

Institutional Structure in the Implementation of Special Autonomy: A Rational Choice Institutionalism Analysis of Papua Barat Daya Province, Indonesia

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ABSTRACT:

Special Autonomy (Otsus) in Papua, established through Law No. 21/2001 and revised by Law No. 2/2021, represents an asymmetric decentralisation policy designed to address historical inequalities affecting Indigenous Papuans. In Papua Barat Daya, a newly established province, Otsus implementation continues to face institutional dysfunction marked by overlapping authority, vertical-horizontal fragmentation, unclear inter-agency roles, and weak coordination capacity. This study analyses how institutional structure shapes the effectiveness of Otsus implementation using Shepsle's Rational Choice Institutionalism, focusing on authority distribution, vertical-horizontal synchronisation, and cross-level coordination structures. A qualitative case-study design was employed through in-depth interviews with provincial officials, DPRD and MRP members, technical agency heads, district heads, customary leaders, and Indigenous Papuan representatives. Data were supplemented by focus group discussions and document analysis of Otsus laws and regulations, implementing government regulations, presidential regulations, provincial budget documents, and audit reports. Thematic analysis was conducted using open and axial coding in NVivo, supported by source and method triangulation. The findings show that Otsus dysfunction stems from a persistent mismatch between formal authority and actual capacity. MRP and DPRD possess strong normative mandates but lack sufficient budgets, execution instruments, and operational capacity. Meanwhile, central government retains de facto control over technical-fiscal regulation, reflected in 90.4% provincial revenue dependence on central transfers. Coordination structures remain weakly institutionalised, figure-dependent, administratively costly, and more oriented toward filtering procedures than channelling community aspirations. These conditions generate defensive, sectoral, and opportunistic actor behaviour rather than collaborative implementation. The study concludes that Otsus effectiveness depends on clarifying authority, reducing coordination costs, and realigning actor incentives toward Indigenous Papuan affirmation. Its contribution lies in conceptualising "immature administrative equilibrium" as a

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structure-induced equilibrium in which formal rules stabilise procedure without producing substantive coordination.

Keywords: Institutional structure; rational choice institutionalism; asymmetric decentralisation; Special Autonomy; Papua

Introduction.

Special Autonomy (Otonomi Khusus, Otsus) in Papua constitutes a form of asymmetric decentralisation designed to address the historical, social, and political inequalities between the Indonesian state and Indigenous Papuans (Orang Asli Papua, OAP). Through Law No. 21 of 2001, revised by Law No. 2 of 2021, the government created special institutional space to promote OAP empowerment, accelerate development, and improve social welfare. In Papua Barat Daya—a newly-established province formed through territorial expansion—Otsus implementation displays significant signs of institutional dysfunction. The formal institutional configuration—comprising the Provincial Government, the Papuan People’s Representative Council (DPRP), the Papua Barat Daya Papuan People’s Assembly (MRPBD), and technical agencies—has not produced effective synergy. The situation is marked by overlapping authority, vertical–horizontal fragmentation, and ambiguity in inter-agency roles.

This institutional dysfunction has direct implications for the achievement of strategic Otsus objectives, particularly in relation to Indigenous Papuan empowerment, basic infrastructure equity, and access to public services. Recent studies on Papua’s Special Autonomy show that weak organisational capacity, fragmented coordination, limited transparency, and inadequate oversight continue to constrain the effectiveness and accountability of Otsus fund management (Rieuwpassa et al., 2025a; Sujatmoko et al., 2025a). Similar findings indicate that, despite substantial fiscal transfers, Otsus has not yet significantly resolved socio-economic inequality because implementation remains affected by governance gaps, regulatory overlap, elite capture, and weak local fiscal capacity (Salle, 2025; Salmawati et al., 2025a). To

explain this dynamic theoretically, Rational Choice Institutionalism offers a relevant analytical framework because it views institutions as incentive structures that shape strategic interaction among actors. In this perspective, public officials and political actors do not always act as neutral agents of public service; they may respond to institutional incentives by pursuing power, budgetary control, organisational advantage, or rent-seeking opportunities when accountability mechanisms are weak (Colot, 2025a). In Papua Barat Daya, the institutional structure of Otsus does not yet operate primarily through a functional service-delivery logic, but tends to be trapped in a distributive logic in which authority, programmes, and fiscal resources become objects of political bargaining. The principal–agent problem further explains how information asymmetry between the central government as principal and local implementing actors as agents may produce shirking, opportunistic behaviour, and rent-seeking practices in Otsus programme implementation.

