

# TOWARDS A NEW VILLAGE DEVELOPMENT PARADIGM IN LAMPUNG PROVINCE, INDONESIA

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## ABSTRACT

*The purpose of this paper is to systematically evaluate the implementation of the Village Law covering the input, process, output and outcome aspects, based on empirical study in Lampung province. In addition, it also determined the correlations among the input, process and output aspects and the changes in the Village Development Index after the implementation of the Village Law of 2014. This study is conducted in 4 regencies: Lampung Selatan, Pesawaran, Tanggamus and Lampung Tengah. The total sample was 40 villages. Data were collected using questionnaire and processed through SPSS Version 22. The product-moment correlation was used as the statistical test. Results indicated that, in general, Law No. 6 of 2014 on Villages was not yet fully implemented in accordance with the provisions of the law, either in the input, process, output and outcome aspects. Moreover, results also showed that only the participatory process variable was significantly related to development output. This paper argues that by looking at the relationships between Village Development Index (IPD) through three aspects of system approach: input, process and output and changes towards a new village development paradigm in Indonesia, there requires a long process to achieve it.*

**Keywords:** Village Development Paradigm, Indonesia, Village Law, Village Development Index, Systematic, Policy Evaluation.

## INTRODUCTION

Indonesia has approximately 72,000 villages, of which 26% are underdeveloped. The government has a target to reduce the number of underdeveloped villages to 20% by 2019 (the 2014-2019 National Medium-Term Development Plan). In order to achieve the target, the Government passed Law No. 6 of 2014 on Village (hereinafter referred to as Village Law), which is a legal instrument to support village autonomy and self-reliance. According to Phahlevy (2016), the Village Law governs the rights, obligations and responsibilities of villages to manage their affairs, including government affairs and community development by the village government.

The Village Law is a manifestation of a paradigm shift from “top-down” to “bottom-up” paradigm of village development. In this context, village communities constitute the subject of development, rather than the object of development as it did in the New Order era. The government of villages plan their village development in accordance with their authority

through considering the regency development planning. The role of the communities in the development start from the planning, monitoring, to evaluation of development based on the spirit of mutual cooperation. The regency government acts as the coordinator, facilitator and technical assistance. According to Pristiyanto (2015), the purpose of this new paradigm is to make villages as the basis of sustainable livelihood and community life and as the front end which embed to communities in order to create a self-reliant village.

Among the consequences of the implementation of Village Law, the central government allocated substantial funds for village development coming from the State Budget, which are transferred to regency governments to be subsequently allocated for village development. The amount of funds obtained by each village is not equal (Diamantina, 2017; Husin, 2016) since the allocation of funds depends on several indicators such as the number of population, poverty rate, village area and the level of geographic difficulty. Implementation of the Village Law requires a variety of readiness, including the competence of village apparatus in the sense of planning documents, executing and reporting the development of village in accordance with transparency and public accountability principles. In addition, the village apparatuses are required to be able to make laws in accordance with the village authority. According to Agustanta, Ningtyas & Payamta (2017), as a consequence of the implementation of the Village Law, village governments shall be able to manage all financial aspects independently. This situation constitutes a major challenge given the lack of administrative capacity, experience with financial management as well as the low of accountability and supervision.

A number of fundamental changes to the Village Law, such as the village authority and village budget, are inseparable from a number of challenges in the implementation, for example, the extent to which the local government's seriousness to support village development. Those are essential challenges, given the budget constraints of each regency, especially with the high local routine expenditure over the years, consuming at around 50% of the local budget. This will have a direct impact on the amount of budget to be allocated to villages. In addition, another problem that needs to be addressed with regard to the implementation of the Village Law is the readiness of the local government and the village itself. The question is that what are the needs of local government in the implementation of the Village Law? There are at least two important ways in the implementation of the Village Law. *First* is the availability of a number of regulations at the local government level which will serve as a reference for villages in order to prepare the village development planning? *Second* is the preparedness of the village itself, such as with regard to preparing village development planning through the Village Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah/RPJMD*), Village Government Work Plan (*Rencana Kerja Pemerintah Desa/RKPDES*) and Village Budget (*Rencana Anggaran Pendapatan dan Belanja Desa/RAPBDES*).

