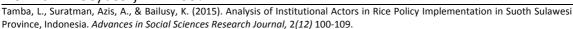
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# Analysis of Institutional Actors in Rice Policy Implementation in South Sulawesi Province, Indonesia

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#### **Abstract**

The purpose of this study is to analyze the actor role and evaluation of its performance in the rice policy implementation in the South Sulawesi Province. This study uses institutional theory to explain the role of actors in the rice policy implementation. The study used qualitative research methods with the case study strategy. By pairing pattern analysis and making explanations techniques, the role of institutional actors in the rice policy implementation in two sample districts in South Sulawesi has not been effective. This can be shown by the farmers as a target group of this policy can only survive, yet gain a significant advantage in agricultural production. This is caused by the actors are in the bureaucratic system oriented rules.

**Key words:** Actor, Instituonal Theory, Rice Policy Implementation

#### INTRODUCTION

In the public policy process, the implementation is one step that is essential to realize the objective of a public policy. In this case the policy will not solve public problems if not implemented (Jones, 1984). One of the public policies that become focuses on the study is rice policy. This policy is a policy that is very urgent for the nation, for all Indonesian people because rice is as a main food.

For the main food, availability and affordability for all Indonesian people to be very important. In this case, besides rice food security as a prerequisite to meet the people's food rights is also a pillar of the existence and sovereignty of a nation. Therefore, all components of the nation that the government and the community agreed to jointly build a national food security. In democratic system of government today, the main actors of development of food security are all components of society in achieving national food security programs, ranging from aspects of production, availability, distribution to consumption aspect. While the government is acting as an initiator, and regulators so that a community can make optimum use of agricultural resources available in smooth, efficient, equitable and responsible.

Dependence of this nation to the food, especially food rice influence on social, economic, political and security for food derived from rice is based on rice farming has proven to provide

employment opportunities and fulfillment revenue for the more than 21 million households and contribute to earnings farmer households amounted to 25-35 percent. Strengthening food security in rice is also a major issue because 95 percent of Indonesia's population is still very dependent on the rice, which has contributed 55 percent of the consumption of energy and protein for the average resident of Indonesia. Moreover, the majority of Indonesian people still wanted the rice supply is always available at all times with equitable distribution and stable prices and affordable, Mears, L, A. (1982).

One of the cause of our food production has declined is shrinking arable land to plant crops, it becomes a very serious threat. Statistical Centre Bureau showed in late 2004, a broad change in wetland into non-paddy fields (residential, industrial, etc.) reaches five percent. Of the 12.4 million hectares of wetland, which is converted into as many as 676 000 hectares of land non paddy field, although the absolute number of agricultural households increased, they eventually fall into smallholders who control farmland below 0.5 hectares.

Most of the functions of the food security system now beginning to fade along with the implementation of the mechanism of harmonization by the central government in the handling of food security without considering the local cultural characteristics possessed by each region, so that local institutions was once existed in villages such as food security system, now degraded by the presence of generalizations mechanisms made by the government. According to Flynn (1987) institutional weakness of farmers due to the centralized development has hindered the process of institutional development (local institutional building) even destroy local institutions that have existed and proved instrumental in supporting food security. Under the applicable regulations, farmers are required to accumulate the farmer groups formed and controlled by the government. Such group difficult to be independent, because its management must be follows the government instructions. Farmers accustomed to working with a blueprint instructed from above.

The phenomenon shows the weakness of institutions in the food policy. This is in line propounded by Mubyarto et al., (1980), that there are many other institutions, both of which were created by the government for specific purposes and are born because of the donors from the outside, but until now as if swallowed by the earth after losing "input resources". This suggests that during this time the institutional aspects of a policy or not the attention of those interested in this issue, so that the implementation of many policies or programs that are not successful. This is in line with the results of the World Bank study concludes that the development of institutions is a complicated thing, and not much touched by it rather than physical development, - the success of the physical construction of a doubling of development agencies (Israel, 1990). This is confirmed by the results of the study Ancok (1995), that the empowerment program in rural communities needed community-based organizations.

Therefore, the authors focused on the analysis of institutional actors in the implementation of the rice policy in South Sulawesi. The study covers the actor role and evaluation of its performance of rice policy implementation in the South Sulawesi Province.