This study addresses a gap in the literature, which has tended to examine Otsus from normative, structural-institutional, or programme-evaluation perspectives without sufficiently accounting for the rational motives and power-distribution strategies pursued by actors. Following Shepsle (1989), institutions are understood not merely as formal structures but as “rules of the game” that construct incentives, constrain choices, and direct actor strategies in pursuit of their interests. The objective is to analyse how institutional structure—through inter-agency authority distribution, vertical–horizontal synchronisation, and clarity of cross-level coordination—affects the effectiveness of Otsus implementation in Papua Barat Daya.

2. Theoretical Framework

Several institutional approaches have developed to explain implementation dynamics in decentralised systems. Historical institutionalism Farrall (2021); Guy Peters (2022) emphasises path dependency and explains why institutional patterns persist over time but is less operational in diagnosing actor behaviour. Sociological institutionalism (DiMaggio & Powell, 1983) explains ceremonial adoption and isomorphism but tends to view organisations as passive responders to external pressure. Discursive institutionalism (Schmidt, 2008) captures the role of ideas and discourse in institutional change but is less precise about structural incentives (Shepsle, 1989) Rational Choice Institutionalism bridges these limitations by treating institutions as structures that produce predictable behaviour through structure-induced equilibrium—a condition in which actor behaviour stabilises because choices are constrained by existing rules and institutional configuration.

In Shepsle's framework, three core elements determine the effectiveness of institutional structure. First, authority distribution among institutions: not merely administrative task allocation but a configuration of power that shapes actor strategies to maintain or expand their authority. Second, vertical and horizontal synchronisation: not merely technical coordination but the extent to which institutions can reduce uncertainty, interest conflict, and transaction costs in policy implementation (Bouckaert et al., 2022; von Lüpke et al., 2023). Third, clarity of cross-level coordination structure: clear, regular, and predictable coordination structures reduce opportunistic behaviour, while ambiguous coordination increases space for shirking and rent-seeking (Davoudi & Johnson, 2024). Recent applications of RCI to decentralisation confirm the framework's diagnostic power: Ott & Soretz (2022) demonstrate that information asymmetry between principal and agent in decentralised systems systematically produces shirking; (Ott & Soretz, 2022) shows that institutional configuration in peripheral regions tends to be captured by elite distributive logic (Sanjaya et al.,

2025; Sarjito & Mursidi, 2025; Tryatmoko, 2026) finds that Otsus implementation in Papua is dominated by institutional rent-seeking that hinders OAP affirmation goals.

These elements connect to the policy integration literature, which conceptualises implementation effectiveness as the capacity of institutional structures to synergise authority, procedures, and goals into a coherent implementation framework across sectors, governance levels, and actors. In Papua's context, policy integration is not merely a technical question but an institutional one: whether structures can convert administrative procedures into substantive coordination that delivers tangible welfare outcomes for OAP..

Methods

This study employs a qualitative case-study design to examine institutional dynamics in the implementation of Special Autonomy (Otsus) in Papua Barat Daya. This design was selected because it enables an in-depth analysis of a bounded analytical unit—the Otsus institutional structure—within its real, complex, and context-specific governance setting (Lim, 2025; Priya, 2021). Rational Choice Institutionalism serves as the principal theoretical lens for explaining calculative actor behaviour, including shirking, rent-seeking, and arena selection, by treating institutions as incentive structures that shape strategic interaction among actors (Colot, 2025b; Lahat, 2022). The research locus was selected purposively and included key provincial institutions and two pilot districts with contrasting Otsus outcomes, enabling comparative analysis based on contextual variation.

Data were collected through in-depth interviews with key informants, including structural officials, DPRP and MRPBD members, technical agency heads, district heads, customary leaders, and Indigenous Papuan representatives. Focus Group Discussions were conducted to triangulate inter-actor perspectives. Document analysis covered Law No. 2/2021, Government Regulation No. 106/2021, Government Regulation No. 107/2021, Presidential Regulation No. 24/2023, audit reports, the

Provincial Development Plan, the FY 2024 provincial budget summary, Governor Regulation No. 20/2024 on Standard Expenditure Analysis, and DPRP/MRPBD session minutes. Thematic analysis was conducted through open and axial coding supported by NVivo to organise, code, and interpret qualitative data systematically (Braun & Clarke, 2021; Dhakal, 2022; Naeem et al., 2023). The analysis identified patterns of actor calculation, institutional incentive distribution, and the effects of structural fragmentation on coordination, accountability, and Otsus programme outcomes. Research trustworthiness was strengthened through source and method triangulation, member checking, peer debriefing, and audit-trail documentation (Ahmed, 2024; Schafer & Phillippi, 2025). Ethical clearance was obtained from [Ethics Committee Name and Number].

