

CHALLENGES OF REGIONAL GOVERNMENT IN IMPLEMENTING REGIONAL AUTONOMY IN INDONESIA

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Abstract

Since the 1998 reforms, 12 new provinces have been established in Indonesia. Currently, in 2025 Indonesia has 38 provinces. The establishment of these new autonomous regions aims to accelerate development, ensure equitable distribution, and improve public welfare. However, many new autonomous regions have failed to achieve these goals, and their presence has become a burden on the central government because they are deemed incapable of developing independently. This study attempts to examine the factors that hinder the independent development of new autonomous regions. This study used a systematic literature review technique. The results revealed that the majority of problems experienced were due to limited resources. This issue was still found even though these new autonomous regions had previously conducted academic studies to assess their feasibility. Consequently, the central government of the Republic of Indonesia had to provide subsidies to support the operational activities of these autonomous regions.

Keywords: *Autonomous Region, Autonomy Problem, Regional Development, Sustainable Development.*

INTRODUCTION

Since the 1998 reforms, Indonesia has established 12 new provinces across various regions. In 1998, Indonesia had 26 provinces; by 2025, Indonesia had 38. These new autonomous regions are located across Indonesia: four provinces in western Indonesia, and eight provinces in eastern Indonesia. This data demonstrates that Indonesia highly upholds democratic principles when it comes to regional autonomy. Regional autonomy is the right and obligation of an autonomous region to manage and regulate its own household affairs in accordance with applicable laws and regulations (Nasution 2009). Regional autonomy is the right to govern regions independently (Cornelis 2016). Regional autonomy is the right granted to a region to independently govern its own government and society. The essence of regional autonomy is to provide an opportunity for a region to develop beyond its previous capabilities. Regional autonomy provides local governments the opportunity to improve the welfare of their communities and to develop their regions in accordance with their local culture and customs.

However, implementing regional autonomy effectively requires thorough preparation and planning. A region must meet various requirements to become a new province. Based on Law Number 23 of 2014, these requirements include administrative, territorial, technical, and other requirements. Before Law Number 23 of 2014, the basis for the formation of new autonomous regions in post-reform Indonesia was Undang-Undang Nomor 2 tahun 1999 and Undang-Undang Nomor 32 tahun 2004. However, as time goes by, these regulations are no longer relevant and require significant changes. One of the objectives in changing the regulations for the formation of new autonomous regions is to ensure that the formation of new autonomous regions can proceed smoothly and not become a burden on the central government in the future.

Since 1998, not all provinces formed after the reforms have been able to develop well. Only 22% of the newly created regions were successful, while the remaining 78% failed (Tentrini 2013). Many problems are still experienced by these new autonomous regions (Azhari & Negoro 2019, Djohan 2025). Each new autonomous region has different problems. Until the end of 2025, the government will impose a moratorium on the formation of new autonomous regions to prevent an increase in regional autonomy problems in Indonesia (Dewan Pertimbangan Presiden Republik Indonesia 2025, Karnavian 2025). Even though there is a moratorium on the development of new autonomous regions, many regions in Indonesia want to develop new autonomous regions. By the end of 2025, there were 341 proposals for the development of new autonomous regions in Indonesia. (Komite Pemantauan Pelaksanaan Otonomi Daerah 2025). Through this paper, the author aims to describe the various regional autonomy issues

experienced by various new autonomous regions formed after the 1998 reforms. It is expected that the results of this study can serve as a reference for stakeholders. The formation of new autonomous regions must be based on regional capabilities and carried out for the welfare of the community, not because of political factors. So that new autonomous regions can develop well and not become a burden on the state.

METHOD

This research, entitled *The Challenges of Regional Government in Implementing Regional Autonomy in Indonesia*, was conducted qualitatively (Creswell 2019), using literature review techniques (Wolf 2017). Literature reviews can help describe the state of a social condition quickly and measurably (McLaren, Star & Widianingsih 2019). The author used journal manuscripts published by SINTA-accredited national publishers as research materials. A document can be used as a research object because it is a data source (Woolgar 1980, Knoor-Cetina 1981, Wolff 2017). Documents are a source of knowledge that contains a wealth of information or phenomena (Gusfield 1976). Documents are a type of interpretation of social conditions occurring in an environment (Smith 1978, Wolf 2017).