# LITERATURE REVIEW

#### **Public Policy in Institutional Perspective**

Public policy is actually the allocation of value as to the attention of institutional theory. The allocation of these values can be seen at least in the sense of the public policy expressed by Dye (2002) whatever government choose to do or not to do. Whatever is chosen by the government

to do and not to do an allocation of values to solve public problems and to meet the public needs.

One of the public policy in the study is the food policy. Food is first and foremost the need for citizens to be able to carry out his life, so that the country needs to undertake a systematic effort in the form of a policy. In 1984 the government managed to achieve self-sufficiency in rice gained recognition Food and Agricultural Organization (FAO), recognition of international institutions is given after the problem of lack of production (product shortage) rice and high prices due to excess demand (excess demand) of rice that have occurred since the reign of Order long can be overcome by the New Order government. This success is due to the use of new technologies, such as seed varieties, fertilizers, plant pest and disease control, irrigation network construction, and agricultural extension services that enable the production of rice increased from 2 tones to around 6 tones per hectare (Soepardi, 1996). In addition, achieve rice self-sufficiency also influenced by credit supply policies, subsidizing the price of fertilizer, pesticides, and the stabilization of prices.

Rice self-sufficiency policies are often linked to socio-political reasons, because rice is the food of more than 95% of the Indonesian population. Policy of self-sufficiency in rice is key to the achievement of food security, namely ensuring the availability of basic foodstuffs for the community which is one of the goals of national development (Kasryno, 1996 in mulyana, 1998; Arifin, 1994), however, food security is not only regarding food availability alone, but covers how ownership and access to food was by every member of the community.

According to Suryana (2001), the rice has a strategic role in the stabilization of food, economic security and resilience / national stability, Based on empirical experience in 1966 and 1998 showed that political upheaval may turn into a political crisis that is devastating, as food prices soared in a short time, Meanwhile, the mass political transition, because the food supply is safe, the food problem did not develop into a driver of the increase in political turmoil. However, the public debate always arises when the price of rice at consumer level jumped or when the price of grain at the farm level dropped dramatically, and the majority of people want a stable rice prices, available all the time, distributed and at affordable prices. This condition indicates that the rice be politically strategic. Building rice policy which operated the New Order government for nearly 20 years was able to stabilize the supply and price of rice. However, since the economic crisis in 1997, the jib collapsed one by one, so that all that remains is the basic grain pricing policy ineffective.

Based on the institutional perspective, an allocation policy value and the order directing the determinants and implementers of public policy to solve public problems as the main purpose of a public policy. Since the New Order to the Reformation order the government has issued various policies of food (rice). The policies cover the Law No. 18 Year 2012. About Food; Government Regulation No. 17 2015 About the Food Security and Nutrition; Government Regulation No. 68 of 2002 on Food Security; Presidential Regulation No. 83 Year 2006 on Food Security Council; Presidential Instruction No. 8 Year 2011 on Security Policy Rice Reserve Operated by Government Facing Extreme Climatic Conditions; Regulation of the Minister of Agriculture As the Chief Executive of the Food Security Council No. 27 / Permentan / PP.200 / 4/2012 on Guidelines for the Purchase Price of Grain and Rice Out of Quality by the Government; Presidential Instruction No. 5 2015 On Procurement of paddy / rice and distribution of rice by the government.

The policies is a food policy which is still the main reference in the regulation and management of rice started a national government level to the lowest levels of government, the corporation until the merchant. All of which are directed to the availability and accessibility of rice by all circles of society.

The Government should provide rice at a price affordable by the public, but must also pay attention to the increase income of the farmers who number around 21 million households. Government policies are set during the time felt was too closely aligned to the consumer, not the manufacturer. Although the government set a base price of grain to protect manufacturers, but to maintain a stable price of rice, the government intervened in the market when the supply of rice in a declining market in order to protect consumers. The pre-crisis policy can be implemented by the government well, but after the economic crisis rice imports into Indonesia are exacerbated by the low price of rice on the world market, the policy of protection for the farmers become difficult by the government.

## **INSTITUTIONAL THEORIES**

Institutional theory relies importance of values and norms within an organization to be able to obtain vital resources needed to survive. To obtain the resources needed, then the organization needs to gain acceptability and legitimacy of the environment. Institutional theory in the face of their environment "intervene" by adjusting the internal organization structure and strategy and reinforces the values and norms of the organization. Both of these theories holds internal "looking" in the face of competitive paced environment.