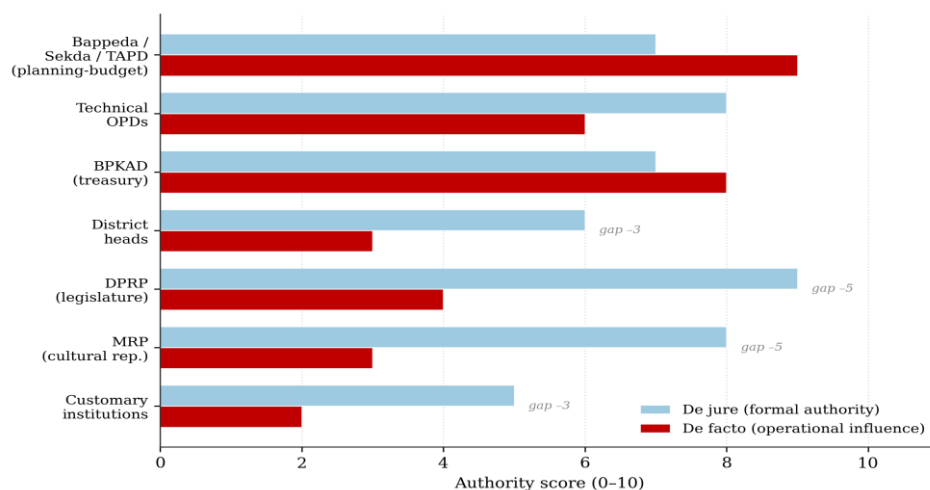
Results

Findings are organised around the three RCI indicators governing the central question of how institutional structure affects Otsus implementation effectiveness in Papua Barat Daya.

4.1 Inter-Agency Authority Distribution

From a Rational Choice Institutionalism perspective, authority distribution constitutes the institutional rule that determines who holds authority, who controls resources, who makes decisions, and who executes programmes. Otsus authority is formally distributed through Law No. 2/2021, Government Regulation No. 106/2021, and Presidential Regulation No. 24/2023 across central government, provincial government, regencies/cities, DPRP, MRP, district government, perangkat daerah (regional working units), and the Papua Steering Board. However, fieldwork reveals a significant gap between formal authority and operational influence, as Figure 1 documents.

Figure 1. De jure formal authority versus de facto operational influence across Otsus actors in Papua Barat Daya



Source: Thematic analysis of FGD, in-depth interviews, and document review, 2026

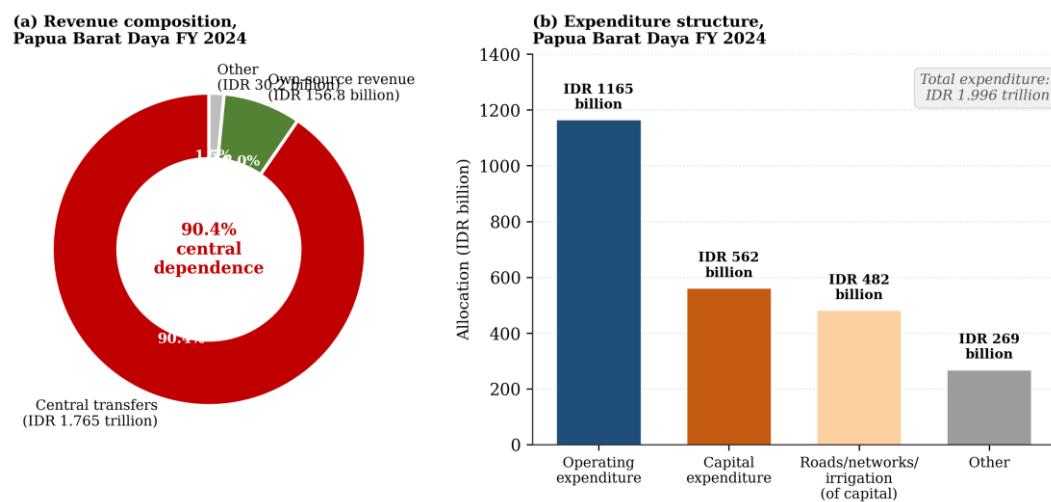
Figure 1 reveals two divergent patterns. First, power concentration occurs among planning-and-budgetary actors: Bappeda/Sekda/TAPD and BPKAD register de facto operational influence (8–9) higher than their formal authority scores (7), reflecting accumulated control through procedural gatekeeping at planning and disbursement nodes. Second, representational