Theoretically, the implementation of the Village Law faces constraints as shown by several researches which indicate that there remain many problems in village administration. Lewis (2015) found several issues, such as undefined social service responsibilities, incompatibility of village finance management with the increasing village funds and established mechanisms for cash expenditure control. Other issues in obstructing village development are the readiness/competence of village officials (Diamantina, 2017; Sriyono,

2015; Suaib, Bahtiar & Bake, 2016), non-compliance of both the central and local governments with grand design of performance-based budgeting (Surianti & Dalimunthe, 2015), lack of regulations (Widodo et al., 2017), the complexity and low comprehension of procedures (Husin, 2016).

Community participation is a success factor of the implementation of the Village Law with the spirit in enhancing village self-reliance. The Village Law requires community participation beginning from planning, implementation, reporting to monitoring and evaluation of development. The common issue occurred in the village development is that community participation tends to be elitist, resulting that the development of village does not reflect the expectation and the needs of the wider community. A study by Warsono & Ruksamin (2014) showed that village institutions such as the Village Community Empowerment Board (*Badan Permusyawaratan Desa/BPD*) does not involve in the planning, implementation or evaluation of the use of village funds.

### **Village Deliberation Body**

Therefore, evaluation of the implementation of the Village Law is not only essential in determining the readiness of the village government, but also in understanding whether the implementation process is in line with the prevailing laws and regulations; and whether the law has substantially a positive impact on the village community in all aspects of life. The evaluation process is conducted to see how far the development planning process is able to bring the involvement of the community in order to empower them and therefore to improve their standard of living. The purpose of this research is to systematically evaluate the implementation of the Village Law through the input, process, output and outcome aspects. In addition, this study also determined the correlations between the input, process and output aspects and the changes in the Village Development Index after the implementation of the Village Law.

## **LITERATURE REVIEW**

Policies do not necessarily promote changes (Watt, Sword & Krueger, 2005). In fact, there are factors affecting policy implementation, such as management capacity/skills (Duysburg et al., 2014), vested/political interests (Cohen-Kohler, Esmail & Cosio, 2007; Hapsara, Imran & Turner, 2017) lower-level policies (Chen & Zhang, 2016; Chong et al., 2016; Estuningtyas, Izzati & Purnaweni, 2013) and professionalism of government apparatuses. A Research on decentralization concludes that reforms provide an advantage of accelerating the desired impacts of a policy, but it is only limited to the dynamics of local level accountability (Fossati, 2016). Thus, studies on evaluation of policy implementation become relevant in the context of Indonesia where the country is under bureaucratic reforms.

Since the era of reformation, after the fall of Suharto regime in 1998, Indonesia issued various policies aimed for improving the government efficiency, effectiveness and performance in serving the people. One of the fundamental policies taken is the implementation of a decentralized system to replace the centralized system. Implementation of this new system aims to improve the quality of public services, especially in terms of

responsibility and accountability. However, according to Hidayati (2017), government centralization is theoretically questioned for its effectiveness.

Empirically, a number of studies also showed that the implementation of a decentralized system remains facing crucial problems. According to Surjono (2015), decentralization and reform lead to uncertainty in terms of community welfare. The problem with the implementation of decentralization is the limited rule of law and the difficulties in eradicating corruption (Losari, 2015). A study by Jatmiko and Lestiawan (2016) showed that the principles of transparency, accountability and public participation had no significant effect on the performance of local governments. Some other facts that also strengthen this argument are the decreasing public investments when regional heads are directly elected (Kis-Katos and Sjahrir, 2017), emergence of political cartels and the creation of entrepreneurs towards government control (Imron, 2011), unpreparedness provincial government agencies to provide accessible public finances (Jaya & Verawaty, 2015), less optimal official website of local government (Kurniawan et al., 2017), ineffective and bureaucratic accountability systems (Woro & Suprianto, 2013), lack of clarity of budgeting, auditing and reporting standards for all regional finances, as well as mechanisms for monitoring the sharing and transfer of natural resource proceeds to local governments (Muhtada, 2017), dependency of local government and ratios of capital expenditure which have significant negative effects on the transparency and accessibility of the internet financial reporting (Purwanti, Akram & Suparman, 2017) and the level of allocation of funds to villages which has no significant effect on poverty reduction (Agustanta, Ningtyas & Payamta, 2017).

