

Review Article

# The Effectiveness of Papua's Special Autonomy Fund Policy in Improving the Welfare of Indigenous Communities

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**Abstract:** This study aims to analyze the effectiveness of the Papua Special Autonomy policy in improving the welfare of indigenous communities by reviewing the achievement of policy objectives, integration and coordination between institutions, and policy adaptation to the socio-cultural conditions of the local community. The approach used is qualitative with the Qualitative Secondary Analysis (QSA) method, utilizing various secondary data sources such as policy documents, government reports, and relevant research and academic journals. The results of the study indicate that the Papua Special Autonomy policy was designed as an affirmative policy aimed at accelerating regional development, improving community welfare, and recognizing the rights of indigenous communities. This policy has produced several positive results, especially in increasing regional fiscal allocations, developing infrastructure, and expanding community access to education and health services. In addition, the establishment of special institutions such as the Papuan People's Assembly provides space for the representation of indigenous people's culture in the regional government system. However, the study also shows that the Special Autonomy policy faces several challenges, including suboptimal inter-institutional coordination, limited institutional capacity of local governments in managing Special Autonomy funds, and the incomplete integration of indigenous socio-cultural values in the planning and implementation of development programs. Therefore, strengthening policy governance, increasing accountability in fund management, and expanding indigenous community participation are crucial factors in enhancing the effectiveness of Papua's Special Autonomy policy. This research provides theoretical contributions to public policy development, particularly in the context of implementing asymmetric decentralization and culture-based development policies.

**Keywords:** Community Welfare; Policy Effectiveness; Public Policy; Regional Development; Special Autonomy.

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## 1. Introduction

The reform momentum in Indonesia has provided an opportunity for new thinking and awareness to address the country's major challenges in organizing a better national and civic life. In this context, the People's Consultative Assembly of the Republic of Indonesia (MPR RI) recognized the need to grant special autonomy status to the province of Irian Jaya, as mandated in MPR RI Decree Number IV/MPR/1999 on the Broad Guidelines of State Policy for 1999–2004, Chapter IV, letter g, point 2. In MPR RI Decree Number IV/MPR/2000 regarding Policy Recommendations on the Implementation of Special Autonomy, this was carried out through the enactment of a special autonomy law for the

province of Irian Jaya, taking into account the aspirations of the local population. This represented an initial positive step toward building public trust in the government and was a strategic move to establish a solid framework for addressing issues in Papua Province. The law in question is Law Number 21 of 2001 on Special Autonomy for Papua Province (Law No. 21 of 2001, 2006: 72).

Special autonomy for Papua Province essentially grants broader authority to the province and the Papuan people to manage their own affairs within the framework of the Unitary State of the Republic of Indonesia. This authority also includes the empowerment of Papuan socio-cultural and economic potential, including providing adequate roles for indigenous Papuans through traditional leaders, religious representatives, and women. Their roles include participating in policy formulation, determining development strategies while respecting equality and diversity within Papuan society, and preserving the culture and natural environment of Papua, as reflected in the renaming of Irian Jaya to Papua, the provincial emblem in the form of a flag, and a provincial anthem as forms of actualizing Papuan identity and recognizing indigenous customary and legal rights.

The granting of special autonomy to Papua Province aims to achieve justice, uphold the rule of law, respect human rights, accelerate economic development, and improve the welfare and progress of Papuan society, in line with equality and balance with other provinces. Law Number 21 of 2001 on Special Autonomy for Papua positions indigenous Papuans and the broader Papuan population as primary stakeholders. The existence of the government, provincial government, district/city governments, and their subordinate units is all directed toward providing the best services and empowering the Papuan people. Special autonomy is expected to inspire Papua Province to participate in national development by improving public services, advancing development in all sectors, and empowering all communities, including indigenous customary law communities and government officials at provincial, district/city, district, and village levels across Papua.

The Special Autonomy (Otsus) policy for Papua essentially represents the central government's affirmative response to Papua's unique social, economic, and political conditions compared to other regions in Indonesia. Through this policy, the government grants broader authority to local governments to manage resources, including the provision of Special Autonomy funds sourced from the State Budget (APBN). These funds are expected to improve the quality of public services, infrastructure development, education, health, and the economic empowerment of indigenous Papuan communities.

Since its enactment in 2001, Papua's Special Autonomy funds have increased annually. These funds are intended as a fiscal instrument to accelerate regional development, reduce development disparities with other regions in Indonesia, and improve the welfare of indigenous Papuans (OAP). Development programs financed by Otsus funds focus on improving education quality, health services, basic infrastructure, and the economic empowerment of indigenous communities.

However, various evaluations show that despite the substantial allocation of Special Autonomy funds to Papua, the welfare level of the local population remains relatively low compared to the national average. Development indicators such as poverty rate, economic disparity, and the Human Development Index (HDI) in Papua still lag behind other provinces. This raises questions about the effectiveness of the Special Autonomy policy in achieving its main goal, which is improving the welfare of the Papuan people, especially indigenous communities (www.kompas.id, 2021).

