


## ARTICLE

# Explaining Decentralization Performance in Indonesia

## Member of Parliament Decision, Political Networks, and Constitution Amendment

Adfin Rochmad Baidhowah  

Department of Applied Indonesian Politics, Faculty of Politics and Governance, Institut Pemerintahan Dalam Negeri (IPDN)

 [adfinbaidhowah@ipdn.ac.id](mailto:adfinbaidhowah@ipdn.ac.id)



 OPEN ACCESS

Citation: Baidhowah, A. R. (2022). Explaining Decentralization Performance in Indonesia: Member of Parliament Decision, Political Networks, and Constitution Amendment. *Jurnal Bina Praja*, 14(1), 97–109. <https://doi.org/10.21787/jbp.14.2022.97-109>

Received: 27 January 2022

Accepted: 7 March 2022

Published: 29 April 2022

© The Author(s)



This work is licensed under a [Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License](https://creativecommons.org/licenses/by-nc-sa/4.0/).

**Abstract:** Decentralization has several positive impacts on Indonesian local government performance. To date, many studies have unpacked the positive implications of Indonesian decentralization. Yet, few have shown a structural argument of the decentralization reform trajectory in Indonesia constitutional reform 1998–2002. This study investigates the dynamic processes of parliament voting within the constitution amendment on the decentralization article as a source of the existing Indonesian decentralization performance. Analyzing research questions will conduct; to what extent do political networks shape the content of the decentralization article in the constitution amendment in 1999–2000; how much pressures out of parliament session affect the political networks within Indonesian constitution amendment the decentralization article. This study applies a theory that social networks and personal relations sourced from party alignment can explain the outcome variations of decisions at the political arenas. The quantitative method is used to construct independent variables of political networks in testing to what extent informal political networks influence the voting of members of parliament within 32 meetings in 1999 and 2000. In presenting statistical, empirical findings, this study points out that the constitutional amendment, which ‘produces’ new decentralization article, is a direct result of bargaining between members of parliament, which builds informal political networks. So, this provision creates an improved performance of Indonesian decentralization today. Due to the statistical, empirical findings talking to wider themes of parliament and decentralization, this study suggests paying more attention to the indicators of political networks on and off parliament’s formal meetings within the constitution amendment.

**Keywords:** decentralization; political networks; constitution amendment; political behavior; parliament

## 1. Introduction

Decentralization has been crucial in creating better local government performance in Indonesia. Governance quality, public service quality, local election, and economic development are the key outcomes of Indonesia's local government impact (Ostwald et al., 2016, p. 139). Several Indonesian local governments can also compete at the international level, such as Jakarta Province receiving a sustainable transportation award in 2021 (CNN Indonesia, 2021). Surabaya District will receive an environmentally sustainable city in 2019 (Kompas.com, 2021). To be sure, this local government condition is far better than in pre-1998, in which local government did not function well due to big centralization (Bunnell & Ann Miller, 2011, p. 35). On average, the human development index of all local governments increased from 67.7 in 1996 to 72.29 in 2021, and the number of the poor decreased from 34.01 million in 1996 to 26.5 million in 2021 (BPS, 2022).

To date, many studies focus on the impact of Indonesia's decentralization. The decentralization has grown democracy at the local level and allowed all people to participate, including women (Aspinall et al., 2021, p. 3). Economically, decentralization has reduced the income gap by distributing equal funding from the national government based on local development programs (Siburian, 2020, p. 1383). In terms of public service quality, decentralization has caused innovation in delivering public services (Intentilia & Surya Putra, 2021, p. 357; Naibaho, 2021, p. 269; Sudrajat & Andhika, 2021, p. 407), as local political leaders tend to provide good quality of public service due to face the coming election which finally gives outcomes to the public in general (Lewis et al., 2020). Socially, decentralization has boosted local government's innovation on handling disaster mitigation (Herlina et al., 2021, p. 383); waste management (Adlin, 2021, p. 395); local products (Roziqin et al., 2021, p. 419; Sihombing, 2021, p. 459; Wulandari & Afriyanni, 2021, p. 293); and health issues (Amin et al., 2021, p. 11; Essa et al., 2021, p. 23).

Yet, few have shown structural arguments of the decentralization reform trajectory in Indonesia constitutional reform 1998–2002. Literature that informs this study is historical institutionalism from Kaufmann et al. (2018, p. 386) and Hall and Taylor (1996, p. 936). In considering all the theoretical framework and Indonesian constitutional reform context, this paper constructs prepositions that there is a need for actors to construct a winning coalition formed by political networks to motivate voting of political parties in the parliament. So, this study can show evidence that Indonesian decentralization performance is the direct outcome of the constitution amendment of Indonesia in 1999–2002. The change from centralization system in the Suharto era to be decentralization system in post-1998 is caused by a critical juncture, namely Indonesia's constitution amendment 1999–2002.