Basically the same organization with the institution, but these two concepts are different when the economic model adopted and the bureaucracy, which in terms of achieving its objectives through specific instruments and formal rationally. Organization as an institution already have contents sociological in which there are values, norms, and culture that directly affect human behavior in organizations. An organization is seen as an institution, according to this theory considered less rational and less formal because people in organizations controlled by emotion and tradition, not a rational formal instruments to achieve its objectives as mentioned in the bureaucratic model (Jaffee, 2001).

The institutional theory is a theory that studies how organizations can improve their ability to grow and survive in an environment that is completely the competition by being reliable (legitimately) in the eyes of the stakeholders (Jones, 2004). Obviously, normative value of the organization, such as efficiency, effectiveness, and economical as based on achieving the purpose of organization needs to be concern to improve competition in order to survive in the globalization era.

Institutions, according to Scott (2001), are "institutions consist of cognitive, normative, and regulative structures and activities that provide stability and meaning to social behavior. Institutions are transported by various carriers - cultures, structures, and routines - and the Operate at multiple levels of jurisdiction."

Based on the above understanding of the institution, that there are three pillars of the establishment of institutions that form the basis of legitimacy for the organization, namely the cognitive pillar, the pillar normative and regulative pillar. Cognitive pillars include symbols, beliefs, and social identities. Normative pillars include obligations, norms and social values. Regulative pillar covers rules, laws, and sanctions (Powers, 2001).

An institution be trusted stakeholders, according to Meyer and Rowan (Jaffee, 2001), the necessary institutional isomorphism. Isomorphism is a single form that focuses on the mechanism of organizational similarities in the field or the same population. The success of an institution is as an example of successful institutions in the required fields mimetic mechanism, normative, and coercive.

Institutional theory presented above is based on institutional theory perspective of sociology. Another institutional theory is a framework of analysis and institutional development (institutional analysis and development framework). More comprehensive theory of this institution, because it not only describes the sociological aspect but also explain the political and cultural aspects of an institution. The institutional theory introduced by Ostrom, Gardner, and Walker (Ostrom, 2007). This theory explains the two main institutional variables, namely the arena action as the dependent variable and the three other variables as independent variables, namely: physical and material conditions of institutional, community attributes, and the rules are applied. According to this theory the actor is an important component in an institution.

#### **ACTORS**

Actor identified in because this is a factor of individual and corporate actors. The term "action" in this study refers to human behavior by individuals, which could significantly subjective and instrumental. Actions of an actor are always based on certain considerations in choosing a strategy or decision. In many ways, the actors determine the strategy of using economic considerations. Of course, the chosen alternative is based on maximizing profits, because the actor is a "homo-economicus" as developed in the perspective of neoclassical economics and game theory (Ostrom, 2000).

#### **METHODOLOGY**

## **Research Locations**

This research is located in two districts in South Sulawesi, namely Pinrang and Sidrap. The determination of these two districts based on the consideration that the two districts are central rice production in Indonesia.

#### **Design and Research Strategy**

The design of this study is a qualitative method and case study research strategy. The use of the design of such research is to uncover the rice policy implementation based on the context. In the case study, there are three types of research, namely the type of explorative, descriptive, and explanative (Yin, 2000). This research strategy uses type of explanatory research.

# **Informants**

Determination of informants in the study were determined purposively, ie they are considered to have competence in relation to the implementation of the policy of empowerment of street vendors in the city of Makassar. Such determination is based on the assessment of the experts (or the researchers themselves) for a particular purpose or a particular situation (Neuman, 1997). The informants in this study were: 1) the Coordinating Team for food procurement; 2) Tim monitoring and evaluation of food procurement; 3) The Offices in the two districts and the province concerned; 4) The Consultant and Facilitator rice; 5) Procurement Agency (Bulog) in two districts and Province; 6) The agricultural extension in two districts; 7) The rice traders; 8) The Heads of villages in two districts; and 9) The group of farmers in the two districts.

#### **Data collection technique**

In this study, data collection techniques used are observation, interview, and documents. Observations were made primarily related to tangible object, such as the condition of paddy and farmer groups. In-depth interviews conducted at the informants mentioned above, while the technical documentation is to collect documents such as regulations, journals, and research results related to this research.