Papua's Special Autonomy Fund (Dana Otsus Papua) is a key instrument of Indonesia's asymmetric fiscal decentralization, aimed at reducing historical inequalities, accelerating regional development, and promoting social justice for indigenous Papuans. However, after more than two decades of implementation, concerns remain regarding its effectiveness in generating equitable welfare outcomes, particularly in terms of accountability, targeting, and distributive fairness. Dana Otsus Papua requires a shift from expenditure-focused assessment toward a governance- and equity-oriented evaluation framework (Klafle et al., 2025).

Several empirical studies indicate that Otsus funds play an important role in promoting regional development, but their impact on community welfare has not been optimal due to ongoing development disparities and governance issues (Yudhana, 2026). Harikedua (2024) found that even though Otsus funds (2002–2023) exceeded IDR 150 trillion for infrastructure and basic sectors, development was hindered by weak governance, low local capacity, and suboptimal community participation. Salmawati et al. (2023), in a qualitative study in Sorong City, highlighted serious challenges in field implementation, noting that communication, resources, disposition, and bureaucratic structure were critical factors. Their study concluded

that better coordination between central and local governments and the involvement of communities (especially the poor) in policy processes is essential. Vidriza & Talmera (2022), using ECM, found that Otsus funds statistically significantly reduced the number of poor residents in both the short and long term, confirming the role of Otsus allocations in poverty alleviation.

Several studies also indicate that increased Special Autonomy funding has not always been accompanied by significant improvements in regional development performance. In some cases, the management of Otsus funds has been deemed suboptimal due to factors such as weak governance, lack of transparency and accountability in budget management, and limited institutional capacity at the local government level. As a result, the impact of Otsus policies on the welfare of the Papuan population has not been evenly felt (<https://www.kppod.org>).

In addition to governance issues, the implementation of Special Autonomy policies faces challenges related to indigenous community involvement in development processes. Indigenous Papuans have unique social and cultural systems, so development approaches that do not consider local socio-cultural aspects often fail to be effective. Therefore, the involvement of customary institutions and local community participation is crucial to ensure that Otsus policies genuinely benefit the indigenous Papuan population (<https://papua.antaranews.com>).

In public policy development, evaluating the effectiveness of Papua's Special Autonomy policy is essential to ensure that the policy achieves its intended goals. Policy evaluation should not only focus on the amount of allocated funds but also on the effectiveness, governance of budget management, and impact on indigenous community welfare. Therefore, a comprehensive academic study is needed to analyze how Papua's Special Autonomy funds are implemented and the extent to which they contribute to improving the welfare of indigenous communities. Based on this overview, this study is important to evaluate the effectiveness of Papua's Special Autonomy fund policy in enhancing the welfare of indigenous communities. The results are expected to provide academic contributions to public policy studies, particularly regarding the evaluation of fiscal decentralization policies and community-based regional development in Indonesia.

## 2. Literature Review

### Theory of Policy Effectiveness

Policy effectiveness is an important concept in public policy studies because it is used to assess the extent to which a policy can achieve the objectives set by the government. From a public administration perspective, policy effectiveness relates to the level of success in implementing a policy to produce outputs and outcomes that align with the policy's goals. According to Drucker (2007), effectiveness is the ability of an organization or policy to achieve its intended objectives. Drucker states that "effectiveness is doing the right things," meaning that effectiveness is related to choosing the right actions to achieve the objectives of an organization or policy. In the context of public policy, a policy is considered effective if it produces outcomes that correspond to the goals previously formulated.

Furthermore, Dunn (2018) explains that policy effectiveness is a measure used to evaluate the extent to which a public policy can solve public problems and achieve the expected objectives. Dunn emphasizes that effectiveness is one of the main criteria in public policy evaluation, alongside efficiency, adequacy, equity, responsiveness, and appropriateness. According to Nugroho (2014), policy effectiveness is the degree of success of a policy in achieving its intended objectives through proper implementation. In Nugroho's view, a public policy can be considered effective if it provides tangible benefits to society and successfully addresses the problems that prompted the policy's creation.

Meanwhile, Anderson (2011) explains that policy effectiveness relates to the extent to which public policies implemented by the government achieve the objectives expected by policymakers. Anderson emphasizes that effectiveness should not only be assessed based on policy implementation but also on the impact of the policy on society as the target group. Steers (1985) similarly argues that effectiveness is the degree of success of an organization or program in achieving its set objectives. Steers highlights that effectiveness can be measured through three main dimensions: goal attainment, organizational system integration, and the ability to adapt to the environment. Additionally, Subarsono (2011) states that public policy

effectiveness can be assessed by the extent to which a policy produces tangible impacts in addressing public problems. Policy effectiveness is also related to the alignment between policy objectives, implementation processes, and achieved outcomes.

