

# The Effect of Increased Autonomy Against Per Capita Income in Gowa Regency Indonesia

DR. Alyas, MS  
Sekolah Tinggi Ilmu Ekonomi (STIE)  
Yayasan Pendidikan Ujung Pandang (YPUP) Indonesia

## Abstract

The research was conducted in Gowa, South Sulawesi Province. Time study for three months. Based on the fields of science, this study classified as applied research. In this type of research is *ex post facto*. Research is co relational approach, namely research that attempt to connect or find the relationship between one variable with another variable. From the discussion in the previous chapters, the authors can draw conclusions about the impact of decentralization on livelihoods in Gowa is that with the decentralization of welfare in Gowa district experienced a marked increase in per capita income increases from year to year in the 10 years This has shown a significant increase.

## 1. Introduction

Every region in Indonesia has different characteristics. This difference can be seen from demographics, natural resources and human resources, accessibility and power in decision making and aspects of market potential. Such conditions allow the growth of a region are often not balanced with other regions (Gunawan, 2000).

In addition to demographic conditions, inequality of development as well as a result of the magnitude of the central government's role in decision-making and the role of local government is only as an arm of the central government, so that the area does not have the authority to be creative in determining the direction of development and become powerless against the dominance of the central government are very dominant.

Indonesia as a republic and a unitary state which adheres to the principle of decentralization in governance provides the opportunity and freedom to the region to conduct regional autonomy.

In line with the implementation of regional autonomy in Indonesia, Gowa regency is one of the second-level regions in South Sulawesi province who participated implies the autonomy policy, so Gowa have independence in implementing the government and determine their own development progress.

By granting autonomy to local governments expected to make use of Gowa and manage the opportunities and potential of the area for the welfare of their communities through local development with the participation of local communities / areas. Regional economic development is a manifestation of national development area. Regional economic development is a process by which local governments and communities to manage existing resources and form a partnership between local government and the private sector to create new jobs and stimulate economic development activity in the region.

## 2. Problem Formulation

There are some major issues that are part of the past history of the Indonesian nation whose effects can still be felt by the people of Indonesia who live in the present, which also is an indicator of the cause of the multidimensional crisis that is engulfing the Indonesian nation to this day. When problems are identified, the tip of the problem boils down to the silting of the people's participation in local development programs as well as the weakening of the bargaining position of the people in planning and decision making that involves people's lives.

People and not be used as subjects in a democracy and not a subject in the development. Then formulated the problem "Does decentralization affect the increase in per capita income in Gowa?"

## 3. Theory Study

### 3.1 Definition of Regional Autonomy

*Autonomie* Autonomy or derived from the Greek word which auto means *own* and *nomos* meaning law (Silalahi, 1996, citing the Petit Larousse dictionary). So Autonomy means the set with its own laws. Thus the meaning of autonomy is "granting rights and powers of legislation to regulate their own households to institutions, companies or regions".

Definition of regional autonomy under the 1945 Constitution is the right and authority to local care of her home and is given by the legislation. Autonomy under the 1945 Constitution is the people's sovereignty with

autonomy of local government jointed applying on the basis of consent of the governed. The area in question in 1945 was "provincial" and "smaller area of the province", with the form of the government established by law. Regional autonomy in the sense of 1945 is constitutional or territorial decentralization.

### **3.2 Principles of Local Autonomy**

Regional development as an integral part of national development can not be separated from the principle of local autonomy. As an autonomous region, the region has the authority and responsibility of organizing society based on the principles of openness importance of community participation and accountability to the public.

### **3.3 The purpose of Regional Autonomy**

The main objectives to be achieved through the decentralization policy and political goals administrative purposes (Widjaja, 2008).

#### a. Political goals

Political goals will position the local government as a medium of political education for the community at the local level and in the aggregate will contribute to the national political education to achieve the realization of civil society (civil society).

#### b. Administrative purposes

Administrative goals will position the unit of local government that serves the local level of government to provide public services effectively, efficiently and economically.

### **3.4. Sources of Revenue Autonomous Region**

To be able to become financially self-sufficient regions requires considerable financial resources as well. In this case the area can be acquired in several ways, namely:

a. Area can collect local tax funds that have been approved by the government.

b. District / City may apply for loans and third parties, and government money market goods.

c. Took part in the central tax revenues collected by the county, such as a percentage of the tax.

d. District / City Government may request assistance or subsidies from the government district.

Several previous studies related or relevant to this study are described below. Tobias (2007) In a study entitled "The Effect of Regional Autonomy Against Public welfare Binjai City", aims to analyze the effect of exercising regional autonomy in the welfare of the people especially the city of Binjai during the period 1993-2007 by using the Ordinary Least Square (OLS). Outcome data estimation using Ordinary Least Square (OLS) suggests that regional autonomy is illustrated with original income (PAD) and the development budget has a positive and significant effect on the level of welfare of the people especially the city of Binjai.