In 2014, Indonesia issued a policy of further decentralization through Law No. 6 on Village, which is a government policy to improve the quality of governance at the lowest administrative level (villages). Through the law, the government wants to create good governance and local democracy at the village level through governance that includes such principles as participation, legal certainty and order of governance, public order, openness, proportionality, professionalism, accountability and efficiency. Implementation of the law is both an opportunity and challenge for the village government. The Village Law is an opportunity to accelerate village development since the village government manages large amounts of funds ( $\pm$  IDR 1 billion/year). However, the law can also be a challenge since there are still many weaknesses in the village governance management and the village apparatus capacity.

A number of studies confirmed some of the weaknesses of village development management. The study of Grillos (2017), for example, showed that there was a bias in budgeting management. The poor receive a lower budget proportion than other community groups in the village. Lewis (2015) found a gap in the distribution of village funds where poor villages received smaller allocations of funds than those of the wealthier villages. Among other weaknesses in the management of village governance are the difficult access of the communities to participating in the planning processes (Bebbington, Dharmawan & Fahmi (2006), the low capacity of the local institutions in adopting the new accounting system, low auditing quality (Nuraeni, 2014), low public financial transparency (Utomo & Aryani, 2016) and performance-based budgeting implementation which was not based on a grand design (Surianti & Dalimunthe, 2015).

The principle of participation in the development processes and community empowerment which are among the important missions of the Village Law are also challenges in themselves given that the participation of village communities in development remains elitist due to the absence of a mechanism that allows communities to participate. A number of studies showed that there were still obstacles for communities to participate. The study conducted by Beard (2007), for example, showed that households of low socioeconomic status generally contributed a lower amount of both time and money to community development. Integration into the social network constitutes a predictor of the amount of contribution of those households. Other issues related to community participation in the village development are an inappropriate communication strategy to the communities' expectation, leading the communities to be unaware of the implementation of community development (Marpaung, 2016), the lending of the loan capital not accompanied by community empowerment or education improvement (Hadi et al., 2015), appropriate technology (Sianipar et al., 2013), government support (Asri & Wiliyanarti, 2017; Wever et al., 2012) and strategic methods/mechanisms (White et al., 2005).

### **OVERVIEW OF THE VILLAGE LAW**

Law No. 6 of 2014 on Villages consists of 16 chapters and 122 articles. In addition to the general provisions, the law set outs the following: the status and type of villages, village arrangements, village authorities, village governance, village and village community rights and obligations, village regulations, village finances and assets, village development and rural area development, Village-Owned Enterprises, village cooperation, Village Community Institutions and Village Customary Institutions. Additionally, it includes special provisions and customary villages, guidance and supervision, transitional provisions and closing provisions. The Village Law constitutes a form of government commitment to realizing village independence in terms of both governance and village financial management (fiscal decentralization).

Some of the important issues with regard to the Village Law include village planning and budgeting schemes, transparency in allocation and flow/disbursement of village funds (village development information system), regency/village and village relationship models and strengthening of institutions at regency and village levels, village needs assessment methods, monitoring and evaluation of the use of village funds (social accountability) and village potential management. By means of the Village Law villages have the right to organize and manage their community interests, establish and manage village institutions and obtain sources of income. The village obligations include a) to protect and maintain unity and harmony of village communities in order for national harmony and the integrity of the Republic of Indonesia; b) to improve the quality of village communities; c) to develop a democratic life; d) to develop village community empowerment; and e) to provide and improve services to village communities.

Village development shall be carried out in accordance with the village-scale authorities, namely the authority based on the right of origin, customs and local village-scale authorities grouped into 4 areas: village governance, development implementation, community development and community empowerment. Within the Village Law, village

development shall be planned by involving the communities to establish priorities, programs and activities in the RPJMDES and RKPDES (marked with a code for areas, programs and activities). The priorities, programs, activities and village development needs shall be formulated on the basis of an assessment of the needs of the village communities to be funded by the Village Budget, village community self-help and/or the Regency Budget. Village communities are entitled to participate in the *RAPBDES* based on program priorities and activities resulting from the Village Development Planning Meeting (*Musyawahar Rencana Pembangunan Desa/Musrenbangdes*). In general, the principles of village governance are check and balances between the Village Head and the Village Consultative Body, representative democracy and consultation and participatory democratic processes through village meetings.