Horowitz (2012) and Butt and Lindsey (2012) have analyzed why the decentralization article comes up in the constitution amendment 1999–2002 and the impact of this design. Horowitz (2012, p. 7) argues that there is big inequality between Java and various regions out of Java, in which rich provinces such as Papua and Aceh transfer big enough to Java. The existence of Aceh and Papua separatists encourages the implementation of decentralization. Member of parliament dominated formulation of the decentralization article in the constitution amendment 1999–2002. The direct impact was to solve the inequality transfer between Java and non-Java and to silence the separatists. Meanwhile, Butt and Lindsey (2012, p. 127) focus on how the decentralization article is articulated into the Law of Local Government, which realizes the genuine local autonomy for Indonesia's local government.

But, to what extent do political networks affect the content of decentralization articles in the constitution amendment in 1999–2000, and how much pressures out of parliament session affect the political networks within the Indonesian constitution amendment of the decentralization article are never answered empirically. Members of parliament conduct the process within the constitution amendment, and the results of this amendment are subject to the decisions of the members of parliament. In

Global South, social networks and personal relations explain the outcome variations of decisions at the political arenas (Dressel et al., 2018, p. 579). The theory of informal social networks argues that social networks and personal relations sources come from clientelistic networks, identity, party alignments, ideology, ideational, and peers' influence (Ingram, 2016, p. 744; Llanos et al., 2016; Trochev, 2018, p. 668). In this context, an informal political network is created due to party alignment out of formal sessions in parliament. Members of Parliament in Indonesia cannot make decisions independently. All decisions are controlled by the chief of a political party who is out of formal session in the parliament. In order to identify the network, this study maps the votes of each member of parliament in the amendment article. This study then conducts process tracing in the literature on what preference of each political party leader owns.

Analyzing those questions has significance to the current empirical and theoretical development. First, this study complements the existing literature of explaining factors that influence the recent performance of Indonesia decentralization – namely dynamics process within the constitution amendment 1999–2002 of decentralization article has a crucial role in shaping the existing decentralization. Second, this study provides additional knowledge on how decentralization articles in the constitution amendment 1999–2002 were formulated, given the previous studies have not answered this question yet.

Third, this study shows that given political practice in Indonesia that often involves informality, informality also exists in the constitution amendment 1999–2002 of decentralization article. The existence of informality in Indonesia is widely acknowledged. In the context of economic development, Herlambang et al. (2019, p. 627) show evidence that the policy of land transformation in Jakarta is influenced by informal networks of international businesspeople, politicians, bureaucrats, and Indonesian conglomerates. Meanwhile, Taufiq et al. (2021) find that actors' agreement in informal arenas undermines formal discussion of rural planning in Indonesia. Furthermore, in the case of Ahmadiyah people, Soedirgo (2018, p. 191) finds evidence that discrimination ways to Ahmadiyah people are affected by informal clientelist networks. Moreover, Berenschot & van Klinken (2018, p. 95) analyze state-citizenship relations built by social affiliation.

In order to prove this argument, the following section develops a research method to answer the above questions, then provides results before illustrating the discussion in the last section.

## 2. Methods

This study uses the quantitative method to answer the research question. The data were obtained from mapping votes of members of parliament within minutes of the meetings of Indonesia Constitution Amendment 1999–2000 from Mahkamah Konstitusi Republik Indonesia (2010) and Sekretariat Negara Republik Indonesia (2009). The dependent variable is the voting of the member of parliament in the People's Consultative Assembly between 1999 and 2000 on making decentralization article in the constitution amendment. The dependent variable operationalizes value zero for abstained, value one for agree, and value minus one for disagree. There were 32 meetings from 1999 to 2000 which discussed decentralization articles.

Political informal networks of the member of parliament become the independent variable. The informal political networks were put into an adjacency matrix. The matrix has connectivity in terms of political networks, which is  $Z$  (party aligns). Matrix of informal political networks is:

$(a, b)$  the element of matrix  $Z$  (prty align)  $\left\{ \begin{array}{l} 1 \text{ If member of parliament } a \text{ and } b \\ \text{are in the same political informal} \\ \text{network} \\ 0 \text{ otherwise} \end{array} \right.$

This study applies controlling variables to prevent non-spuriousness issues. This issue will exist when the outcome in the dependent variable or vote of the member of parliament is not influenced by the independent variable of interest or informal political networks in this regard. Otherwise, the outcome in the dependent variable is affected by other variables. The controlling variables are male and female or gender, and professionalism which consists of educational background and profession before being a member of parliament (army/police, bureaucrat, lecturer, and pure politician). Both controlling variables become crucial factors that influence the dependent variable as they shape people’s abilities (Cowton, 2009, p. 181).

The controlling variables in this study are binary. Binary data is categorical data consisting of two values, one and zero.

For gender variable:

1 for female and 0 for male.