hollowness affects DPRP, MRP, district heads, and customary institutions: all four hold relatively high formal authority (5–9) but markedly lower operational influence (2–4), with gaps of 3–5 points. The most consequential gaps appear at DPRP and MRP—each carrying a de jure score of 8–9 (legislative-cultural representation under Law No. 2/2021) yet

scoring only 3–4 in actual operational influence over programme design, budget nomenclature, and OAP-specific intervention. In RCI terms, this is precisely the structural condition (Shepsle, 1989) terms structure-induced equilibrium without substantive function: rules formally distribute authority, but operational influence is captured by actors controlling procedural choke-points. This pattern is reinforced by the fiscal architecture, visualised in Figure 2. Papua Barat Daya's revenue composition shows 90.4% dependence on central transfers (IDR 1.765 trillion of IDR 1.952 trillion total revenue), with own-source revenue contributing only 8.0%

(IDR 156.8 billion). On the expenditure side, operating expenditure dominates (IDR 1.165 trillion), while capital expenditure of IDR 561.9 billion is heavily concentrated in road, network, and irrigation infrastructure (IDR 482 billion). This fiscal structure means decisions on Otsus implementation are strongly determined by central-government rules regarding transfer use—restricting local flexibility when local needs do not match predetermined funding categories. (Barnett & Chandler, 2026) labels this condition “principal-controlled decentralisation”: authority is formally devolved, but fiscal levers retain centralised control.

Figure 2. Fiscal structure of Papua Barat Daya FY 2024: revenue composition and expenditure breakdown



Source: Analysis of Papua Barat Daya Provincial Budget Summary, FY 2024

4.2 Vertical and Horizontal Synchronisation

Vertical and horizontal synchronisation—Shepsle's second indicator—refers to the effectiveness with which institutions in one system align actions, priorities, and resource allocations both across levels (vertical) and within levels (horizontal). The regulatory framework for synchronisation is relatively complete. Vertically, the National Master Plan for Papua's Accelerated Development (RIPPP) and the Action Plan (RAPPP) under Presidential Regulation No. 24/2023, together with the Special Autonomy Musrenbang forum and the Papua Steering Board, are designed to connect central, provincial, and regency/city agendas. Horizontally, Governor Regulation No. 20/2024

on Standard Expenditure Analysis (ASB) and the SKPD work-plan-and-budget mechanism with TAPD verification provide instruments for harmonising expenditure across regional working units.

In practice, however, synchronisation remains formally established but not yet substantively mature. FGD findings show that technical agencies report that Otsus programmes have been integrated into their activities and that inter-agency duplication is largely avoided through sectoral programme allocation. Planning and budgeting actors note that, while regulation is administratively clear, implementation still faces overlapping authority narratives, regulatory dissonance between Law No. 2/2021, PP No.

106/2021, and PP No. 107/2021, disbursement delays, and repetitive decision loops across Bappeda, Sekda, TAPD, and the regional head. District heads function as aspiration conduits through Musrenbang but lack strong influence over final budget decisions. MRP, DPRP, and customary institutions emphasise that ancestral-territory mapping, customary community needs, and cultural priorities remain difficult to integrate into the planning system because relevant nomenclature and codification are not yet available. These findings echo (Kamal et al., 2025; Rieuwpassa et al., 2025b; Siahay & Salle, 2025), who document that Otsus fund management in Sorong Regency complies with regulations procedurally yet suffers from external constraints, bureaucratic delays, and weak inter-level information flow.