## METHODS

Lampung Province represents Indonesia since in this province almost all ethnic groups in this country live in this province and bring its own language and original culture. The province with 15 regencies and 2435 villages, according to the National Development Planning Agency (*Badan Perencanaan Pembangunan Nasional/BAPPENAS*), holds 77 self-sufficient villages (3.16%), 2.010 developing villages (82.55%) and 348 under-developed villages (14.29%). Four regencies (26.66%) selected for this study were based on suburban category (Lampung Selatan and Pesawaran Regencies) and rural (Tanggamus and Lampung Tengah Regencies). From each regency, 10 villages were selected so total of 40 villages were to study, including 2 (5%) self-sufficient villages, 33 developing villages (82.5%) and 5 (12.5%) under-developed villages.

The instruments were designed to evaluate the readiness of the village government to implement the Village Law. As no standard instruments previously established for this kind of research, a new instrument is therefore introduced with reference to fundamental characteristic of village governance. Evaluation categories in village development include four variables, namely input, process, output and outcome as described with 13 indicators in Table 1. The reliability test showed that these variables had a Cronbach's alpha of 0.745-0.823 (a high category). Since outcome variable has only one indicator, the Cronbach's alpha is not provided (Table 2).

No.	Variables	Definition	Load Factors
1	Number of village apparatuses	The total number of village apparatuses, including staff, during the study.	0.533**
2	Percentage of trained personnel	The percentage of apparatuses attending technical trainings relative to the total number of village apparatuses.	0.488**
3	Ratio of village office infrastructure condition to the needs	The ratio of the village head's current office area to the minimum (ideal) needs of office area per apparatus (10 m <sup>2</sup> /apparatus).	0.564**

No	Variable	Item Numbers	Cronbach's alpha
4	Ratio of village office facility condition to the needs	The ratio of the village head's current office facilities to the minimum office facilities per apparatus (1 table, 2 chairs, 1 cupboard/shelf and 1 computer unit).	0.456**
5	Percentage of communities involved in development planning	The percentage of the Heads of Household ( <i>Kepala Keluarga/KK</i> ) involved in the Village Development Planning Meeting activities.	0.613**
6	Percentage of communities involved in the development implementation	The percentage of the Heads of Household involved in <i>gotong-royong</i> (mutual-help) activities for public infrastructure development, such as roads, bridges and irrigation channels.	0.860**
7	Percentage of communities involved in empowerment	The percentage of the Heads of Household targeted for community empowerment programs conducted by the village government.	0.360*
8	Systems for channelling community aspirations, reports and complaints	The system used by the village government to capture the communities' aspirations, reports and public complaints (oral, written, online).	0.470**
9	Number of village regulations generated in the last 3 years	The number of village regulations issued by the village government in accordance with the authority within the last three years (2015-2017).	0.454**
10	Number of development planning documents produced in the 3 years	The number of development planning documents prepared by the village government in the forms of <i>RPJMDES</i> , <i>APBDES</i> and <i>RKPDES</i> within the last three years (2015-2017).	0.351*
11	Percentage of people capable of accessing unpaid public spaces	The percentage of the Heads of Household capable of easily accessing places of worship in the village.	0.584**
12	Percentage of village budget for infrastructure	The percentage of the village budget allocated for the construction of basic infrastructure, such as roads, bridges, irrigation channels.	0.651**
13	Percentage of reduction of poor households	The percentage of the Heads of Household receiving the "Prosperous Rice" program.	----***)

Note: \*=p value 0.05\*\*=p value 0.01\*\*\*) this outcome variable has one indicator only

No	Variable	Item Numbers	Cronbach's alpha
1.	Input	4	0,745
2.	Process	4	0,823
3.	Output	4	0,795
4.	Outcome	1	-

Respondents were village heads and local village apparatuses. Data were collected from October to December 2017. Data were processed using SPSS Version 22. The statistical test used was the product-moment correlation. Researchers in using the "Sustainable Livelihoods Framework" (Ellis, 2000) to help define and organize indicators. Five to six indicators were developed in each category of livelihood assets. Indicators must be sensitive to

actual changes in livelihoods status. They should be expected to change incrementally, with strong correlation to actual changes in livelihoods status.