Based on these expert opinions, it can be concluded that policy effectiveness is the level of success of a public policy in achieving its intended objectives through proper implementation while producing positive impacts for society. Policy effectiveness can be measured using several indicators, such as the degree of achievement of policy objectives, the alignment between results and policy targets, and the policy's impact on the target population. Policy effectiveness is a key aspect of public policy evaluation. Measuring effectiveness aims to determine the extent to which a policy achieves its previously formulated goals. In practice, policy effectiveness is assessed not only from the success of policy implementation but also from the impact on the targeted population. Therefore, public policy scholars have developed various indicators to evaluate the level of policy effectiveness.

According to Dunn (2018), effectiveness is one of the main criteria in public policy evaluation. It relates to the extent to which a policy can achieve the objectives set by policymakers. In the policy analysis framework, Dunn proposes several evaluation criteria that can be used to assess policy effectiveness:

- a. Effectiveness  
Effectiveness measures the extent to which a policy achieves its expected objectives. A policy is considered effective if the results align with the previously formulated goals.
- b. Efficiency  
Efficiency concerns the comparison between the outcomes achieved and the resources used. An effective policy must also consider the optimal use of resources.
- c. Adequacy  
Adequacy indicates the extent to which the policy's effectiveness can sufficiently address public problems. This means that the policy should not only achieve formal objectives but also genuinely solve existing issues.
- d. Equity  
Equity relates to the distribution of policy benefits to the target population. An effective policy should provide benefits fairly and evenly.
- e. Responsiveness  
Responsiveness reflects the extent to which a policy meets the needs, aspirations, and expectations of society.
- f. Appropriateness  
Appropriateness concerns the alignment between policy objectives and the values, needs, and conditions of the community.

### Special Autonomy

The term Special Autonomy consists of two words: "autonomy" and "special." The term "autonomy" in Special Autonomy should be understood as the freedom of the Papuan people to govern and manage their own affairs. This also means that the Papuan people have been granted greater authority and power to govern themselves, enforce law and public order, manage and utilize all available resources—including natural resources for the greatest prosperity of the Papuan people, while still maintaining the responsibility to contribute to national interests (Ham and Octaviani, 2022).

Special autonomy is a distinct privilege granted to regions that possess historical sentiments distinguishing them from other areas. These historical sentiments are then accompanied by a strong sense of loyalty within a social division of a territory (Yosmardin and Ramses, 2008). Essentially, the special autonomy granted by the central government to Papua Province is a specific authority to govern and manage itself within the framework of the Unitary State of the Republic of Indonesia. This authority also includes the empowerment of the social, cultural, and economic potential of the Papuan people, including providing adequate roles for indigenous Papuans. Special autonomy for Papua Province is granted through Law No. 21 of 2001 and later amended by Law No. 2 of 2021 concerning the Second Amendment to Law No. 21 of 2001 on Special Autonomy for Papua Province and amendments to Government Regulation in Lieu of Law (Perpu) No. 1 of 2008.

According to Ham and Octaviani (2022), Special Autonomy for Papua must be interpreted correctly, clearly, and firmly from the outset, as various perceptions, sometimes negative about Special Autonomy have emerged among the Papuan people. The bitter

experiences of Papuans under the Old Order and New Order governments, which also treated Papua as an autonomous region, have led to a loss of trust in the Special Autonomy offered by the Government of the Republic of Indonesia. Special Autonomy for Papua is a recognized and granted authority for Papuans to manage their society according to their own initiatives based on the aspirations of the Papuan people. This authority is intended to ensure that the development of Papua meets justice, accelerates public welfare, supports law enforcement, and respects the human rights of Papua, particularly those of indigenous communities.

Papua, as part of the Republic of Indonesia, has been granted Special Autonomy under Law No. 21 of 2001, later amended by Law No. 2 of 2021 regarding the Second Amendment to Law No. 21 of 2001 on Special Autonomy for Papua Province and amendments to Perpu No. 1 of 2008. The reason for granting special autonomy is that the management and utilization of Papua's natural wealth have not been optimized to improve the standard of living of the indigenous population, resulting in significant disparities compared to other regions. Therefore, the purpose of Special Autonomy is to help Papua and its people enjoy a standard of living and opportunities comparable to other regions in Indonesia (Juliarini, 2020, in World Bank & Australia-Indonesia Partnership, 2009).

Based on Law No. 2 of 2021, the government will distribute Special Autonomy funds to Papua amounting to IDR 8.5 trillion for welfare purposes. The allocation is divided into two parts: a Specific Grant of IDR 4.72 trillion and a Block Grant of IDR 3.78 trillion (Government Regulation of Indonesia, 2021). According to Iha (2018), the term "Autonomy" in Special Autonomy must be understood as the freedom of the Papuan people to govern and manage themselves, including the freedom to govern independently and to utilize Papua's natural wealth for the maximum prosperity of its people, while still contributing to the administration of the central government and other regions in need.