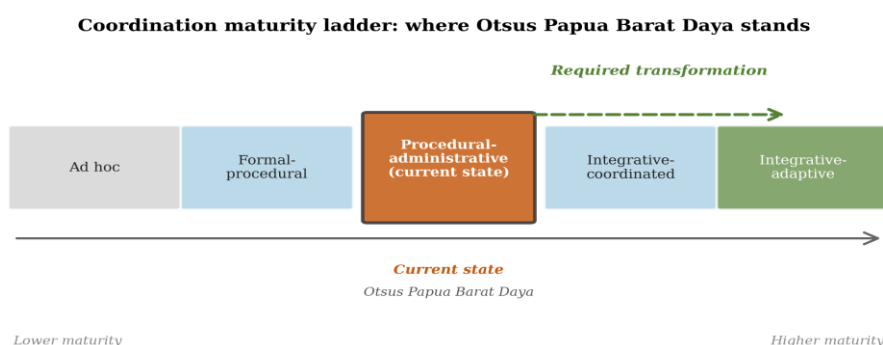
4.3 Clarity of Cross-Level Coordination Structure

The third RCI indicator concerns whether coordination follows clear, regular, and predictable structures. Otsus coordination is formally provided through the Papua Steering Board, RIPPP/RAPPP, Special Autonomy Musrenbang, TAPD, RKA verification, and SKPD coordination forums. Empirically, however, coordination operates in tiered, bureaucratic, and reactive modes. District heads function as aspiration conduits but lack strong authority over budget decisions; technical

agencies coordinate operationally through field assistance, reporting, and monitoring but depend on budget directives and technical rules; MRP and DPRP hold representative positions but lack adequate operational instruments to ensure OAP aspirations enter planning and budgeting consistently. These findings align with (Antoh (2024); Sari (2023), who document that Otsus implementation in Papua still faces overlapping inter-agency implementation and coordination because authority operationalisation and institutional capacity remain underdeveloped.

Figure 3 positions the current coordination state on a maturity ladder ranging from ad hoc to integrative-adaptive coordination. Otsus Papua Barat Daya currently sits at the “procedural-administrative” level—the middle of the ladder. Forums, regulations, procedures, and standard-expenditure mechanisms exist, but the system has not yet integrated OAP target data, customary-territory needs, outcome indicators, budget flexibility, and cross-agency evaluation. The required transformation moves toward the “integrative-adaptive” level, where formal structures regulate not only meetings, reporting, and budget verification but also clarify decision-making, follow-up, OAP-data usage, and a unified implementation flow across central–province–regency–district–OPD–MRP–DPRP–community.

Figure 3. Coordination maturity ladder: current position of Otsus Papua Barat Daya



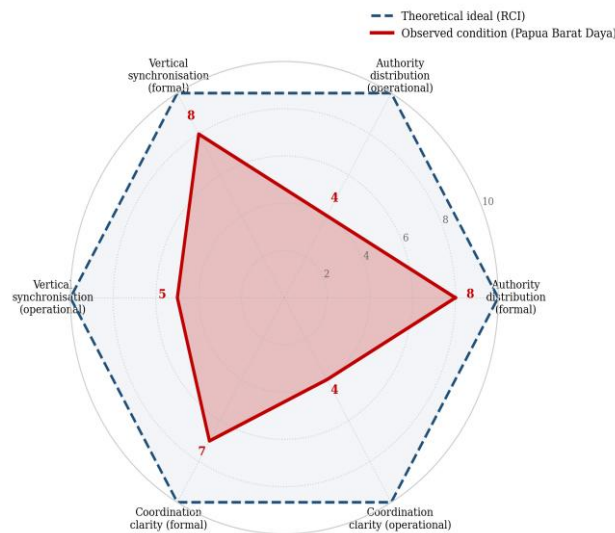
Source: Adapted from Juckie et al. (2022) framework on public-sector organisational maturity, processed for Otsus Papua Barat Daya

4.4 Diagnostic Synthesis Across the Three Indicators

Reading the three indicators together reveals a coherent pattern of asymmetry between formal

and operational dimensions of institutional structure. Figure 4 maps this asymmetry across six sub-dimensions.

Figure 4. RCI diagnostic of Otsus Papua Barat Daya: theoretical ideal versus observed condition across three indicators



Source: Thematic coding across Shepsle's three RCI indicators, 2026

Figure 4 reveals a distinctive triangular pattern. Formal scores (right side: authority distribution 8, vertical synchronisation 8, coordination clarity 7) consistently exceed operational scores (left side: 4, 5, 4 respectively). This pattern confirms that Otsus Papua Barat Daya has built a relatively

complete formal architecture—laws, regulations, presidential decrees, master plans, forums, and standard-expenditure instruments—while operational capacity has not kept pace. Table 1 summarises the diagnosis across the three RCI indicators.