The author conducted data mining using Google Scholar, using the keyword "regional autonomy issues" followed by the name of the province. The author limits the study to regional autonomy issues in various provinces in western Indonesia, including the Province of Riau Islands, Bangka Belitung Islands, Banten, and North Kalimantan province. It is expected that the results of this study can serve as a reference for stakeholders. The author searched for five journal articles closely related to the research topic for each province. The author read these articles in detail and then drew conclusions. This resulted in data on the challenges of regional government in implementing regional autonomy in Indonesia.

RESULTS

Twenty journal articles were used in this research, each covering different issues. However, several journals covered similar issues.

Table 1. Data Mining

Region	Author	Autonomy Problems
Riau Islands	Ginting (2013)	Funds, Geographical conditions, Health services, Educational services.
	Naharuddin (2022)	Development inequality, Gap in social welfare.
	Candrawati & Nugroho (2024)	Development inequality, Fiscal inequality among regions.
	Cahyani, Shahirah, Raja & Pangestoeti (2025)	Funds, Human resources, Geographical conditions, Fiscal disparities between regions.
	Hanafi, Setiawan & Samongilailai (2025)	Development inequality, Human resources, Supervision.
Bangka Belitung Islands	Megawandi (2020)	Difficulties in coordination, Limited information.
	Sari, Nasrun & Putri (2020)	Human resources.
	Sari, Farsi, Basir & Delianti (2022)	Unsustainable policies.
	Oktavia, Putri, Ranita & Apriliana (2023)	Unsustainable policies.
	Alviansyah & Nurhayati (2024)	Unsustainable planning.
Banten	Suci & Asmara (2014)	Funds, Development inequality.
	Ermalina, Efriadi & Masduki (2015)	Funds.
	Nasution (2017)	Funds, Investment.

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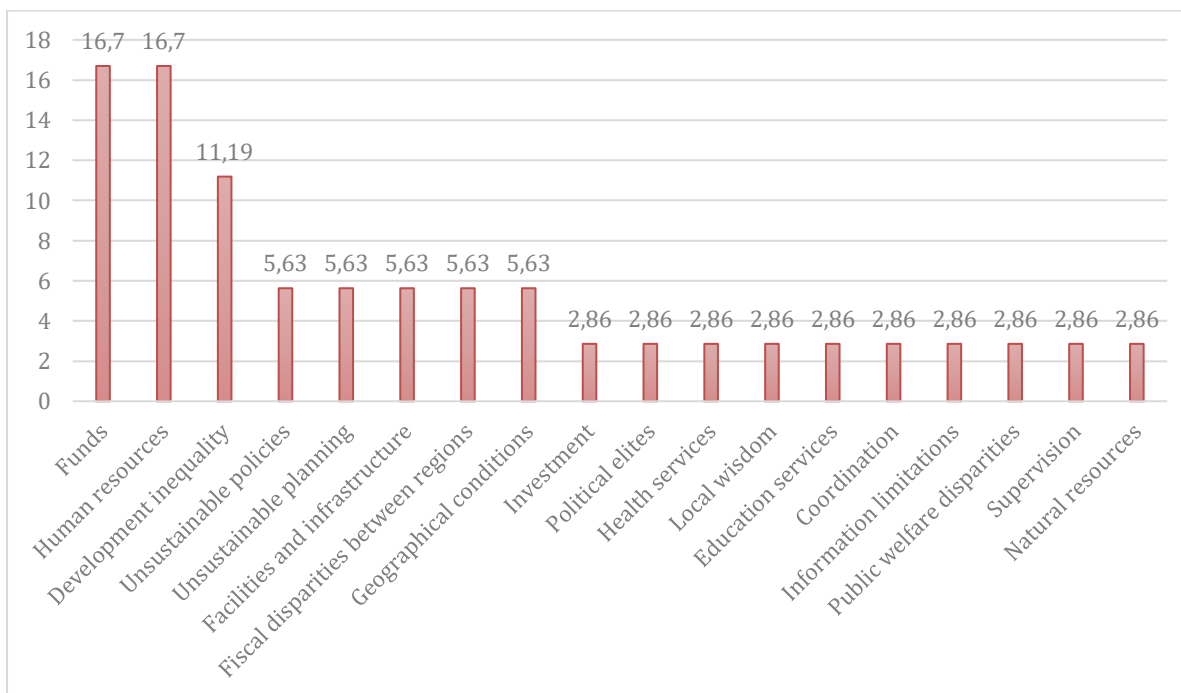
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	Rohmah (2018)	Political elite.
	Irkham (2019)	Natural resources, Human resources.
North Kalimantan	Sudiar (2015)	Facilities and infrastructure, Unsustainable policies.
	Bainus & Sudiar (2016)	Facilities and infrastructure, Local wisdom.
	Putera (2019)	Funds.
	Hatta, Risna & Asegaf (2022)	Human resources.
	Anistikmalia, Kharisma & Budiono (2022)	Human resources.

