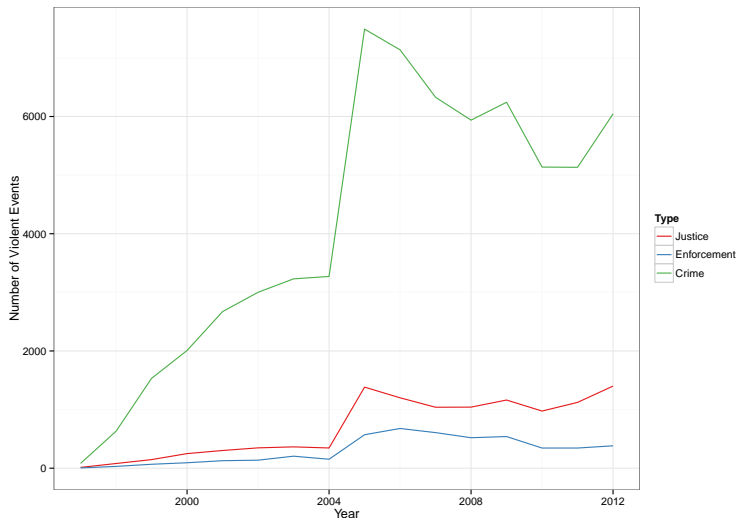
Types of Violence

- **Total:** Number of violent events
- **Resource:** Resource disputes (land, mining, access to employment, salary, pollution, etc.)
- **Governance:** Government policies or programs (public services, procurement/corruption, subsidy, region splitting, security forces, etc.)
- **Election:** Electoral competition or bureaucratic appointments
- **Identity:** Group identity (religion, ethnicity, tribe, etc.)
- **Separatist:** Independence/separatist struggle to secede from Indonesia
- **Popular Justice:** Acts perpetrated by groups to respond to and punish an actual or perceived wrong.
- **Law Enforcement:** Violent action taken by members of formal security forces to perform law-enforcement functions.
- **Crime:** Violence not triggered by a prior dispute or directed towards specific targets.

Violent Events By Type



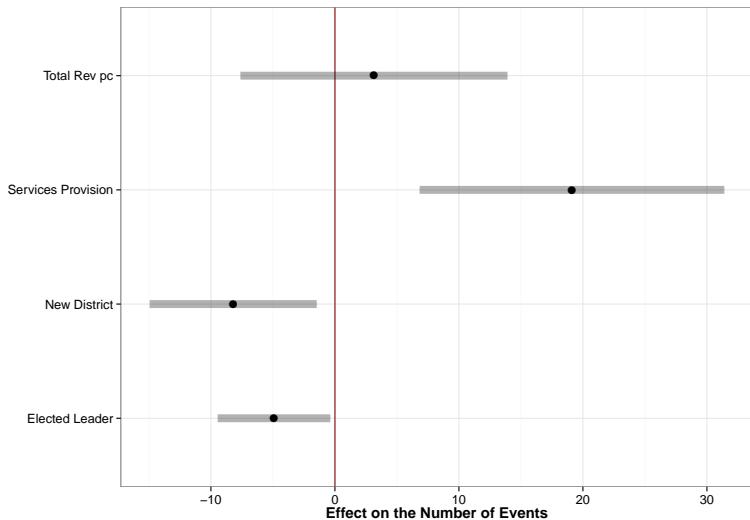
Violent Events By Type



Local public service delivery

- Competing hypotheses:
 - Better services can play a role in eliciting popular support, addressing grievances, increasing labor market opportunities and increasing the opportunity costs of joining insurgencies.
 - More public services can generate distributional conflicts.
- Indicators
 - Sanitation, clean water, enrollment, and attended births

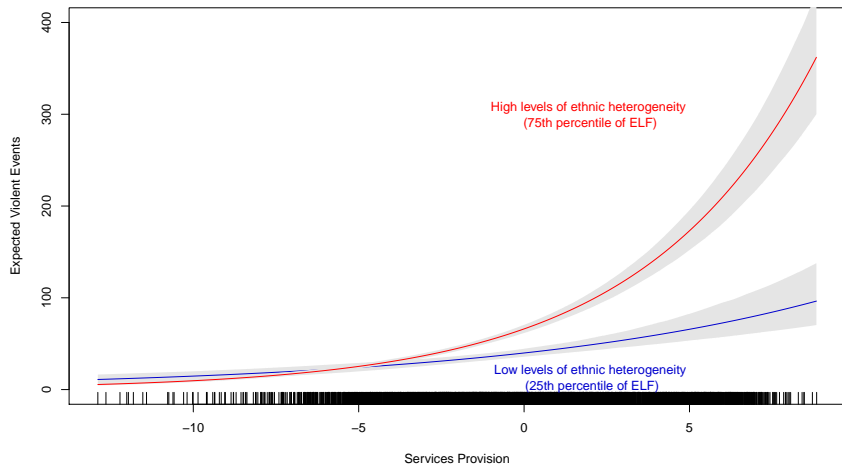
Substantive Effects



Ethnic Diversity, Public Service Delivery and Violent Conflict

- Square of the public service index is significant across nearly all forms of violence — consistent with a story of exclusion.
- If better public services delivery creates increased group conflict over access to services or due to newly emerging distributive struggles, we would expect the effect of services delivery to be larger in more heterogenous localities.

The Effects of Ethnic Grievances on Conflict



Robustness Checks: Public Service Delivery and Conflict

- Using fatalities rather than incidents of violence
- Control for the size of the bureaucracy
- Potential reporting bias?
 - → Regions with worse infrastructure are covered less by the news media
 - Control for number of newspapers
 - Interaction with the number of newspapers
- Reverse causality tests
- Sensitivity analysis: 149%-221% of variation in observables

Conclusion

- The direction and size of the effect between service delivery and violence is puzzling; qualitative evidence is needed to better understand this relationship
- Need for governments to consider equitable access in service delivery.
- Indonesia's national Community Driven Development Program known as PNPM mitigated the risk of conflict in local service delivery projects by integrating participatory processes and conflict resolution mechanisms into its design.
- The project's effective complaints handling mechanisms also defused tensions before they escalated (Barron, Diprose, & Woolcock, 2011).
- These lessons can be integrated into district service delivery.