Law No. 21 of 2001 defines Special Autonomy for Papua Province as the granting of broader authority to the province and Papuan people to govern themselves within the framework of the Unitary State of the Republic of Indonesia. Broader authority also entails greater responsibility for Papua Province and its people to manage governance and the utilization of natural resources for the maximum prosperity of the Papuan people. Special autonomy aims to realize justice, uphold the rule of law, respect human rights, accelerate economic development, improve welfare, and advance Papuan society, ensuring equality and balance with other provinces.

According to Iha (2018), to fulfill the basic rights and duties of the Papuan people, the Special Autonomy law was developed based on core values derived from Papuan customs, universal human principles, nationalism, and respect for democracy and human rights. These fundamental values serve as guiding principles for implementing all aspects of Special Autonomy in Papua.

Special autonomy has significant impacts for Papua. According to Iryanti, the impact of special autonomy is a strong influence resulting in positive or negative outcomes concerning the policy, where the authority granted by the central government allows the region to manage itself, improve regional independence, recognize and respect the fundamental rights of indigenous Papuans, empower communities strategically, ensure public participation in governance, and guide society in managing resources to meet basic needs, thereby realizing good governance, particularly in Papua (Adam et al., 2019). The impacts of this policy can be categorized as regulatory, distributive, and constituent (Iryanti et al., 2014).

## Social welfare

The concept of social welfare is one of the key concepts in social science studies, particularly in the fields of public administration, public policy, and social development. Social welfare relates to the fulfillment of the basic needs of society, encompassing economic, social, health, education, and social protection aspects. This concept is often used as an indicator of a country's development success in improving the quality of life of its population.

According to Supriyatin and Tharsisius (2018), the concept of social welfare can be interpreted as a counterpart to the notion of dignity, which can be observed through four indicators:

- a. Security – a sense of safety and protection.
- b. Welfare – the overall material and non-material well-being of individuals.
- c. Freedom – the ability to exercise choice and autonomy.
- d. Identity – recognition and affirmation of one's self and community.

Law No. 13 of 1998 on the Basic Provisions of Public Welfare defines social welfare as a structured way of life and living, both materially and spiritually, encompassing safety, morality, and inner peace, enabling every individual to fulfill physical and social needs optimally for themselves, their families, and the community, while upholding human rights and obligations in accordance with Pancasila.

According to Midgley (1995), social welfare is a condition that enables individuals to meet their basic needs, improve their quality of life, and gain equitable opportunities across various aspects of life. Midgley emphasizes that social welfare is closely related to social policy systems designed by the government to enhance public well-being through social services, social protection, and resource redistribution. Similarly, Friedlander (1980) defines social welfare as an organized social service system and institutional framework designed to assist individuals or groups in achieving an adequate standard of living. Through these services, communities can develop their capacities optimally and perform their social functions effectively.

Spicker (2000) offers another perspective, stating that social welfare is the condition in which human needs are fulfilled, including economic security, health, education, and opportunities to participate in social life. Spicker stresses that social welfare is not only about material aspects but also about life quality and individual happiness. Suharto (2010) adds that social welfare is a condition in which the material, spiritual, and social needs of citizens are met, enabling them to live decently, develop themselves, and perform social roles effectively. This perspective highlights the crucial role of the state in guaranteeing public welfare through social policies and development programs.

Adi (2013) further explains that social welfare is a condition in which society lives safely, peacefully, and prosperously both economically and socially, marked by the fulfillment of basic human needs such as food, clothing, shelter, health, education, and decent employment opportunities. In the context of public policy in Indonesia, social welfare is also normatively defined in Law No. 11 of 2009 on Social Welfare, which states that social welfare is the condition in which the material, spiritual, and social needs of citizens are met, enabling them to live decently, develop themselves, and perform their social functions.

Based on these various definitions, it can be concluded that social welfare is a societal condition characterized by the fulfillment of basic needs, equitable opportunities for development, and the creation of good quality of life—economically, socially, and psychologically. In public policy, social welfare is the primary objective of development policies designed by the government to sustainably improve the quality of life of its citizens.

### **Asymmetric Decentralization**

Asymmetry is defined as a difference in status and/or power among units that are part of a federal or decentralized state, as stipulated in the constitution or other legal provisions (Hombrado, 2001). Asymmetric decentralization refers to a condition in which not all decentralized units are granted the same functions, responsibilities, or powers. Many countries around the world implement asymmetric decentralization, both politically and administratively (Litvack et al., 1998). Theoretically, asymmetric decentralization involves the transfer of fiscal power, authority, and responsibility in varying measures across different regions, taking into account a country's conditions, needs, and level of development.

The concept of asymmetric decentralization emerged from the idea of asymmetric federation introduced by Charles Tarlton (1965) and later developed by Tillin. According to Tillin (2006), there are two types of asymmetric federation: *de facto* and *de jure* asymmetry. *De facto* asymmetry refers to differences in conditions between regions, such as area size, economic potential, culture, and language, resulting in variations in the autonomy granted, whether in terms of representation or authority. *De jure* asymmetry is constitutionally designed deliberately to achieve specific objectives, involving allocation of authority in different proportions or granting autonomy in certain policy areas to particular regions for specific reasons.