(Source: Research 2025)

Data mining and literature review revealed that the majority of problems with regional autonomy implementation in Indonesia, particularly in western Indonesia, were funds and human resources (16.70%). Another regional autonomy issue is the occurrence of development inequality (11.19%). Furthermore, other problems with regional autonomy implementation in Indonesia include unsustainable policies, unsustainable planning, inadequate facilities and infrastructure, fiscal disparities between regions, and geographical conditions (5.63%). Other equally important regional autonomy issues, each contributing 2.86% and requiring government attention in implementing regional autonomy, include investment, political elites, health services, local wisdom, education services, coordination, limited information, and disparities in public welfare.

The funds or the fiscal capacity of local governments to implement various regional autonomy programs is a major problem for almost every local government in Indonesia (Ginting 2013, Suci & Asmara 2014, Ermalina, Efriadi & Masduki 2015, Nasution 2017, Putera 2019, Cahyani et al. 2025). Not all newly established autonomous regions possess sufficient fiscal capacity. The fiscal stability of these regions remains fragile, necessitating ongoing financial support from the central government. In the absence of financial support from the central government, these new established autonomous regions are likely to encounter significant challenges in implementing development initiatives within their respective jurisdictions.



(Source: 2025 Research)

Figure 1. Problems of Regional Autonomy in Indonesia

Human resources also constitute one of the major challenges that hinder the development of new and established autonomous regions. Not all new established autonomous regions possess adequate human resources to effectively implement the principles of regional autonomy (Irkham 2019, Sari, Nasrun & Putri 2020, Anistikmalia, Kharisma & Budiono 2022, Hatta, Risna, & Asegaf 2022; Hanafi, Setiawan & Samongilailai 2025, Cahyani et al.

2025). This human resource issue comprises two main aspects: the limited competence of local government officials in carrying out regional development and the insufficient capacity of the community to actively participate in supporting government-led development initiatives. New established autonomous regions can achieve progressive development only when all elements of human resources can collaborate effectively. The community should not rely solely on the capabilities of local government officials; instead, it must utilize the regional autonomy framework by engaging in activities that stimulate local development. Local government officials should also not rely solely on community initiatives to drive development. Instead, they must act as the primary initiators of regional development by encouraging and engaging the community to participate collaboratively in the development process.

The establishment of new autonomous regions is expected to accelerate regional development; however, numerous challenges persist due to the government's tendency to focus development efforts on specific areas rather than promoting equitable growth across regions (Suci & Asmara 2014, Naharuddin 2022, Candrawati & Nugroho 2024, Hanafi, Setiawan & Samongilailai, 2025). The uneven implementation of development programs has hindered the realization of equitable development in new established autonomous regions. The development of new established autonomous regions requires well-formulated and sustainable policies and planning strategies. However, many new established autonomous regions still lack sustainable policy frameworks (Sari *et al.* 2022, Oktavia *et al.* 2023) and fail to develop sustainable planning strategies (Sudiar 2015, Oktavia *et al.* 2023). Consequently, new established autonomous regions often face difficulties in achieving sustainable development. Furthermore, not all new established autonomous regions possess adequate infrastructure and facilities to support regional development, which has become a major constraint in the development process (Sudiar 2015, Bainus & Sudiar 2016). Moreover, the fiscal capacity of each new established autonomous region varies considerably.