Overall, the instruments of evaluation of village readiness to implement the Village Law included 13 indicators: 1) number of village apparatuses; 2) percentage of trained personnel; 3) ratio of village office infrastructure condition to the needs; 4) ratio of village office facility condition to the needs; 5) percentage of communities involved in development planning; 6) percentage of communities involved in the development implementation; 7) percentage of communities involved in empowerment; 8) systems for channelling community aspirations, reports and complaints; 9) number of village regulations generated in the last 3 years; 10) number of development planning documents produced in the 3 years; 11) percentage of people capable of accessing unpaid public spaces; 12) percentage of village budget for infrastructure; 13) percentage of reduction of poor households.

## RESULTS

### Village Development Index (*Indeks Pembangunan Desa/IPD*)

In 2014, the Ministry of Village, Development of Disadvantaged Regions and Transmigration (*Pembangunan Daerah Tertinggal dan Transmigrasi/PDPT*) developed the *IPD* which is an instrument used to measure the level of development of villages in Indonesia with the “village” as the unit of analysis. This index was built on the basis of two data sources, the village potential data collection conducted by the Statistics Indonesia (*Biro Pusat Statistik/BPS*) and the administrative area data of the Ministry of Home Affairs. The *IPD* consists of five dimensions: basic services, infrastructure conditions, accessibility or transportation, public services and governance. Basic services are a measure representing the aspect of basic services to realize a part of the basic needs, especially education and health. Infrastructure conditions are a measure for basic needs, facilities, infrastructure, local economic development and sustainable use of natural resources by separating aspects of accessibility or transportation. Accessibility or transportation is a measure of availability and access to transportation. Public services are a measure of the fulfilment of service needs for goods, services and/or administrative services aimed at strengthening democracy, social cohesion, environmental protection and so forth. Governance is a measure of the performance of village government in serving the villagers’ needs.

BAPPENAS developed the *IPD* to indicate the level of development in a village. The Index scores range from 0 to 100 and the results are classified into three categories: developed (scores >75), developing (scores >50 to ≤ 75) and less developed villages (scores ≤ 50). The number of villages sampled in the present study was 40 villages. Result of the study indicated that, of the 2,435 villages in Lampung Province, 77 (3.16%) were developed villages, 2,010 (82.55%) were developing villages and 348 (14.29%) were less developed villages. Based on the classification established by the Ministry of Village, PDPT, of the villages sampled in the present study, 2 (5%) were classified as developed villages, 33 (82.5%) as developing villages and 5 (12.5%) as less developed villages. The Village Development Index scores of those 40 villages ranged from 53.61 to 81.62 with a mean of 65.05.



## Input Aspects

As a follow-up of the Village Law, the government issued Government Regulation No. 43 of 2014 on Village Apparatuses. The regulation stipulates that the minimum structure of village government shall consist of 8 people: a village head, a secretary, a head of administrative affairs, a head of financial affairs, a head of planning affairs, a head of government section, a head of development section and a head of community welfare and empowerment section. Overall, the villages sampled in the present study complied with the provisions of the law. All of those villages had the minimal structure of village government organizations. In terms of quality, especially the minimum education requirements, there remained villages with apparatuses of junior high school graduate. A total of 13 (4.6%) village apparatuses did not meet the education qualification. Meanwhile, the number of trained village apparatuses was 286 (79.44%).

Thus, in overall, in terms of the aspect of human resources, the sampled villages were ready to implement Law No. 6 of 2014 on Villages, despite the need for capacity building of the village apparatus through a variety of training relevant to their main tasks and functions.

In terms of facilities and infrastructure of the village head office and equipment, all villages also fulfilled the minimum requirements of an office. The average area of the village head office is 81.4 m<sup>2</sup>. Divided by the number of village apparatuses the ratio of office to apparatus is >10 m<sup>2</sup>. This means that it met the minimum requirements of room-to-person ratio of 10 m<sup>2</sup>. Each of the village head office has also been equipped with generally adequate office equipment, such as tables, chairs, cupboards, computers, printers, monograph boards and so on. Several villages have lack of facilities and infrastructures, but they are more complementary (non-substantial) in nature, such as the lack of comfort due to unavailability of room air conditioners, non-partitioned village apparatuses rooms or a single room for the village head office and the meeting hall (Table 3).