# **Data Processing and Analysis Techniques**

In qualitative research data analysis and processing is an activity inseparable. It can be seen on the stages of qualitative data analysis proposed by Miles and Huberman (1992), namely: data reduction, data presentation, and conclusion / verification. This study uses a case study analysis strategy, where analyzes were performed using data analysis techniques eksplanatif.

#### **RESULTS**

Based on the results of the study show the role of the main actors in the implementation of the rice policy in two sample districts in South Sulawesi, as shown in Table 1 below.

Table 1: Farmers Feedback About Role Lead Actor In Rice Policy Implementation

Table 1: Farmers reeuback About Role Leau Actor in Rice Policy Implementation						
- District - Agriculte		- Food	- Agricultura			
l Extensio	n l	Procureme	l Agency			
	Commite	nt Agency				
	e of	(Bulog)				
	Agricultu					
	re					
An acti	re Few in number	- Accordanc	- Ineffective			
- role	in -	e with	run the			
- providing		functions	activities,			
- guidance			just			
- to farmer	s		waiting for			
- to fair free			any			
_			reports			
_			from the			
_			others			
Cooperatively	to To distribute	- The				
- Cooperatively, solve farmers a			- They do			
	_	informatio	not care			
- paddy problems	project	n does not	the			
- Sidrap -		get to the	farmers			
		remote	problems			
		communiti				
		es				
They are very but		- They do	- They work			
because of t	ne professional or	not	if there are			
amount	of expert	actively	some			
agricultural		disseminat	money and			
extension works	rs	e their	interests			
	ne	policy and				
number of farmer	S	programs				
		to the				
1						

			- Only the large land owners who can access only Food	- More policy focus to the officials families
			Procureme nt Agency (Bulog)	
	_	-	-	They do not concern to the farmers, they are more time went along to accompany Regent everywhere
- - - -	- They are always ready to help farmers	To distribute government aid project	They only help farmers who have extensive paddy fields	They do not carry out their duties
- - -	They are easily met by farmers	It is unclear their works	Their policy is not widely known by farmers	They are always waiting the reports from their subordinates
- - - Pinrang		They do not know much related to paddy or rice	They just focus on their job	They do not care the farmers problems
				They are more concerned the board members than peoples

Source: Data Reduction, 2015

According to the table 1 above, agricultural extension workers (PPL) were very cooperative with farmers in two districts samples. They understand their duties and assist farmers to solve their problems. Then, the Technical Committee of Agriculture, according to the farmers they just distribute government aid projects to the farmers. They cannot help farmers in solving the technical problems of agriculture. Subsequently, Food Procurement Agency (Bulog) which serves to accommodate or buy grain farmers with the price set by the Government, evidently it was not able to carry out their duties effectively. The same case, the Agriculture Agency cannot run its jobs effectively because it can not helps the farmers solve their problems.

#### DISCUSSION

## The Actors Role In Rice Policy Implementation

The Actors in this situation can be considered as an individual, as a group or as a corporation. The success of a policy achieve desired objectives require the role of all participants in the rice

policy. The main role of local governments is increasing farmers crop production that is greatly influenced by actions taken by other actors. Actors referred to in this study are:

#### **Farmers**

Farmers group is a farmer's community that is formed in order to facilitate the procurement of agricultural inputs such as seeds, fertilizers, and pharmaceuticals. The farmer's group can be shared the procurement costs of agricultural inputs and the farmer's group can be expected to determine the price of agricultural product.

Farmer's group was formed by the Decree of the local government, in which membership is about 20-25 people. The farmer groups do not have the power to determine the price of grain, because it was formed only facilitate the distribution of agricultural inputs. It was not given the facility of capital by the government.

# **Agricultural Extension Workers**

An agricultural extension worker is agent of change that encourages farmers to change their behavior so that farmers can use agricultural technology, especially in the use of agricultural inputs. According to the farmers, this agricultural extension workers is needed to guide them in the use of agricultural inputs, but they are very limited in number so that they are not able to reach all areas of its work.

It is also further exacerbated by the dualism of the organization, technically they were under the command of the Local Agriculture Agency and administratively they are under the Food Security Agency. These conditions worsen their performance in guiding farmers.