Table 1. Summary of RCI findings across three institutional-structure indicators

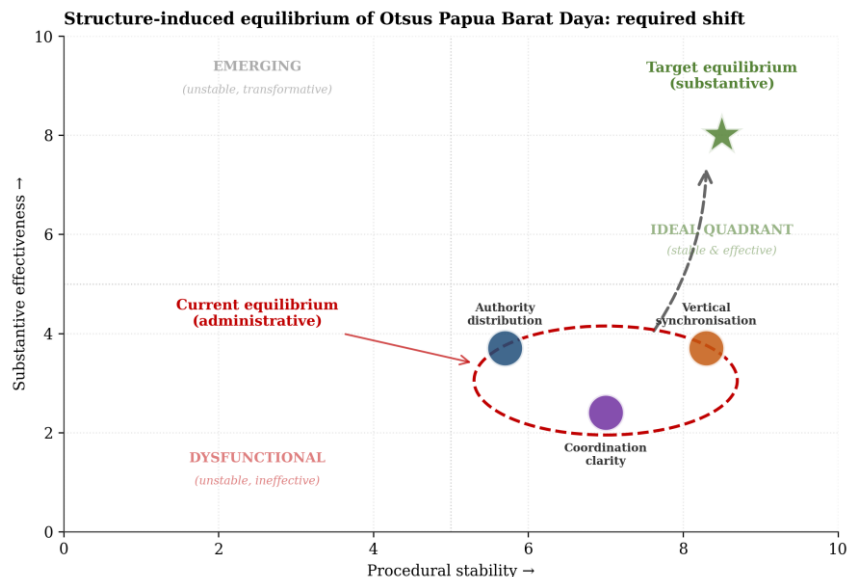
Indicator	Status	Principal Finding
Authority distribution	Formal-structured, not yet operational-proportional	De jure authority broadly distributed (Law 2/2021, PP 06/2021); de facto influence concentrated at planning-budget nodes (Bappeda/Sekda/TAPD score 9); representational hollowness in MRP/DPRP (gap of 5 points); 90.4% fiscal dependence on central transfers.
Synchronisation (vertical & horizontal)	Formal-coordinated, not yet integrative-adaptive	RIPPP/RAPPP, Musrenbang Otsus, and ASB provide formal coordination infrastructure; actual synchronisation is hindered by regulatory dissonance, disbursement delays, missing nomenclature for customary territories, and weak integration of OAP data.
Coordination clarity	Procedural-administrative	Forums and procedures exist (Papua Steering Board, TAPD, SKPD forums), but coordination operates tiered, bureaucratic, and reactive rather than integrative-adaptive; sits at middle position on the maturity ladder.

Source: Thematic analysis of three RCI indicators, 2026

4.5 Structure-Induced Equilibrium: Administrative but Not Yet Substantive

The integrative finding is that Otsus Papua Barat Daya has produced a structure-induced equilibrium that is administratively stable but substantively ineffective. Figure 5 maps this equilibrium and the required shift.

Figure 5. Structure-induced equilibrium of Otsus Papua Barat Daya and the required shift



Source: Synthesis of RCI analysis across three indicators, 2026

Figure 5 places the three RCI indicators in the lower-right “administrative equilibrium” quadrant—high procedural stability (6–8) but low substantive effectiveness (2.4–3.7). This quadrant is distinct from “dysfunctional” (low stability, low effectiveness) and “emerging” (low stability, high effectiveness). Otsus institutions are not failing in the sense of regulatory collapse; rules apply, procedures run, budgets disburse, reports are filed. Yet the equilibrium produced is one of procedural compliance rather than substantive welfare delivery for OAP. The required shift moves toward the “substantive equilibrium” in the upper-right quadrant—maintaining stability while raising effectiveness through OAP data integration, expanded operational authority for district heads and MRP/DPRP, and group-based programme design with sustained accompaniment and evaluation.

5. Discussion

This study’s findings position Otsus implementation in Papua Barat Daya within (Shepsle, 1989) structure-induced equilibrium

framework. Conventional understanding of policy-implementation failure typically assumes it is a matter of individual actors—undisciplined apparatus, indecisive leaders, uncooperative communities. The RCI approach rejects this assumption, treating implementation outcomes as products of institutional structure that shapes actor incentives, constrains choice, and produces predictable behavioural equilibria. The Papua Barat Daya condition—where high formal authority does not translate into proportional operational influence—is not anomaly but the predictable consequence of an institutional configuration in which procedural-budgetary nodes capture operational power while representative-cultural institutions are structurally underequipped.