For professionalism variable:

- a. 1 for a member of parliament with a professional background before being a member of parliament as army/police and 0 for otherwise profession takes value zero;
- b. 1 for a member of parliament with professional background before being the member of parliament as bureaucrat and 0 for otherwise profession;
- c. 1 for a member of parliament with professional background before being the member of parliament as lecturer and 0 for otherwise profession;
- d. 1 for a member of parliament with professional background before being the member of parliament as pure politician and 0 for otherwise profession.

The political decision can never escape from pressure. This study acknowledges the existence of the pressure then creates two new independent variables which explain the effect of the pressure on the informal political networks. Therefore, the new independent variable is a multiplication of vector P and the adjacency matrix Z<sup>(party align)</sup>. So, the new political informal network proxy is PZ.

The pressures toward the decision of parliament members come from, first, big parties that have a high proportion of the number of seats in parliament. Table 1 shows that the top two political parties with the biggest seats in parliament are Democratic Party of Struggle (PDI-P) and Golkar Party. These political parties can use their biggest seats as bargaining, given an article will be agreed if there are two-thirds of the votes from a total number of seats of the member of parliament which agree. At the same time Golkar holds 23.7 percent of total seats, and PDIP holds 35.7 percent of total seats.

**Table 1.** Number of Seats in Parliament

Political Party in Parliament	Number of Seats in Parliament	
	MPR	DPR
TNI/Polisi	38	38
PBB	48	41
Reformasi	57	51
PKB	70	58
Golkar	181	120
PDIP	185	153

Source: Author, based on Mahkamah Konstitusi Republik Indonesia (2010) and Sekretariat Negara Republik Indonesia (2009)

Second, this study operationalizes two theories to hypothesize a big political party’s influence and the president’s preference. The theory of winning coalition argues that political factions build a coalition when facing voting in the political arena. The big political parties control the direction of this winning coalition (Boettke & Thompson, 2019). Meanwhile, Trochev (2018, p. 668), Llanos et al. (2016), and

Ingram (2016, p. 744) argue that peers influence can be the source that shapes a network.

In this context, the pressures toward the decision of the member of parliament come from the ruling president in the form of the president's preference toward the amendment article. Before the amendment, the president had big authority and could control parliament in Indonesia's history. In the new order era, parliament never had the authority to conduct its function. Otherwise, President Suharto ruled the parliament at that time. In the context of the constitution amendment process, the effect of the ruling president's pressure cannot be denied, as this is in the transition era from new order to reform. Moreover, Thompson (1999, p. 7) argues that each political party in the context 1999–2002 had its key persons who controlled it, namely Wiranto in TNI/Polisi, Amin Rais in Reformasi, Hamzah Haz in PPP, Abdur Rahman Wahid, and Matori Abdul Jalil in PKB, Yusril Ihza Mahendra in PBB, and Megawati in PDIP.

Thus, this study applies two hypotheses, as follows. First, big political parties put pressure on the informal political networks. The vote of the member of parliament that is aware of the vote from informal political networks of the big political parties is more likely to follow the big political parties. In analyzing the pressures of big political parties on the political network, this study tests whether winning coalitions that exist in the constitution amendment arena are boosted by programmatic rationale choice institutionalism or by informal political networks as explained by Gerschewski (2021, p. 218), Hindmoor and Taylor (2004, p. 34), and Hall and Taylor (1996, p. 936). The vector P for the first hypothesis is as follows:

$$(a, b) \text{ the element of matrix } P \text{ (big prtly)} \begin{cases} 1 & \text{If member of parliament a or b is} \\ & \text{big political party in parliament} \\ & \text{which exist in the political} \\ & \text{networks} \\ 0 & \text{otherwise} \end{cases}$$

Second, the ruling president has pressures on the informal political networks of a member of parliament, in which the vote of a member of parliament that is aware the vote of the ruling president's political party in parliament through informal political networks is more likely to follow the ruling president's vote. Analyzing the pressures of the ruling president to the informal political networks of the member of parliament can test the loyalty of political parties in the parliament to the president's choice, which is transferred by the president's party decision. The vector P for the second hypothesis is as follows:

$$(a, b) \text{ the element of matrix } P \text{ (prsdnt} \\ \text{choices)} \begin{cases} 1 & \text{If member of parliament a or b} \\ & \text{gives vote for the ruling president's} \\ & \text{choice} \\ -1 & \text{If member of parliament a or b} \\ & \text{gives vote against the ruling} \\ & \text{president's choice} \\ 0 & \text{otherwise} \end{cases}$$

### 3. Results and Discussion

#### 3.1. Results

There were 32 meetings from 1999 to 2000 which discussed decentralization articles. The voting type of member of parliament in Indonesia was bloc-voting. This voting type is based on a faction-based political party in the parliament rather than an individual member of parliament. There was 63.84 percent of the vote for agreeing, and 36.16 percent of the vote for disagreeing (see Table 2).