No.	Indicator	Score	Category	f	Min	Max	Mean
1	Number of village apparatuses	<8	Inadequate	4	6	26	12.6
		≥ 8	Adequate	36			
2	Percentage of trained Village apparatuses	<50	Low	6	37	100	86.9
		50-75	Moderate	2			
		>75	High	32			
3	Ratio of village office infrastructure condition to the needs	0-0.3	Low	1	0.20	2.40	0.80
		0.31-0.7	Moderate	21			
		>0.7	High	18			
4	Ratio of village office facility condition to the needs	0-0.3	Low	1	0.27	1.14	0.76
		0.4-0.6	Moderate	16			
		>0.6	High	23			

## Process Aspects

According to Articles 78 to 82 of Law No. 6 of 2014 on Villages, the process of village development planning covers several stages: (1) preparation of basic village information and description of village needs in accordance with Article 80; (2)

*Musrenbangdes* involving the village government, Village Development Board (BPD) and community groups; (3) preparation of *RPJMDES* and *RKPDES* as set out by Village Regulation (*Peraturan Desa/PERDES*). Those documents constitute the guideline of the Village Budget Plan in accordance with inputs of the regency plan; (4) establishment of the *RAPBDES*, containing consolidation of revenues and expenditures and locations which should be in accordance with the regency development needs and priorities; (5) implementation of development, which should involve all communities and/or community institutions, carried out in a self-managed manner and in which the communities shall be entitled to obtain information, to monitor and to report; (6) accountability in which the village government is obliged to submit a report to the village development meeting; and finally, (7) village communities and village government should mutually maintain and utilize village funds properly and transparently in order to achieve the mandate of the Village Law.

In general, the process of development planning in the sample showed that not all villages complied with the process of development planning as defined by the Village Law. As shown by this study, only approximately 60% of villages comply with the process of development planning in accordance with the law. The planning documents that should be produced by the village government, such as mentioned above, are not fully drawn up by villages. This implies relatively low capacity of the village apparatuses in order to produce such documents. Nevertheless, the majority of the sample carries out the planning process involving the wider communities (Table 4).

No.	Indicator	Score	Category	f	Min	Max	Mean
1	Percentage of communities involved in development planning	<25	Low	16	3	60	31.8
		25-50	Moderate	21			
		>50	High	3			
2	Percentage of communities involved in the development implementation	<25	Low	11	2	92	61
		25-50	Moderate	4			
		>50	High	25			
3	Percentage of communities involved in empowerment	<25	Low	33	6	26	16.4
		25-50	Moderate	5			
		>50	High	2			
4	Systems for channelling community aspirations, reports and complaints	Oral	Low	31	1	2	1.22
		Written	Moderate	9			
		Online	High	0			

As with the village development planning preparation, the village development budgeting has involved village communities. However, the number of communities involve in this budgeting process is much lower than of the 40 sampled villages, 30 (75%) villages involved the communities in the preparation of village budgets. In general, community participation in the implementation of development was large, especially in the form of labour (*gotong-royong*), while the contribution in the form of money and other valuables remained minimum. The community's involvement in the efforts of community empowerment from data was also considerable. Nevertheless, those efforts of community

empowerment remain in the sense of charity in nature, so it is less likely to increase the capacity of the communities in order to solve their own problems independently. From 40 samples, 32 or at around 80% showed community participation in the village budget monitoring, while the remaining 8 villages showed no budget monitoring. Mostly, the main mechanism of monitoring is still at conventional level where communities verbally inform indications of abuse of the village budget to the village government apparatuses.

### Output Aspects

Law No. 6 of 2014 on Villages allows villages to issue village regulations to regulate the interests of the village communities as a whole. The capability of the village head and the BPD to implement village regulations represents a supporting element for the birth of village regulations as well as other village legislations such as mentioned above. The capability to implement such legislations requires a complicated learning process. Law No. 6 of 2014 requires villages to draw up legislations but, in practice, not all of the sampled villages had the capability to do so (Table 5).

No.	Indicator	Score	Category	f	Min	Max	Mean
1	Number of village regulations generated in the last 3 years	<2	Low	26	0	6	1.3
		2-4	Moderate	11			
		>4	High	3			
2	Number of development planning documents produced in the 3 years	<6	Low	5	0	12	8.3
		6-10	Moderate	25			
		>10	High	10			
3	Percentage of people capable of accessing unpaid public spaces	<30	Low	24	5	90	29.8
		30-60	Moderate	10			
		>60	High	6			
4	Percentage of village budget for infrastructure	<15	Low	2	11.8	64	22.6
		15-30	Moderate	33			
		>30	High	5			

Unpaid public facilities in the data are also continuously built, such as toilets, places of worship, sports venues, reading gardens and public cemeteries. Among the most dominant unpaid public facilities built in the villages is the construction of places for worship. With regard to the construction of those places of worship, the social capital of community mutual help is quite prominent.