The first analytical dimension reveals that authority distribution remains formally structured but not yet operationally proportional (Figure 1). This finding aligns with Rochendi and Saleh (2017), who document that Otsus essentially constitutes broader authority granting to provinces and Papuans but remains

ineffective because of weak central–regional coordination, programme overlap, formula-allocation ambiguity, and incomplete application of the “money follow function” principle. The gap between Bappeda/TAPD’s de facto score of 9 and MRP’s de facto score of 3 is not random distribution: it reflects rules that consolidate decision-making power at procedural choke-points while leaving cultural-representative institutions without operational instruments. In (Lafont, 2025) terms, this is institutional design that systematically favours actors holding procedural control over actors holding normative-representative legitimacy.

The 90.4% fiscal dependence on central transfers, as shown in Figure 2, reinforces the structural asymmetry of Otsus implementation. Although Law No. 2/2021 formally expands Papua’s special-autonomy framework, fiscal authority remains strongly shaped by central rules governing transfer allocation, expenditure classification, disbursement mechanisms, reporting, and supervision (Republic of Indonesia, 2021a; Republic of Indonesia, 2021c). This produces a condition of fiscally constrained autonomy: provincial authority is normatively broad, but strategic discretion remains limited by nationally controlled fiscal instruments. Recent analyses of Papua’s revised Special Autonomy Law describe this configuration as a form of fiscal and administrative recentralisation, in which Jakarta retains decisive control over budgetary and regional-development arrangements despite the language of autonomy (Supriatma, 2021). In principal–agent terms, intergovernmental transfers also generate information asymmetry because subnational governments hold implementation data, while the central government retains rule-setting, allocation, and oversight authority; this can create incentives for selective reporting, opportunistic behaviour, and weak performance accountability (OECD, 2024). In Papua Barat Daya, the result is not merely fiscal dependence but a constrained incentive structure that narrows local strategic options while increasing compliance burdens.

The second dimension shows that synchronisation has been formally established but has not substantively matured. The regulatory architecture is extensive, including RPPPP and RAPP under Presidential Regulation No. 24/2023, the Special Autonomy Musrenbang, the Papua Steering Board, Governor Regulation No. 20/2024 on Standard Expenditure Analysis, and TAPD verification mechanisms (Republic of Indonesia, 2023). However, FGD evidence documents persistent implementation friction: regulatory dissonance between Law No. 2/2021, Government Regulation No. 106/2021, and Government Regulation No. 107/2021; disbursement delays; the absence of specific budget nomenclature for customary territories; and weak integration of OAP-specific data. Recent studies on Otsus fund management in Papua and Southwest Papua report similar problems, including weak institutional coordination, insufficient technical guidance, fragmented supervision, limited information-technology integration, and financial-management cycles that are not yet fully outcome-based (Rieuwpassa et al., 2025c; Sujatmoko et al., 2025b). These findings indicate that the problem is not location-specific but system-wide: Otsus planning, budgeting, implementation, and monitoring may proceed formally according to regulation, yet remain weak in targeting accuracy, operational synchronisation, and substantive accountability (Salmawati et al., 2025b).

The third dimension positions coordination at the “procedural-administrative” level of the maturity ladder (Figure 3). This is neither the worst position (“ad hoc”) nor the best (“integrative-adaptive”); coordination forums exist, procedures function, and reporting flows. But coordination has not yet become a system that connects data, decisions, budgets, implementation, and evaluation in a unified policy cycle. Desi Wahyuni (2025) document that Otsus fund management in Sorong Regency is hampered by central–provincial information-flow delays, inter-actor coordination weakness, and the need to strengthen coordination from centre to regency. The pattern repeats across

studies because it reflects structural rather than situational features: coordination operates reactively because incentive structures do not reward proactive integration.