**Table 2.** Votes of the Political Party in Parliament 1999–2000

Political Party in Parliament	Disagree	Label of Voting Topic	Abstained	Agree	Label of Voting Topic	Total
REFORMASI	10	8a, 8b, 8c, 8d, 8e, 8f, 9m, 9n, 9o, 9p	0	22	1, 2, 3, 4, 5, 6, 7, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 9l, 11, 10, 12	32
PBB	5	8b, 8c, 9g, 9h, 9i	0	27	1, 2, 3, 4, 5, 6, 7, 8a, 8d, 8e, 8f, 9a, 9b, 9c, 9d, 9e, 9f, 9j, 9k, 9l, 9m, 9n, 9o, 9p, 10, 11, 12	32
PPP	16	8a, 8b, 8c, 8d, 8e, 8f, 9a, 9b, 9c, 9k, 9l, 9m, 9n, 9o, 9p, 10	0	16	1, 2, 3, 4, 5, 6, 7, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 11, 12	32
PKB	16	8a, 8b, 8c, 8d, 8e, 8f, 9a, 9b, 9c, 9k, 9l, 9m, 9n, 9o, 9p, 10	0	16	1, 2, 3, 4, 5, 6, 7, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 11, 12	32
GOLKAR	2	2, 7	0	30	1, 3, 4, 5, 6, 10, 8a, 8b, 8c, 8d, 8e, 8f, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 9l, 9m, 9n, 9o, 9p, 11, 12	32
TNI/POLRI	2	2, 7	0	30	1, 3, 4, 5, 6, 10, 8a, 8b, 8c, 8d, 8e, 8f, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 9l, 9m, 9n, 9o, 9p, 11, 12	32
PDIP	30	2, 3, 4, 5, 6, 7, 8a, 8b, 8c, 8d, 8e, 8f, 9a, 9b, 9c, 9d, 9e, 9f, 9g, 9h, 9i, 9j, 9k, 9l, 9m, 9n, 9o, 9p, 10, 11	0	2	1 and 12	32
<b>Total</b>	<b>81 (36.16 %)</b>		<b>0</b>	<b>143 (63.84 %)</b>		<b>224</b>

Source: Author, based on *Mahkamah Konstitusi Republik Indonesia (2010)* and *Sekretariat Negara Republik Indonesia (2009)*

Labels of voting topics in the Constitution Amendment 1999–2000 of decentralization article are as follows:

1. for Indonesia needs decentralization or not.
2. for decentralization is on both district and province level or only district level.
3. for Indonesia needs to preserve local council or not.
4. for local head should be elected or not.
5. for local head can create a regulation to conduct the local management or not.
6. for relation between national and local government should be regulated in the constitution or not.
7. for relation between national and local government should be detailed in the constitution or not.
8. for types of affairs will not be decentralized.
  - a. Religion affairs.
  - b. Defense.
  - c. Safety.
  - d. International politics
  - e. Judiciary.
  - f. Fiscal and monetary policy.
9. for types of affairs will be decentralized.
  - a. Education.
  - b. Health.
  - c. Workforce.
  - d. Food security.
  - e. Land.
  - f. Environment.

- g. People empowerment.
  - h. Interconnection, communication and information.
  - i. Investment.
  - j. Marine and fisheries.
  - k. Forest.
  - l. Energy and mineral resources.
  - m. Trade.
  - n. Industry.
  - o. Transmigration.
  - p. Agriculture.
10. for types of national and local affairs should be detailed in the constitution or not.
11. for local government has authority to manage their budget to fund their local program or not.
12. for special local government should be regulated in the constitution or not.

The voting preferences of each political party in the parliament towards the decentralization article amendment are subject to the chief of political parties who are not the members of parliament and out of formal sessions of the parliament meetings. Table 3 shows the political networks which exist in the amendment of decentralization article in 1999–2000.

**Table 3.** Political Networks of Amendment of Decentralization Article in 1999–2000

Label of Voting Topic	Political Network	Label of Voting Topic	Political Network
1	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri, PDIP	9d	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP
2	Reformasi, PBB, PPP, PKB vs TNI/Polri, PDIP, Golkar	9e	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP
3	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP	9f	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP
4	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP	9g	Reformasi, PPP, PKB, Golkar, TNI/Polri vs PBB, PDIP
5	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP	9h	Reformasi, PPP, PKB, Golkar, TNI/Polri vs PBB, PDIP
6	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP	9i	Reformasi, PPP, PKB, Golkar, TNI/Polri vs PBB, PDIP
7	Reformasi, PBB, PPP, PKB vs TNI/Polri, PDIP, Golkar	9j	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP
8a	PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP, Reformasi	9k	Reformasi, PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP
8b	Golkar, TNI/Polri vs PDIP, PPP, PKB, PBB, Reformasi	9l	Reformasi, PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP
8c	Golkar, TNI/Polri vs PDIP, PPP, PKB, PBB, Reformasi	9m	PBB, Golkar, TNI/Polri vs Reformasi, PPP, PKB, PDIP
8d	PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP, Reformasi	9n	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP
8e	PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP, Reformasi	9o	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP
8f	PBB, Golkar, TNI/Polri vs PPP, PKB, PDIP, Reformasi	9p	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP
9a	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP	10	Reformasi, PBB vs PDIP, Golkar, PPP, PKB, TNI/Polri
9b	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP	11	Reformasi, PBB, PPP, PKB, Golkar, TNI/Polri vs PDIP
9c	Reformasi, PBB, Golkar, TNI/Polri vs PKB, PPP, PDIP	12	Reformasi, PBB, PPP, PKB, Gol, TNI/Polri, PDIP