There are several positive objectives of asymmetric decentralization. It can serve as a model to achieve political goals such as stability, integration, and legitimacy for the national government. The uniqueness of regions based on history, ethnicity, language, religion, or a combination of these can be accommodated through special governance structures (Ramses M., 2009). The asymmetric decentralization model is considered potentially effective in resolving political and ethnic conflicts in socially fragmented contexts. Therefore, the concept

of special autonomy can serve as a strategy to accommodate local demands and identities that often generate resistance to national governance.

Another rationale for implementing asymmetric decentralization is economic, such as achieving efficiency in local governance and improving service quality. Differences in fiscal instruments between central and regional governments in asymmetric fiscal decentralization are also based on economic arguments. As Oates (1972) states, decentralized systems are better able to accommodate different preferences for public services. This efficiency goal aligns with administrative motives, especially regarding variations in capacity among regions to manage public administration. The provision of property, public services, and effective public policies depends on a functioning bureaucracy, supported by political institutions. If a region has better governance capacity than others, it is more efficient to decentralize certain fiscal powers to that capable region rather than to a region with insufficient capacity.

In social development studies, social welfare is seen as the outcome of interactions between government policies, the economic system, and societal structure. Therefore, the success of public policies in improving social welfare can be measured by the extent to which these policies enhance community living conditions across multiple aspects of life.

a. Economic Dimension

The economic dimension is the most commonly used aspect to measure societal welfare. It relates to a community's ability to meet basic needs such as food, clothing, and shelter. According to Todaro and Smith (2011), economic welfare can be assessed by income levels, employment opportunities, and access to economic resources. From a public policy perspective, the government plays a role in creating policies that promote economic growth while distributing welfare broadly. Economic development programs, job creation, and poverty alleviation are examples of policies aimed at improving economic welfare.

b. Social Dimension

The social dimension relates to the quality of social relationships and the level of social integration within a community. Spicker (2000) notes that social welfare encompasses not only material aspects but also social conditions that enable individuals to actively participate in society. In public policy, this dimension is realized through the provision of social services such as education, healthcare, social protection, and community empowerment programs, aiming to enhance community capacity to engage in development processes.

c. Health Dimension

Health is a critical component of social welfare because it directly affects human quality of life. According to WHO (2010), health is not only the absence of disease but also includes physical, mental, and social well-being. In public policy, the government is responsible for providing equitable and accessible healthcare services. Policies such as building healthcare facilities, implementing health insurance programs, and improving service quality are forms of government intervention to enhance social welfare.

d. Education Dimension

Education is a key factor in improving societal welfare as it enhances human resource quality. Sen (1999) emphasizes that education is essential for developing human capabilities, allowing individuals to improve their quality of life. Public policies in education aim to increase access to quality education, through programs such as compulsory schooling, scholarships, and educational infrastructure development, thereby supporting social welfare by improving human capital.

e. Social Protection Dimension

The social protection dimension pertains to government efforts to shield communities from social risks such as poverty, unemployment, disasters, and inequality. Barr (2004) defines social protection as a policy system designed to provide social guarantees so that communities can maintain a decent standard of living. In practice, social protection is realized through programs such as social assistance, health insurance, employment security, and poverty alleviation initiatives.

f. Participation and Empowerment Dimension

Another important dimension of social welfare is community participation in development processes. Chambers (1997) asserts that welfare-oriented development must involve communities as active subjects of development, not merely as policy recipients. By encouraging community participation, governments

can enhance local capacity to manage resources and strengthen self-reliance, thereby improving their overall welfare.

In summary, asymmetric decentralization allows for differentiated autonomy to address regional needs and capacities, while social welfare encompasses economic, social, health, education, social protection, and participatory dimensions to ensure communities can achieve a better quality of life.

### 3. Materials and Method

Based on the research objective, which is to describe, explain, or present the research findings comprehensively and in depth, the type of research used is qualitative research. The study entitled “Effectiveness of the Special Autonomy Fund Policy in Papua in Improving the Welfare of Indigenous Communities” is a qualitative study with a case study approach, focusing on the Regional Government in Southwest Papua. According to Yin (2015), a case study is a preferred research method for tracking contemporary events when the events in question cannot be manipulated. Data collection techniques in this study include: interviews, observation, documentation, and literature review. The informants in this study will be selected continuously using purposive sampling, including the Regional Head of Southwest Papua Province, the Regional Secretary of Southwest Papua Province, and the Bappeda (Regional Development Planning Agency) of Southwest Papua Province.