## Outcome Aspects

One of the purposes of the Village Law is to create village self-reliance and to improve the welfare of village communities. Therefore, the successful implementation of the Village Law can be measured by the decrease in poor households. In the present study, poor households were defined as those receiving the prosperous rice. Of the 40 sampled villages, 19 (47.5%) villages stagnated in terms of the number of poor households. This suggests that the implementation of the Village Law did not have a significant impact yet on improving the communities' welfare. Implicitly, this also means that village budget allocations were not fully focused yet on poverty alleviation (Tables 6 and 7).

No.	Indicator	Score	Category	f	Min	Max	Mean
1	Percentage of reduction of poor households (RTM) within the last 3 years	<5	Low	22	0	42.7	8.8
		5-10	Moderate	9			
		>10	High	9			

	IPD	Input	Process	Output	Outcome
IPD	1	0.158	-0.239	0.245	-0.254
Input		1	0.047	0.087	0.117
Process			1	0.318*	0.110
Output				1	0.077
Outcome					1

Note: \*p value<0.05

## DISCUSSION

This study has examined systematically the implementation of a law at the lowest level of government organization in Indonesia, which is the village. The aspects examined include the input, process, output and outcome of the implementation of the Village Law for communities. The Village Law, beginning to be implemented in 2014, basically reflects a paradigm shift from the previously more "top-down" to "bottom-up" village development in Indonesia. This study contributes to a deeper account of the complexity of the paradigm shift of village development. It also complement the previous studies of policy implementation that generally emphasized such factors as the role of leaders as change agents (Milner & Joyce, 2005), the interactions of institutions, policies and levels of organization (Osborne & Brown, 2005), political and administrative commitments (Schacter, 2005), as well as the tendency of apparatuses in dealing with the trade-offs of the motivation to gain power, on the one hand and the desire to meet the community wishes, on the other side, when performing their duties and functions (Bresser-Pereira, 2004).

The Village Law represents an opportunity for villages to accelerate their development towards self-reliance. The amount of village funds allocated continued to

increase from IDR 9.1 trillion in 2014 to IDR 20.76 trillion in 2015, to IDR 46.9 trillion in 2016 and to IDR 60 trillion in 2017. In general, there is a paradigm shift of village development from the era of the President Susilo Bambang Yudhoyono (SBY) to the President Joko Widodo (Jokowi). In the past, village development used the ‘government-centered development’ model, representing a transitional period from positioning the village communities as the ‘object’ of development towards the ‘subject’ of development. Development programs derived from the government were executed by involving village communities and the government served as the dominant executor of development. Previously, village development used the ‘people-centered development’ model, positioning the village communities as the ‘subject’ of development. Thus, the development programs were planned and executed by the village communities and the government served as the facilitator of village development.

The paradigm shift of village development leads to changes in various aspects of life resulting the progress of community. This reality poses a challenge in relation to the readiness of local resources to adapt to changes in both the administrative and developmental aspects. Results of this study indicate that, *firstly*, in terms of the input aspects, the village government structure and the minimum education level requirements of the village apparatuses generally met the requirements of the Village Law. However, in terms of the quality of the village apparatus there is still a need for improvements, especially with regard to the types of training in order to support their main tasks and functions. For example, the level of understanding of village financial management remained low, leading to a tendency to use third party services. The low quality of village apparatuses in the management of village development is also found in villages in other provinces in Indonesia (Purwanti, Akram & Suparman, 2017; Hartoyo, Murdapa & Haryono, 2012; Husna and Abdullah, 2016).