Source: Author (2022)

Table 3 also shows a big political party on all political networks, except voting topics 2, 7, 10, and 12. Meanwhile, the president’s choice was transmitted into Golkar’s voting on each voting topic as the president was the chief of Golkar.

The regression test of political networks towards the parliament decision is in Table 4. It shows the significance of informal political networks of the member of parliament to affect their voting. The first model is significant statistically with an adjusted variable of 0.835 and has a positive coefficient of informal political networks. Statistical significance requires the sig. The value in Table 1 was smaller than the value 0.05. In the second model, which involves the controlling variables, the coefficient of an informal political network is statistically significant or sig. a value less than 0.05 and has a positive coefficient. Meanwhile, all coefficients of army/police, bureaucrat, lecturer, pure politician, and gender show positive signs but are not significant statistically or sig—value more than 0.05. The adjusted R square of the second model has a value of 0.821. This value means that the second model can elucidate 82.1 percent of the variation of regression.

**Table 4.** Regression Result of the Effect of Political Networks on the Voting of Political Parties in the Parliament

No.	Model	Unstandardized Coefficients		Sig.	Adjusted R Square
		B	Std. Error		
1	(Constant)	1.459	.027	.000	.835
	Political Networks	.513	.027	.000	
2	(Constant)	1.543	.138	.000	.821
	Political Networks	.513	.027	.000	
	Army/police	.031	.063	.543	
	Bureaucrat	.033	.063	.576	
	Lecturer	.027	.055	.645	
	Pure politician	.022	.047	.727	
	Gender	.029	.061	.615	

Source: Author (2022)

This study furthermore tests the effect of the president and big political parties’ pressures toward informal political networks through operationalizing the new independent variables which  $Z^{(prty\ align)} P^{(big\ prty)}$  and  $Z^{(prty\ align)} P^{(prsdnt\ choices)}$ . Table 5 explains the regression result of the effect of the pressure of the president and big political parties and political networks toward voting of political parties in the parliament. Model 1 explains the regression result of the pressure of big parties. The  $Z^{(prty\ align)} P^{(big\ prty)}$  coefficient was positive and significant statistically namely value of sig. less than 0.05 ( $0.041 < 0.05$ ). The adjusted R square of model 1 was 0.661. This value means that the first model can elucidate 66.1 percent of the variation of regression. Furthermore, model 2 explains the regression result of the pressure of president choice. The coefficient of  $Z^{(prty\ align)} P^{(prsdnt\ choices)}$  was positive and significant statistically namely value of sig. less than 0.05 ( $0.039 < 0.05$ ). The adjusted R square of model 1 was 0.431. This value means that the second model can elucidate 43.1 percent of variation of regression.

**Table 5.** Regression Results of the Effect of the Pressure of President and Big Political Parties and Political Networks Toward Voting of Political Parties in the Parliament

Coefficients		Model			
		1		2	
		Constant	Political Networks Big Party Pressure	Constant	Political Networks President Pressure
Unstandardized Coefficients	B	1.374	.380	1.275	.323
	Std. Error	.221	.131	.214	.129
	Sig.	.000	.041	.000	.039
	Adjusted R Square	.661		.431	

Source: Author (2022)



This regression result means that model 1 of informal political networks with big political parties' pressure and model 2 of informal political networks with the president's choice as the pressure escalates the possibility of political parties in the parliament to decide by referring to their informal political networks.

### 3.2. Discussion

The results of the analysis in this study show that informal political networks and the pressure of the president's choice, and the pressure of big political parties in the parliament significantly influence votes of a member of parliament in deciding the constitution amendment of decentralization article in parliament meetings from 1999 to 2000. The voting topics have shaped current Indonesian decentralization. Voting topic one has become the milestone to change the existing centralization. The expansion possibility to the number of districts, cities, and provinces is very open; thus, Indonesia has 34 provinces, 416 districts, and 98 cities. Voting topics 2, 6, 7, and 11 ensures that Indonesia has two levels of decentralization, namely in province level and district or city level. The relationship of the national and local level is regulated to ensure the local government has the budget to conduct its governance. Therefore, the local government law regulates that local government receives general allocation fund (DAU) to fund general local government programs, special allocation fund (DAK) to fund special local government programs based on national priority, and result-shared budget (DBH) for the local government which has big economy values contributing to the national economy.