Theoretically, the convergent finding leads to a central contribution: Otsus Papua Barat Daya has produced what we term an “administrative equilibrium that is not yet mature” (Figure 5). This concept extends (Shepsle, 1989) structure-induced equilibrium by distinguishing between equilibrium-as-procedural-stability (achieved) and equilibrium-as-substantive-effectiveness (not yet achieved). The administrative equilibrium of Otsus implementation is relatively stable: actors understand the rules, follow procedures, submit reports, and disburse funds. However, this equilibrium has not yet become substantive because OAP welfare outcomes, customary-institution integration, and the operational influence of representative bodies remain underdeveloped. Recent studies show that more than two decades of Otsus implementation have expanded fiscal transfers and procedural arrangements, but these have not produced proportional welfare improvements for Indigenous Papuans. Fahrudin & Susilo (2022) show that, despite two decades of special-autonomy funding, welfare conditions in Papua remain among the lowest in Indonesia, while Dewantara et al. (2024) find that Special Autonomy Funds in West Papua significantly affect education-related indicators but have no discernible impact on life expectancy or per capita expenditure. Rieuwpassa et al. (2025) further argue that the effectiveness of Otsus funds depends not merely on budget size, but on organisational capacity, accountability, transparency, inter-agency coordination, and outcome-oriented management. In institutional terms, this indicates that formal compliance has not been sufficiently converted into welfare-producing capability. At the community level Salmawati et al. (2023) document the specific case of the Kokoda Muslim community in Malaweale, Sorong Regency, Papua Barat Daya, where Otsus implementation in the economic sector remains very low and has not yet improved household welfare. This pattern

confirms that Otsus has stabilised administrative routines, but has not yet fully transformed institutional authority into substantive empowerment for marginalised OAP communities..

Practically, the findings suggest that transformation from administrative to substantive equilibrium requires three simultaneous interventions. First, strengthening operational authority of representative bodies (MRP, DPRP) and territorial governance (district heads) through expanded budget nomenclature for customary territories, dedicated programme codes for OAP-specific intervention, and binding aspiration-channelling mechanisms in Musrenbang. Second, building OAP-target data integration that enables programme design based on validated demographic, geographic, and economic information rather than aggregate provincial categories. Third, designing group-based community programmes with sustained accompaniment, periodic monitoring, and outcome-based evaluation rather than the current one-off transfer-and-report model. Each intervention shifts incentive structures so that actors find substantive coordination personally rational rather than personally costly.

Limitations include the single-case design, which provides depth but limits statistical generalisation; comparative studies across Indonesian asymmetric-decentralisation cases (Aceh, Yogyakarta, Jakarta) would strengthen external validity. Institutional-structure scores derive from thematic coding rather than independent institutional audits; future research could triangulate with formal social network analysis and budgetary tracing. The cross-sectional design captures one point in time; longitudinal research could trace how equilibrium-shifting interventions reconfigure the three indicators over time.

5. Conclusion

Otsus implementation in Papua Barat Daya, examined through Shepsle’s Rational Choice Institutionalism, has produced a structurally stable but substantively ineffective institutional equilibrium. Across the three indicators:

authority distribution is formally established (Law No. 2/2021, PP No. 106/2021, Presidential Regulation No. 24/2023) but operationally proportional only at planning-budget nodes—with representational hollowness at MRP, DPRP, district heads, and customary institutions (de facto influence 3–4 against de jure authority 5–9); vertical and horizontal synchronisation has formal infrastructure (RIPPP, RAPPP, Musrenbang Otsus, ASB) but is hindered by regulatory dissonance, disbursement delays, and weak OAP-data integration; and coordination clarity sits at the procedural-administrative maturity level—forums exist but do not yet operate as integrated systems connecting data, decisions, budgets, implementation, and evaluation.

The central theoretical contribution is the concept of “administrative equilibrium that is not yet mature”—an extension of Shepsle’s structure-induced equilibrium that distinguishes procedural stability from substantive effectiveness. Otsus Papua Barat Daya occupies the lower-right quadrant of the equilibrium space: stable enough to operate but not effective enough to deliver OAP welfare outcomes commensurate with the substantial Special Autonomy budget (90.4% from central transfers, IDR 1.765 trillion in FY 2024). The required shift to substantive equilibrium demands not more regulation or symbolic adjustment but structural intervention: strengthening

operational authority of representative bodies and district governance, building OAP-target data integration, and designing group-based community programmes with sustained accompaniment. So long as intervention design rests on the assumption that rules alone produce results, the Papua Barat Daya pattern will recur: Otsus regulation will continue to operate procedurally while OAP welfare outcomes stagnate. What is needed is not more rules but structural reconfiguration that aligns actor incentives toward substantive coordination for OAP affirmation.

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Conflict of Interest

The authors declare no conflict of interest.

Data Availability Statement

Qualitative data supporting this study are available from the corresponding author upon reasonable request, subject to ethical restrictions protecting informant identities.

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