*Secondly*, in terms of the process aspects, community participation in development remains limited, especially in the planning and implementation process, as well as supervision, evaluation and monitoring. Normatively, Law No. 6 of 2014 on Villages allows villager communities to participate in the overall development process. The principle of participation, in addition to being the key element of village development process, is the core of the Village Law aimed at restoring village sovereignty. The consequence of this policy is the availability of systems and mechanisms that facilitate the communities to participate from planning to monitoring and evaluation. It is the availability of such systems and mechanisms that remains a major obstacle to the overall increase of community participation. Internally, the communities are less aware of the importance of participation. Externally, communities’ accessibility to information relating to all development activities is also relatively low. Results of the present study are consistent with those of Latif (2014) indicating that community participation in every stage of development process remains sub-maximal, especially in the implementation stage. In addition, a study by Bebbington, Dharmawan and Fahmi (2006) found that communities’ access to participation in the planning processes is remains low. Meanwhile, community empowerment is more partial, charitable and unsustainable. For example, the skills training activities are not accompanied by business capital and marketing assistance. Additionally, the findings of the study also showed that the “people-centered development” approach still has many obstacles in its implementation.

Community participation is increasingly visible in every stage of village development. However, the quality of community participation still needs to be improved since it is based more on mobilization and even coercion (coercive participation) rather than based on awareness.

*Thirdly*, in terms of the output aspects, village legislations and development planning documents as forms of village sovereignty and independence to manage their internal affairs remain limited. This implicitly reflects the low quality of government apparatuses and village institutions, in addition to the lack of preparedness of regency governments to prepare the technical skills of the village apparatuses. Law No. 6 of 2014 on Villages allows all villages to issue regulations in the interests of the village communities as a whole. The capability of the village head and the BPD to understand and implement village regulations represents a supporting element for the birth of village regulations as well as other village legislations such as mentioned above. The capability to understand and implement such legislations requires a complicated learning process. Law No. 6 of 2014 requires villages to implement legislations but, in practice, not all samples have the capability to do so. Results of this study confirm a number of previous studies highlighting village apparatuses' readiness/competence as a barrier to village development (Sriyono, 2015; Suaib, Bahtiar & Bake, 2016; Diamantina, 2017). A study by Hartoyo, Murdapa & Haryono (2012) found that leadership, social (and cultural) capital and collective work is essential in every stage of village community development process. Another study also found the importance of leadership, participation (collective action) and community empowerment to achieve the village development output (Koralagama, Wijeratne & De-Silva, 2007; Gyau et al., 2012; Aminah, Sumardjo & Susanto, 2015; Van-de-Poele, 2015).

*Fourthly*, the implementation of Village Law has not given a significant impact on the welfare of village communities. This reflects a disorientation of village development. The main objectives of village development under the Village Law are to improve the welfare of village communities and the quality of human life and to alleviate poverty through the fulfilment of basic needs, the development of village facilities and infrastructure, the development of local economic potentials and the sustainable use of natural resources and environment. In this study, poverty reduction shown by the decline of poor households receiving the monthly prosperous rice was a proxy for measuring the welfare improvement of those people. The significant increase in village budgets as among the consequences of implementing the Village Law should reduce poverty. However, this is not always the case with the data. This study implicitly confirms Grillos (2017) who found a bias in budgeting management. This means that poor communities received a lower budget proportion than that of other community groups in the village.

Of the four variables analysed, the only variable has a significant correlation to the development output variable is the process variable. Despite the non-significant impact of the implementation of the Village Law on the welfare of village communities, results of the analysis indicate that community participation in every stage of village development was of paramount importance. Therefore, the next effort is to transform mobilization and coercive participation into awareness-based community participation. Awareness-based community participation constitutes the basic capital for successful empowerment in order to realize self-

reliance and sustainable development. This condition is important to be realized in order to achieve a new paradigm of village development.

## CONCLUSION

This paper has discussed Law No. 6 of 2014 on Village and found that the law has been fully implemented in accordance with the provisions of the law. In terms of quantity of human resources, villages are ready to implement the law by assigning village apparatuses in the several jobs and roles in accordance with the provisions of the law. However, in terms of opment. In general, community participation in development is relatively good, especially in development planning process, community empowerment and development supervision. Community participation is still limited in contributing ideas/suggestion and labour, while participation in the form of funds is also still limited. In terms of output, village apparatuses and the BPD seem that they are not ready yet in the issue village legislations. The implementation of the law has not given a significant impact on the community welfare. The new paradigm shift of village development according to the vision of the Village Law is still superficial or the shift is not yet substantial, despite the increase quality of participation in the aspect of process.

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