Voting topic three has kept the existence of accountability in the local government as the local council supervises it. Voting topic 4 preserves Indonesian democracy at the local level, in which the local head is elected. But who will elect the local head is not regulated specifically, so before 2004, the local head is elected by the local council. After 2004 the local head is elected by the people. Voting topics 8, 9, and 10 have shaped the dynamics of government affairs, which the local and national governments can manage. The affairs classifications of the local and national government, which are not detailed in the constitution amendment, have provided big space for the government to conduct a change based on the existing development to ensure decentralization effectiveness. For instance, district or city affairs on the issuance of mining licenses and the management of the senior high school are transferred to the province affairs. Finally, voting topic 12 ensures that the state acknowledges the local Indonesian diversity. This is reflected in the national regulation on the special region of Yogyakarta and special national regulation for Aceh and Papua. An additional budget follows these national regulations to fund the particular programs.

Before 1999–2000, the decentralization article is in chapter VI, article 18. This article states that the division of Indonesia's regions into large and small regions, with the form of government structure determined by law, by considering and remembering the basis of deliberation in the State Government system and the rights of origin in particular regions. Therefore, this decentralization article impacts on centralization heavy instead of decentralization heavy.

The constitution amendment of the decentralization article in 1999–2000 changed the old decentralization article into the new concept of decentralization. The decentralization article in the constitution amendment is in chapter IV, consisting of articles 18, 18A, and 18B. Article 18 arranges the general provisions of Indonesian decentralization. It states that Indonesia is divided into local governments of provinces and regencies or cities with having a government. Those local governments manage their area and public interest. In order to ensure democracy in local government, provinces and regencies or cities have a local council. Head of province and regency or city and local council will be elected democratically. The local government can create local regulations in managing local management and public interest.

Furthermore, article 18A regulates the arrangement of local authority and the sources of the local budget. It states that the relationship of authority between the central government and provincial, region, and city governments, or between provinces, regencies, and cities, is regulated by law with due observance of the specificities and diversity of the regions. Therefore, financial relations, public services, utilization of natural resources, and other resources between the central government and regional governments are regulated and implemented fairly and in harmony based on the law.

In addition, article 18B regulates state recognition of the special local government and special customary society. The state recognizes and respects special or special regional government units regulated by law. The state recognizes and respects customary law community units and their traditional rights as long as they are still alive and under community development and the principles of the Unitary State of the Republic of Indonesia.

Those decentralization articles impact decentralization heavily in Indonesia rather than centralization, which results in several positive impacts. There are at least three pieces of evidence that have this study results in this regard has confirmed. [Aspinall et al. \(2021\)](#) show that democracy in the Indonesian local government has grown similarly. Evidence from [Siburian \(2020, p. 1383\)](#) illustrates that the income gap in the Indonesian local government has been reduced by decentralization. Finally, evidence from [Lewis et al. \(2020\)](#) points out that political competition in local government has had an impact on better public service.

The analysis results complement the existing studies on Indonesia's decentralization. First, the positive performance of Indonesian decentralization, which is shown by [Ostwald et al. \(2016\)](#), such as governance quality, public service quality, local election, and economic development, are a direct impact of the constitution amendment in 1999-2000 which created decentralization article. Second, this study confirms that members of parliament dominate the process. Processes of the Indonesian constitutional reform is through gradualist ([Horowitz, 2012, p. 12](#)), minimally consulted ([Dressel & Bünte, 2014, p. 8](#)), and controlled by members of parliament ([Dressel & Bünte, 2014, p. 9](#); [Horowitz, 2012, p. 13](#); [Indrayana, 2005, p. 79](#)).

The constitution amendment of the decentralization article ensures the existence of principles of good governance (accountability, transparency, effectiveness, and the rule of law) at local state institutions ([Kyriacou & Roca-Sagalés, 2021, p. 208](#)). Models of governing have transformed into a polycentric system, where actors are involved in the process of local decision-making ([Rządca & Strumińska-Kutra, 2016, p. 916](#)). This change is signed by the concept of governance turn ([Dobson, 2020, p. 583](#)) or the shift from the concept of government to governance ([Barnett, 2020, p. 604](#)). This shift means that the local government needs more networks and markets roles rather than hierarchy and state ([Fan et al., 2018, p. 670](#)).

#### 4. Conclusion

This study has shown empirical statistical evidence that informal political networks have roles in shaping the voting patterns of members of parliament in the constitution amendment of decentralization article. Moreover, based on a second statistical test of the new independent variables of political networks, namely pressures (big political parties domination and presidents choice) on the informal political networks within 32 meetings between 1999 and 2000, this study illustrates empirical statistical evidence that pressures from big political parties and president's choice have a significant and positive effect through the political networks on the voting patterns of members of parliament in the constitution amendment of decentralization article.