### **3.5 Welfare Society**

Development is defined as a process that causes a per capita income of the population increased in the long term, from this definition contains three elements, namely:

1. A process which means constant change in which already contains the elements of its own power for investment.

2. Efforts to increase the per capita income

3. Takes place in the long term.

Economic development is always seen as an increase in the per capita income is a reflection of the onset of improvement in the economic welfare of the people but the problem is the construction of an existent fabric of social and economic problems, therefore implemented economic development policies need to be consideration of the factors that are non-economic .

National development is an effort to improve the quality of human and people of Indonesia are carried out in a sustainable manner based on the national capacity to utilize national capabilities to utilize science and technology as well as attention to the challenges of global development. In practice refers to the national character and noble values that are universal to realize the life of a sovereign nation, independent, justice, prosperity, progress and staunchly moral and ethical strength.

In the implementation of Law No. 11 of 2009 on social welfare stated that the social welfare have special scope that is directed at humans as a human individual or external factors overcome the loss of ability to perform social roles (social dysfunction). The definition of social welfare is part of the activities organized with the aim of improving the welfare of socially and through development assistance to people to meet needs in various situations such as family life and children, health, social adjustment, leisure and social relationships. The stages of family welfare agency Minister for Population (BKKBN) divided by five stages:

#### 1. Disadvantaged families

The family that can not meet the minimum basic needs such as food, clothing, health, and family planning.

## 2. Prosperous families

The family who has been able to meet their basic needs are minimal but can not meet the overall psychological social activities such as the need for education, interaction within the family, the interaction with the living environment and transport.

## 3. Family welfare II

That meet the needs of families who have physical and psychological and social development, but development needs such as the need to save money and information.

## 4. Prosperous family III

That families who have met the physical, psychological and social development, but has not been able to give donations and active participation of civil society into the existing board.

## 5. Prosperous families plus

That families who have met all the requirements and have a high concern in improving the welfare of the surrounding families.

When prosperity of society (people prosperity) is the main target of regional development, the main pressure will be much development is directed at the development of the local population. In this regard, more programs and activities aimed at improving the quality of human resources in the form of educational development, improvement of public health services and increase the application of appropriate technology. In addition, attention will also be directed to increase the production of local communities in the form of the development of agricultural activities that include food crops, plantations, livestock, fisheries and forestry, as well as other community economic activities.

Employment in related areas tend to grow slower than if development goals aimed at improving the prosperity of the region. This happens because, more development effort aimed at improving the quality of human resources empowerment dam which typically require longer time in comparison with the physical development territories. As a result of economic growth and employment areas tend to be lower as well which further resulted in the development of performance related areas will tend to be slower.

## 4. Research Methodology

The research was conducted in Gowa, South Sulawesi Province. When the study was planned for three months. Based on the fields of science, this study classified as applied research. In this type of research is *ex post facto*, the research conducted to examine the events that have occurred and then trace backwards to determine the factors that may cause the incident (Sugiyono, 2005:7). As suggested by Kerlinger (2003), when the independent variable in the form of attributes, then the research is *ex post facto*.

Research is correlation approach, namely research that attempt to connect or find the relationship between one variable with another variable (Ali, 2002:23). To determine the relationship of independent variables (managerial ability of the village government officials) with variable bound (urban development) statistical testing, namely for helping researchers perform valid generalization from empirical data that has been collected.

Populations selected by the author of the public who reside in Gowa. According Indriantoro et al. (1999), in determining the size of the sample can be done by:

1. If a small percentage of the population is enough to qualify
2. Sample size should not be less than 30 samples.
3. Sample should be as large as possible for the funds and the time is still can reach out.

Number of samples taken 100 respondents. In determining the sample, the authors use decision-cluster sampling method (sampling area). Area sampling technique used, due to the object to be studied or data resource very broad. To determine where the sample is used as a source of data, sample collection based on a predetermined area population.

### 4.1 Primary Data Collection Technique

- a. interview, the technique of collecting data by asking questions directly to the parties related to the research conducted and shall be referred to as informants.
- b. Observation, the object directly observe the activities of research by noting the symptoms found in the field and collect data that is not affordable.
- c. Questioner, which is a way of collecting data is done by giving a list of questions that have been provided to the respondents.

### 4.2 Secondary Data Collection Technique

- a. Studies Library (*Library Research*). Ie by collecting data and information through the literature relevant to their topic such as books, papers and magazines that have relevance to the problem under study.

- b. Documentary Studies (*Documentary*) That is by using legal documents, archives, records that exist in the location of research and other resources relevant to the object of research.

#### 4.3 Method of Analysis

To answer the hypothesis, the authors compare the analysis using different test means that dependent on the sample mean, which is used to compare the average of the two variables in one group. That is, the analyst is useful to perform testing of two related samples or two paired samples.