Data analysis techniques in this study follow the method developed by McNabb (2002), which includes:

- a. Grouping the data according to key constructs
- b. Identifying bases for interpretation
- c. Developing generalizations from the data
- d. Testing alternative interpretations
- e. Forming and/or refining generalizable theory from the case study

### 4. Results and Discussion

The Papua Special Autonomy Fund (Otsus) policy is an asymmetric decentralization policy granted by the central government to the provinces of Papua and West Papua as an effort to accelerate development and improve the welfare of the population, particularly the indigenous Papuan communities. Legally, this policy is based on Law Number 21 of 2001 on Special Autonomy for the Province of Papua, which was later updated through Law Number 2 of 2021. The Otsus Fund is designed as a fiscal instrument to address development disparities, improve public services, and provide protection for the rights of indigenous communities. The central government allocates these special funds for use in sectors such as education, health, community economy, and the empowerment of indigenous communities.

To assess the effectiveness of the Papua Otsus Fund policy, this study uses policy effectiveness indicators according to Steers (1985), which include goal attainment, policy integration, and organizational adaptation.

#### Achievement of Policy Objectives

The primary goal of the Papua Special Autonomy Fund (Otsus) policy is to improve the welfare of the population, particularly indigenous communities. In this study, community welfare is analyzed through several indicators, such as poverty levels, access to education, health services, and economic development. According to various national development reports, poverty levels in Papua remain relatively high compared to the national average. This indicates that, despite the allocation of Otsus funds for more than two decades, the impact on improving community welfare has not yet been optimal.

The Papua Special Autonomy (Otsus) policy is an affirmative policy of the Indonesian government, regulated under Law Number 21 of 2001 and updated through Law Number 2 of 2021. The policy aims to accelerate Papua’s development and improve the welfare of the population, especially indigenous Papuans (OAP). Normatively, the main objectives of the Papua Otsus policy include: improving community welfare through development in education, health, economy, and infrastructure; protecting the fundamental rights and identity of indigenous Papuan communities; strengthening democratic and participatory governance; creating social stability; and reducing conflict in the Papua region. These objectives align with the concept of asymmetric decentralization, which grants special authority to certain regions to address development disparities and specific socio-political issues (Smith, 1985; Rondinelli, 1981).

Research findings indicate that the implementation of Special Autonomy has contributed to increased access to basic services, particularly education and health. Otsus funds have been used to build schools, provide scholarships for Papuan students, improve the quality of teaching staff, and develop health facilities such as community health centers (puskesmas) and hospitals. From the perspective of social welfare theory, Midgley (1995) asserts that community welfare can be seen through increased access to basic services such as education and health. With substantial Otsus fund allocations for these sectors, the government seeks to improve human capital quality in Papua.

Several education programs, such as Special Autonomy scholarships and the construction of educational facilities, have increased educational participation among Papuans. Health programs are also aimed at improving maternal and child health services and reducing mortality rates. These programs demonstrate progress in achieving policy goals. The Otsus policy also accelerates infrastructure development, such as roads, bridges, electricity, and telecommunications, aimed at improving connectivity between previously isolated areas in Papua.

In regional development theory, Todaro and Smith (2011) explain that infrastructure development is a crucial prerequisite for promoting economic growth and reducing regional disparities. Therefore, infrastructure development supported by Otsus funds is a strategic step toward improving the welfare of Papuan communities. A unique feature of the Papua Otsus policy is the recognition of indigenous community rights. The policy provides space for indigenous communities to participate in governance through the Papua People's Assembly (Majelis Rakyat Papua), which plays an important role in protecting cultural, customary, and religious rights. The existence of this institution shows that Otsus policy is not solely focused on economic development but also on strengthening the social and cultural identity of local communities. According to multicultural governance theory (Kymlicka, 1995), recognition of minority group rights is an important mechanism for maintaining social justice and political stability. In the context of Papua, recognizing indigenous rights through Otsus is expected to strengthen national integration while preserving cultural diversity.

Special Autonomy also aims to improve local governance by granting greater authority to provincial and district/city governments. According to good governance theory (UNDP, 1997), good governance is characterized by transparency, accountability, public participation, and policy effectiveness. In practice, the Otsus policy encourages local governments to be more responsive to the needs of local communities.

### **Policy Integration and Inter-Agency Coordination**

Policy integration is one of the critical factors in the successful implementation of public policies, especially for complex policies involving multiple actors, such as the Papua Special Autonomy (Otsus) policy. This policy not only involves the central and regional governments but also specific institutions such as the Papua People's Assembly (MRP), the Papua Regional House of Representatives (DPRP), and various ministries and technical agencies related to development in Papua.

According to Hill and Hupe (2002) in policy implementation theory, the success of policy implementation is highly influenced by the level of coordination among the institutions involved. Policies that involve multiple actors require clear coordination mechanisms to avoid program overlap, authority conflicts, and inefficiencies in resource use. In the context of Papua Special Autonomy, policy integration is essential because the policy covers multiple development sectors, including education, health, economy, infrastructure, and the empowerment of indigenous communities. Without good coordination among institutions, the policy goal of improving the welfare of Papuan communities is difficult to achieve optimally.