Statistical findings in this study have significance in the theoretical context of Indonesian decentralization and local government. Analysis of this study has illustrated how formality and informality can work simultaneously to produce

outcomes within "ineffective-established formal state institutions. The decentralization article amendment occurred in the state's transition era from the authoritarian era (pre-1998) to the democratic era (post-1999), so it impacts the current performance of Indonesia's decentralization.

Statistical findings in this study have complemented the existing studies on Indonesian decentralization by providing empirical evidence on to what extent do informal political networks shape the content of decentralization article in the constitution amendment 1999–2002, and how many external pressures have an effect on the informal networks within constitution amendment of the decentralization article which are never answered empirically.

In addition, this study provides new knowledge on the literature of informality in Indonesia by providing statistical, empirical evidence that informality does exist in the constitution amendment of decentralization article, which impacts the existing performance of Indonesian decentralization. Other areas of informality existence are in the context of economic development of the policy of land transformation in Jakarta, rural planning in Indonesia, discrimination ways to Ahmadiyah people, and state-citizenship relations.

Furthermore, this study suggests the next research agenda on decentralization and political informality. First, the next research needs to seek insight from comparative area studies between Indonesia and the countries in the Southeast Asia Region, such as the Philippines and Thailand, concerning the decentralization and political informality, in which this research agenda is really crucial for the future of democracy development in the region and each country. It also needs to address whether informal political networks work within each country's constitution amendment on the decentralization article, if so, what patterns exist in each country, how each pattern differs, and whether it impacts the negative results.

In the comparative area studies, the second research agenda needs to involve the wider political informal networks off and on formal discussions of members of parliament such as patronage, clientelism, sociocultural orientation, ideational networks, and friendship orientation (Dressel, 2018). Finally, based on the empirical statistical evidence, these findings are expected would be insightful knowledge to learn the behavior of politicians in the topics of decentralization and constitutional reform.

#### Acknowledgment

The author would like to express his gratitude to the two anonymous reviewers for their useful criticism of the earlier draft of this article.

#### References

- Adlin. (2021). Waste Management System in Pekanbaru City: City Government Capability, Issues, and Policy Alternatives. *Jurnal Bina Praja*, 13(3), 395–406. <https://doi.org/10.21787/jbp.13.2021.395-406>
- Amin, R. M., Febrina, R., & Wicaksono, B. (2021). Handling COVID-19 from a Collaborative Governance Perspective in Pekanbaru City. *Jurnal Bina Praja*, 13(1), 1–13. <https://doi.org/10.21787/jbp.13.2021.1-13>
- Aspinall, E., White, S., & Savirani, A. (2021). Women's Political Representation in Indonesia: Who Wins and How? *Journal of Current Southeast Asian Affairs*, 40(1), 3–27. <https://doi.org/10.1177/1868103421989720>
- Barnett, N. (2020). English local government and the local trap. *Local Government Studies*, 46(4), 604–621. <https://doi.org/10.1080/03003930.2020.1761336>
- Berenschot, W., & van Klinken, G. (2018). Informality and citizenship: the everyday state in Indonesia. *Citizenship Studies*, 22(2), 95–111. <https://doi.org/10.1080/13621025.2018.1445494>
- Boettke, P. J., & Thompson, H. A. (2019). Identity and off-diagonals: how permanent winning coalitions destroy democratic governance. *Public Choice*. <https://doi.org/10.1007/s11127-019-00683-7>
- BPS. (2022). *Human Development Index and the Poors in Indonesia*.
- Bunnell, T., & Ann Miller, M. (2011). Jakarta in Post-Suharto Indonesia: Decentralisation, Neo-liberalism and Global City Aspiration. *Space and Polity*, 15(1), 35–48. <https://doi.org/10.1080/13562576.2011.567899>
- Butt, S., & Lindsey, T. (2012). *The Constitution of Indonesia: A Contextual Analysis*. Bloomsbury Publishing.
- CNN Indonesia. (2021, February 25). *Jakarta Kota Pertama di Asean Raih Penghargaan Transportasi*. CNN Indonesia. <https://www.cnnindonesia.com/nasional/20210225182347-20-610985/jakarta-kota-pertama-di-asean-raih-penghargaan-transportasi>