Assuming the value of the difference of two normally distributed samples, the test statistic for the sample ( $n$ ) is greater than 30, use the  $z$  distribution.

Count formula to find  $z$  ( $z^*$ ):

Description:

Mean  $X_1 = X_1$  (data after regional autonomy)

$X_2 = \text{Mean } X_2$  (data before decentralization)

$\sigma (X_1 - X_2) = \text{Standard Error}$

#### 4.4 Definitions and Indicators Operational Variable

To avoid bias in some of the terms used, then some of the terms used are defined as follows:

1. Autonomous Region is an autonomous regional authority to manage and take care of the interests of local communities own initiative based on the aspirations of the people according to laws and regulations.
2. Autonomous Region hereinafter referred to local legal community unit which has a limit of a certain area, the authority to regulate and manage the interests of the public at its own initiative based on the aspirations of the people in the Unitary State of Indonesia Republic.
3. Welfare society regarding various dimensions of society that can be seen through the indicators of human development index (HDI) which includes health, education, and a decent standard of living. Health is calculated based on life expectancy at birth; Education is measured by the average length of the school and the literacy rate of the population aged 15 years and above, and a decent life is measured by expenditure per capita based on purchasing power (purchasing power parity).

#### 5. Discussion

The results of observations made by the author with the highest number of respondents who are female as many as 53 respondents (53%) and men by 47 respondents (47%).

In this case the different levels of education also fits the characteristics of their jobs, respondents varied work ranging from students, housewives, merchants, students, civil servants and other jobs.

From the results of a questionnaire that has been deployed, the calculation via Likert scale with scoring 1-5 from respondents. Therefore, it can be seen that the level of welfare indicators through education, health, and public spending per capita has increased after the introduction of regional autonomy. Analysis

Of the 100 respondents can be seen that the level of education has increased by 4 points above the average after the regional autonomy in Gowa, as well as health levels increased by 8 points above the average, expenditure / capita also increased by 9 points above the average after the regional autonomy.

#### Indicators of per capita income

- a. Hypothesis

$H_0: \beta = 0$

$H_a: \beta \neq 0$  b. Test Statistics

$Z \text{ count} = 11:51$

Table  $Z = 1.96$

- c. Decision-making criteria

$H_0$  accepted if  $Z \text{ count} < Z \text{ table}$  (alpha 5%)

$H_0$  is rejected if the calculated  $Z > Z \text{ table}$  ( $11:51 > 1.96$ )

Based on the statistical test  $H_0$  denied that get the count  $z > z \text{ table}$  ( $11.51 > 1.96$ ). It can be concluded that there is a real difference or an increase in the per capita public expenditure indicators Gowa after regional autonomy at the level of 95% during the period 2003-2012. This can be seen through the growth of real per capita public expenditure Gowa in 2003 before increasing decentralization of 529.2 after 628.7 in the regional autonomy in 2012. Increase in per capita public expenditure represents an increase of people's income, when income increases, the per capita public expenditure also increased. Thus welfare Gowa increased after decentralization.

From the analysis it can be concluded that the presence of the regional autonomy Gowa welfare has

increased, It can be seen from the indicators of per capita public expenditure has a significant effect where:

Ho:  $\beta = 0$  Ho accepted ( $z < Z\text{-table}$ ), meaning partially independent variable did not significantly affect the dependent variable.

Ha:  $\beta \neq 0$  Ho is rejected ( $z > Z\text{-table}$ ), meaning that the independent variables partially significant effect on the dependent variable.

#### 6. Conclusion

From the discussion in the previous chapters, the authors can draw conclusions about the impact of decentralization on livelihoods in Gowa is that with the decentralization of welfare in Gowa district experienced a marked increase in per capita income increases from year to year in the 10 years This has shown a significant increase.

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**Life History Author:** Name: Dr. Alyas, MS .. was born in Bone, 31 December 1955. History of his education: Elementary School (elementary) 10 Watampone, in 1968, the Teacher of Religious Education in State 4 (PGAN 4 years) in Bone 1972, Teacher of Religious Education District 6 Pesantren GUPPI Samata, Gowa in 1978. Then continued his education bachelor degree (S1) in vocational institutes and science education (Teachers' Training College) Strata Two subsequent studies (S2) at the University of Hasanuddin (UNHAS) Ujung Pandang Administrative Studies Development Program graduated in 1992, and the last following undergraduate programs: Three (S3) the Makassar State University (UNM) Public Administration Studies Program graduated in 2010. His history of occupation are Deputy Head of Academic Administration and Student Affairs (BAAK), Head of Library, Head of Public Administration (BAU), Vice Chair of Economics I, II STIE Vice Chairman, Chairman of the Institute of Research and Community Service (SBRC) STIE, STKIP-YPUP, Chairman of the Quality Assurance Unit YPUP of Economics, Master of Economics Secretary-YPUP.



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