The implementation of the Papua Special Autonomy policy involves various institutions with distinct roles and functions. Generally, the institutional structure includes:

- a. Central Government, through relevant ministries such as the Ministry of Home Affairs, Ministry of Finance, and Bappenas, responsible for national policy formulation and allocation of Otsus funds.
- b. Provincial Governments of Papua and West Papua, responsible for planning and implementing development programs funded by Otsus.
- c. Papua People's Assembly (MRP), which functions as a cultural body representing indigenous Papuan communities.
- d. Papua Regional House of Representatives (DPRP), responsible for legislative functions and oversight of Otsus policy implementation.

- e. Regency/City Governments, which directly implement various development programs at the local level.

According to Grindle (1980) in policy implementation theory, the success of a policy is strongly influenced by the institutional context, including relationships among actors involved in the implementation process. If inter-institutional relationships are not functioning properly, policy implementation tends to face obstacles.

Research findings show that inter-institutional coordination in managing the Papua Special Autonomy Fund still faces several challenges. One of the main issues is the suboptimal synchronization between national and regional policies in development planning. In some cases, development programs funded by Otsus do not fully align with regional development priorities or the needs of indigenous communities. This indicates a gap between central-level policy planning and local-level implementation. According to Pressman and Wildavsky (1973), policy implementation involving multiple organizations requires strong coordination mechanisms because each additional actor in the implementation process increases policy complexity. Without effective coordination, policies are prone to implementation failure.

Effective inter-institutional coordination plays a vital role in enhancing the effectiveness of Papua Special Autonomy policies. From a policy integration theory perspective, good coordination allows various development programs to operate synergistically and support one another. According to Peters (2015), policy integration is the process of aligning various sectoral policies so that development goals can be achieved more effectively. Policy integration is particularly important in the context of complex regional development, such as in Papua.

Some efforts to strengthen policy integration and coordination among institutions in implementing Papua Otsus include:

- a. Strengthening integrated development planning mechanisms between central and regional governments;
- b. Increasing the institutional capacity of regional governments in managing Otsus funds;
- c. Enhancing monitoring and accountability systems for Otsus fund management;
- d. Increasing indigenous community participation in planning and decision-making processes.

With good coordination among institutions, the implementation of the Papua Special Autonomy policy is expected to be more effective and capable of providing greater benefits for the Papuan population.

#### **Policy Adaptation to the Socio-Cultural Conditions of Indigenous Communities**

One of the main characteristics of the Papua Special Autonomy (Otsus) policy is the recognition of the socio-cultural diversity of Papua's indigenous communities. This policy is designed as an affirmative policy that not only aims to improve economic welfare but also to protect the identity, cultural rights, and social structures of indigenous communities. From a public policy theory perspective, Dunn (2018) explains that effective public policies must take into account the social, cultural, and political context of the communities targeted by the policy. Policies that are insensitive to local socio-cultural conditions risk implementation failure because they do not align with local values and norms.

Papua has a very high ethnic and cultural diversity, with hundreds of tribal groups that each have distinct value systems, customs, and traditional leadership structures. Therefore, development policies in Papua require an adaptive approach that responds to the socio-cultural context of indigenous communities. Research shows that the Otsus policy provides space for recognizing indigenous communities through various institutional mechanisms, such as the establishment of the Papua People's Assembly (MRP), which functions as a cultural representation of indigenous peoples, women, and religious leaders. The existence of this institution is a form of policy adaptation to Papua's adat-based social structure.

An important aspect of Otsus policy adaptation is the recognition of the rights of Papua's indigenous communities. The policy affirms that indigenous communities have rights over cultural identity, customary territories, and participation in development decision-making processes. According to Kymlicka (1995) in the theory of multicultural citizenship, recognizing minority group rights is an essential part of justice in a multicultural state. The state must provide space for specific cultural groups to preserve their identities and traditions through affirmative policies. In the context of Papua, the Otsus policy allows indigenous communities to participate in governance through various institutional mechanisms. Beyond

the MRP, the policy also ensures protection for the Indigenous Papuans (OAP) across various development sectors, including education, economy, and politics.

Policy adaptation to the socio-cultural conditions of Papua's communities is also evident in efforts to integrate local cultural values into development programs. In many Papua indigenous communities, social structures are still heavily influenced by customary leadership systems, kinship relations, and collectivist values. According to Geertz (1973), culture is a system of meanings that shapes how people understand and conduct social life. Therefore, development policies that do not consider local cultural values tend to be poorly received by communities. In the Papua Otsus policy, several development programs have sought to accommodate local cultural values, such as through community-based economic empowerment, strengthening customary institutions in resolving social conflicts, and developing education that respects the local cultural context. This culturally sensitive approach aligns with the concept of culturally responsive policy, which refers to public policies designed with consideration for the values, norms, and social practices of local communities.