Some regions possess strong fiscal resources that enable them to carry out development programs, while many others lack sufficient fiscal capacity, making it difficult for them to implement development initiatives effectively (Candrawati & Nugroho 2024, Cahyani *et al.* 2025). Indonesia is an archipelagic country comprising numerous islands, each with distinct topographical characteristics. It is not easy to carry out development in autonomous regions with difficult-to-access terrain due to geographical conditions. Consequently, the government tends to reconsider carefully before initiating development projects in such areas to ensure that the efforts are not in vain. Many regions in Indonesia have lagged in terms of development due to geographical constraints (Ginting 2013, Cahyani *et al.* 2025). The government's reluctance to carry out development in certain regions is not due to unwillingness, but rather to the difficulty of access to these areas and the substantial budget required for such projects. Consequently, regions with challenging geographical conditions often struggle to receive equitable development allocation from the government.

The essence of regional autonomy is to transform conditions perceived as less favorable into better ones. However, some new established autonomous regions still experience limited access to education and healthcare services (Ginting 2013). In fact, these two forms of access should be the primary concern of local governments in the implementation of regional autonomy. It is difficult for the government to achieve meaningful development when access to education and healthcare services remains problematic in certain regions. If access to education and healthcare services cannot be adequately provided by the government, it will inevitably hinder the implementation of regional development. Regional autonomy requires effective oversight to ensure that development aligns with established planning; however, monitoring the implementation of regional autonomy is not an easy task (Hanafi, Setiawan & Samongilailai 2025). At times, certain political elites deliberately undermine the fundamental principles of regional autonomy, as in practice, regional autonomy often serves to accommodate the interests of political elites rather than to promote public welfare (Rohmah 2018). In order to achieve effective regional development, all stakeholders must be able to coordinate efficiently; however, ensuring such coordination is often challenging (Megawandi 2020). Development requires the availability of reliable information; however, not all regions have adequate access to such information (Megawandi 2020).

The development of new autonomous regions requires support from investors; however, not all regions possess the capacity to attract investment (Nasution 2017). Not all new autonomous regions possess strong natural resource potential, which makes it difficult for some regions to identify and develop their leading local products as part of regional development efforts (Irkham 2019). The implementation of regional autonomy should also take into account social capacity and inequality; however, few local governments pay adequate attention to disparities within their communities (Naharuddin 2022), which ultimately hinders regional development. The implementation of regional autonomy and local development should be carried out with consideration of each region's capacity and unique characteristics; however, not all local governments can conduct development initiatives that reflect local wisdom (Bainus & Sudiar 2016). Regional autonomy is not easy to implement, it requires hard work to be able to implement regional autonomy well. Each region has different challenges in implementing regional autonomy. Funds and human resources are indeed the main factors in the implementation of regional autonomy in Indonesia. This

problem of funds and human resources has been predicted by many autonomy experts in Indonesia, such as Azhari and Negoro (2019) and Djohan (2025). Many new autonomous regions were formed not because of the wishes of the people, but because they were based on the desire of the political elite to share power (Djohan 2025). Many regions are actually not ready to implement regional autonomy, but are forced to do so (Azhari & Negoro 2019). From these things, other problems eventually arose, which caused regional autonomy to fail to be implemented in accordance with the mandate of the law.

CONCLUSION

The challenges of regional autonomy in new established autonomous regions in Indonesia, particularly in the western part of the country, are predominantly related to financial constraints and human resource limitations. The new established autonomous regions often lack sufficient budgets to finance regional development, and therefore remain dependent on subsidies from the central government of the Republic of Indonesia. Without financial assistance from the central government, these regions are unable to carry out development initiatives. The new established autonomous regions also face limitations in human resources that can support government-led development initiatives. However, not all of these regions possess competent human capital capable of effectively contributing to regional development. The disparity in development between regions has also become a major issue in new established autonomous areas, leading to the emergence of social inequality and regional resentment. Moreover, many new established autonomous regions still lack sustainable policies and long-term development planning, as well as adequate infrastructure and facilities to support implementation. Fiscal disparities among regions and geographically challenging conditions further hinder development efforts in these areas. Other challenges faced by new established autonomous regions in implementing development include the difficulty of attracting investors to support regional growth, political elite interventions driven by power interests, weak inter-agency coordination, limited access to information, and ineffective development supervision. In addition, not all regions possess strong natural resource potential, socioeconomic disparities among regions persist, local development is often not based on local wisdom, and limited access to education and healthcare services further constrains development efforts in new autonomous regions.

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