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**PARTICIPATORY REGIONAL DEVELOPMENT PLANING:
An Alternative Approach in the Decentralization Era**

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ABSTRACT

Indonesian development has been taking place since fifty years ago. This development itself has led to **different faces** of development. In facts, the **interregional income disparity** between regions and province is becoming bigger and wider. One of influencing factors is applied development planing throughout Indonesia in which top down approach is used to explain and execute the development policy in the country. In the reality, we know that Indonesia has some **different characteristics** such as natural resources, human resource quality, infrastructure, population, etc. Some areas have high-density population, developed technology, and high capital formation, but some others have limited. Thus, it leads to **centralization of development planing** under the reason to reduce the income disparity between regions. Unfortunately, this planing has created imbalance in the development in the country. The majorities of industries locate in Java Island and in outer islands in contrary have less developed, and offered raw materials (less value added) for industry in Java, i.e., forestry, oil, gas, gold, coffee, cloves, etc.

Since January 2001, the government of Indonesia begins with **decentralization policy** (law 22 and 25 / 1999) to empower less developed regions. The regional development policy will be given in the district level and finally, central government hopes through this policy its role in the local development policy shrinks. Financially, the central government uses revenue sharing (Law 25/1999) to **regulate financial problem** in some districts. In the field, local government has “a freedom”, especially in providing regional/local revenue through their regulation to explore natural resources such as forestry, fishery, oil, and gas in their areas. The consequential effect is **environment in some areas in dangerous** and therefore, approach of the development planing should be changed into **participatory approach** in which **people, businessman, local government and parliament** should discuss and plan the development planing together.

Participatory regional development planing is an approach to **realize the bottom up planing**. Principally, stakeholders, i.e., people who cares on the development such as local government, parliament, businessman, university, non-formal leader should **share** and **participate** in the development process. Consequently, the development process will be longer and increase the costs. However, citizen (stakeholders) will be **more responsible** to development in their region and therefore, **monitoring and evaluation** of development will be tighter and transparent. So, in the long run, human being as development subject and **sustainable development** are not longer an utopia anymore, in the contrary it can be realized.

Keywords: centralized development planing, top down and bottom up approach, interregional disparity, participatory approach and sustainable development.