### **Effectiveness of Policy Implementation**

The success of a public policy heavily depends on the policy's implementation process. Edwards III (1980) states that there are four main factors influencing policy implementation: communication, resources, implementers' disposition, and bureaucratic structure.

#### **a. Communication Factor**

Communication is a crucial factor in policy implementation because it involves conveying policy information to implementers and the public. In the context of Papua's Otsus Fund policy, communication between the central government, regional governments, and the community still faces various challenges. Limited socialization of the policy to the public has caused many indigenous communities to misunderstand the objectives and management mechanisms of the Otsus Fund. As a result, community participation in the development planning process is restricted. According to Dunn (2003), effective policy communication is an essential prerequisite for successful public policy implementation.

#### **b. Resource Factor**

Resources are an important factor in policy execution. These resources include human resources, financial resources, and supporting facilities and infrastructure. Although the Otsus Fund provides a substantial amount of financial resources, the limited human resources at the regional government level become a major constraint in implementing development programs. Research by Fanggidae (2016) shows that the capacity of local bureaucracies to manage development programs is still limited, particularly in program planning and budget management.

#### **c. Policy Implementers' Disposition**

The disposition of policy implementers relates to the commitment and integrity of government officials in executing the policy. Effective policy implementation requires officials with a strong commitment to achieving the policy's objectives.

#### **d. Bureaucratic Structure**

A complex bureaucratic structure can become an obstacle to policy implementation. In the context of Papua's Otsus Fund, coordination between the central government, provincial government, and district/city governments often does not run optimally. According to Grindle (1980), an ineffective bureaucratic structure can hinder the implementation of public policies.

## **5. Conclusion**

Based on the overall research findings and discussion, it can be concluded that the Special Autonomy (Otsus) policy in Papua is an affirmative policy instrument designed to accelerate regional development, improve community welfare, and recognize the rights of indigenous peoples. Essentially, this policy has produced several positive outcomes, particularly in increasing the allocation of regional fiscal resources, developing infrastructure, and expanding public access to education and health services. Moreover, the policy also provides space for strengthening the identity and representation of indigenous communities through specialized institutions and various mechanisms to protect the rights of the Indigenous Papuans (Orang Asli Papua).

The success of the Special Autonomy policy in Papua is not solely determined by the size of the budget support provided by the central government but also by the quality of policy implementation at the regional level, the effectiveness of inter-agency coordination, and the government's ability to integrate the social and cultural values of indigenous communities into the planning and implementation of development. Therefore, continuous efforts are needed to strengthen policy governance, enhance the institutional capacity of regional governments, and expand the participation of indigenous communities in the development decision-making process so that the main objectives of the Special Autonomy policy—improving welfare and justice for the Papuan people can be achieved more optimally.

This study contributes to the development of public policy theory, particularly in the context of implementing asymmetric decentralization policies and affirmative policies for regions with distinctive socio-cultural characteristics, such as Papua. In the context of Papua's Special Autonomy policy, the complexity of actors involved in policy implementation demonstrates that inter-agency coordination is a key factor in determining policy effectiveness. Decentralization can enhance development effectiveness when accompanied by adequate regional institutional capacity and strong accountability mechanisms. In the case of Papua's Special Autonomy, the granting of significant fiscal and administrative authority to regional governments has not fully resulted in optimal improvements in community welfare due to limitations in governance and institutional capacity.

This research also contributes to the development of multicultural governance theory and culture-based policy, emphasizing the importance of recognizing local identities and cultural values in public policy formulation. The findings indicate that the success of Special Autonomy policy implementation is highly influenced by the extent to which the policy can adapt to the social and cultural conditions of Papuan indigenous communities.

In addition to contributing to public policy theory, the findings also have practical implications for strengthening the implementation of Special Autonomy in Papua. The government needs to enhance policy integration and inter-agency coordination in the implementation of Special Autonomy. Considering that this policy involves many actors at both the central and regional levels, more effective coordination mechanisms are required to ensure that the planning, execution, and monitoring of development programs operate synergistically. Strengthening oversight and accountability mechanisms in the management of Special Autonomy funds is essential to ensure that allocated funds are genuinely used for development and the improvement of the welfare of Papuan communities, particularly indigenous peoples.

Based on the findings regarding the effectiveness of Papua's Special Autonomy policy in improving the welfare of indigenous communities, several important agendas for future research emerge to deepen understanding of the implementation and impact of this policy. Future research should examine in greater depth how the allocation and use of Special Autonomy funds at the provincial and district/city levels contribute to improving community welfare. It should also explore how indigenous communities participate in the planning, implementation, and evaluation of development policies in Papua. Additionally, comparative studies can be conducted between the implementation of Special Autonomy in Papua and other regions with special autonomy policies, such as Aceh. Such comparative approaches can provide a more comprehensive understanding of the factors influencing the success or failure of special autonomy policy implementation within the context of local governance in Indonesia.

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