# **Agricultural Technical Committee**

Agricultural Technical Committee is one of the institutions that deal directly government programs and aid projects to farmers. The institution aims is the optimization of paddy fields and anticipation of a shortage of land for rice production. However, according to the farmers the institute activities are unclear and disable to cope with the problems of technical and marketing of agricultural productions.

## **Food Procurement Agent (BULOG)**

Increasing production will be strengthen the availability of rice in the country without depends on imports. To ensure stability of supply and price, the government through BULOG has made stock equalization and availability of rice in each warehouse' BULOG in Indonesia, including in two samples districts in South Sulawesi. BULOG in two sample districts did not perform his duties as a container for grain / rice and even dryer and warehouse facilities used by rice traders and not used by farmers or farmer groups.

#### **Rice Traders**

Rice traders consist of village, sub district, district level traders and wholesalers who will process of the paddy into rice and sell it to consumers. In this case, the merchants have a very important role in determining the Indonesia economy as well as in two samples districts, because if these traders speculate by withholding supply then the price of rice will increase in the market so that disrupt the local economy.

# **Provision of Agricultural Means of Production**

Provision of agricultural means of production carried out by the government, but the distribution is carried out by private parties, such as fertilizers, seeds, pesticides and other

production equipment. Private organization that is meant here is the company appointed by the government in terms of the distribution of agricultural inputs, namely PT Pertani and PT Sang Hyang Seri. PT Pertani distribute the means of production such as fertilizers, pesticides and other agricultural equipment, while PT Sang Hyang Seri focuses on the distribution of seeds.

#### **Actors Performance Evaluation**

In addition to predicting the outcome, institutional analysts can evaluate the results achieved and the possible results that can be achieved in the institution. Evaluative criteria applied to both the results and the process for determining the results achieved by the actor. In evaluating the performance of the actors there are several potential evaluative criteria, namely: (1) economic efficiency, (2) equity through fiscal equivalence, (3) equalization, (4) accountability, (5) conformity with public morality, (6) the adaptation. In this study focuses only on the criteria of efficiency, equalization, and accountability. The third evaluation criteria are very important in the rice policy in Indonesia, including in two sample districts in South Sulawesi.

#### **Efficiency**

Economic efficiency is determined by the magnitude of the change in the flow of net benefits associated with the allocation or reallocation of resources. The concept of efficiency plays a central role in this study that estimated benefits and costs or the rate of return on investment. In this study, rice policy implementation in two sample districts is inefficient. This can be shown by the farmers are not getting sufficient benefits in the process of agricultural production, because during the harvest of grain prices plummeted. The situations are only beneficial for rice traders. In this case, the resources used by farmers in the production process are roughly equal to production. It also proves the farmers are always disadvantaged in the system of rice in Indonesia.

#### **Equalization**

Equalization is a step that needs to be done by the government in the rice policy implementation. Equalization that is meant here is the equitable distribution of agricultural inputs. Based on the research, production inputs such as seeds, fertilizers always-insufficient quota has been agreed. Later, the production facilities are not available in the market as the quality of goods specified. This happens because the provision is based on a rigid bureaucratic system (Weberian bureaucracy).

#### **Accountability**

In a democratic government, officials should be held accountable regarding the development and use of public facilities and natural resources. Based on the study, accountability of public officials as the implementer of rice policy is very low. This is evidenced distribution of the means of production remain problematic until now and farmers as a target group of rice policy does not provide sufficient benefits. They are the marginalized in rice production systems to date.

The role of institutional actors in the rice policy is very important, because they have a position as a determinant and implementer of the rice policy. They do not do an effective coordination between agencies, so that it is always occurred discrepancies between the planning and the implementation.

#### **CONCLUSIONS**

The role of institutional actors in the implementation of the rice policy in two sample districts in South Sulawesi Province ineffectively. This is showed agencies associated with the policy, each actor design and run the program in accordance with the scope of work. Actors as policy makers are not able to resolve the various problems, especially at the famers level (grass root) as the target group of the policy. The actors did not perform its role effectively, because they are in a bureaucratic system that rules-oriented (Weberian bureaucracy).

Based on the evaluation criteria of institutional actors in the rice policy implementation is inefficiently, unequal, and unaccountable. This can be showed, farmers as a target group of this policy can only survive during this time. They did not gain a significant advantage in this policy system.

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