- Cowton, C. J. (2009). Accounting and the ethics challenge: Re-membering the professional body. *Accounting and Business Research*, 39(3), 177–189. <https://doi.org/10.1080/00014788.2009.9663359>
- Dobson, R. (2020). Local government and practice ontologies: agency, resistance and sector speaks in homelessness services. *Local Government Studies*, 46(4), 583–603. <https://doi.org/10.1080/03003930.2020.1729748>
- Dressel, B. (2018). The Informal Dimension of Constitutional Politics in Asia. In *Constitutional Courts in Asia* (pp. 60–86). Cambridge University Press. <https://doi.org/10.1017/9781108163903.004>
- Dressel, B., & Bunte, M. (2014). Constitutional Politics in Southeast Asia: From Contestation to Constitutionalism? *Contemporary Southeast Asia*, 36(1), 1–22. <https://doi.org/10.1355/cs36-1a>
- Dressel, B., Sanchez-Urribarri, R., & Stroh, A. (2018). Courts and informal networks: Towards a relational perspective on judicial politics outside Western democracies. *International Political Science Review*, 39(5), 573–584. <https://doi.org/10.1177/0192512118807065>
- Essa, W. Y., Nurfirdanti, E., & Ruhjana, N. F. (2021). Strategies for Handling Stunting in Bandung City. *Jurnal Bina Praja*, 13(1), 15–28. <https://doi.org/10.21787/jbp.13.2021.15-28>
- Fan, Y., Wu, Y., Wu, A. M., & Wang, W. (2018). Decentralised governance and empowerment of county governments in China: betting on the weak or the strong? *Local Government Studies*, 44(5), 670–696. <https://doi.org/10.1080/03003930.2018.1473766>
- Gerschewski, J. (2021). Explanations of Institutional Change: Reflecting on a “Missing Diagonal.” *American Political Science Review*, 115(1), 218–233. <https://doi.org/10.1017/S0003055420000751>
- Hall, P. A., & Taylor, R. C. R. (1996). Political Science and the Three New Institutionalisms. *Political Studies*, 44(5), 936–957. <https://doi.org/10.1111/j.1467-9248.1996.tb00343.x>
- Herlambang, S., Leitner, H., Tjung, L. J., Sheppard, E., & Anguelov, D. (2019). Jakarta’s great land transformation: Hybrid neoliberalisation and informality. *Urban Studies*, 56(4), 627–648. <https://doi.org/10.1177/0042098018756556>
- Herlina, M., Sipahutar, H., Wardani, D. K., Sulistyono, D., & Pribadi, M. A. (2021). Regional Government Service Innovation Model in Disaster Mitigation. *Jurnal Bina Praja*, 13(3), 383–394. <https://doi.org/10.21787/jbp.13.2021.383-394>
- Hindmoor, A., & Taylor, B. (2004). *Rational Choice*. Bloomsbury Publishing.
- Horowitz, D. L. (2012). *Constitutional Change and Democracy in Indonesia*. Cambridge University Press. <https://doi.org/10.1017/CBO9781139225724>
- Indrayana, D. (2005). *Indonesian Constitutional Reform 1999-2002: An Evaluation of Constitution-making in Transition* [The University of Melbourne]. <http://hdl.handle.net/11343/36919>
- Ingram, M. C. (2016). Networked Justice: Judges, the Diffusion of Ideas, and Legal Reform Movements in Mexico. *Journal of Latin American Studies*, 48(4), 739–768. <https://doi.org/10.1017/S0022216X16001486>
- Intentilia, A. A. M., & Surya Putra, A. A. B. N. A. (2021). From Local to Global: Examining Sister City Cooperation as Paradiplomacy Practice in Denpasar City, Bali, Indonesia. *Jurnal Bina Praja*, 13(2), 357–367. <https://doi.org/10.21787/jbp.13.2021.357-367>
- Kaufmann, W., Hooghiemstra, R., & Feeney, M. K. (2018). Formal institutions, informal institutions, and red tape: A comparative study. *Public Administration*, 96(2), 386–403. <https://doi.org/10.1111/padm.12397>
- Kompas.com. (2021, October 26). *Pemkot Surabaya Sabet Dua Penghargaan Lingkungan Tingkat Nasional dan ASEAN dalam Sepekan*. Kompas.com. <https://biz.kompas.com/read/2021/10/26/131257628/pemkot-surabaya-sabet-dua-penghargaan-lingkungan-tingkat-nasional-dan-asean>
- Kyriacou, A. P., & Roca-Sagalés, O. (2021). Does decentralising public procurement affect the quality of governance? Evidence from local government in Europe. *Local Government Studies*, 47(2), 208–233. <https://doi.org/10.1080/03003930.2020.1729749>
- Lewis, B. D., Nguyen, H. T. M., & Hendrawan, A. (2020). Political accountability and public service delivery in decentralized Indonesia: Incumbency advantage and the performance of second term mayors. *European Journal of Political Economy*, 64, 101910. <https://doi.org/10.1016/j.ejpoleco.2020.101910>
- Llanos, M., Tibi Weber, C., Heyl, C., & Stroh, A. (2016). Informal interference in the judiciary in new democracies: a comparison of six African and Latin American cases. *Democratization*, 23(7), 1236–1253. <https://doi.org/10.1080/13510347.2015.1081170>
- Mahkamah Konstitusi Republik Indonesia. (2010). *Naskah Komprehensif Perubahan Undang-Undang Dasar Negara Republik Indonesia Tahun 1945*. Mahkamah Konstitusi Republik Indonesia.
- Naibaho, M. (2021). Regional Innovation Policy in Encouraging Regional Competitiveness in South Tangerang City. *Jurnal Bina Praja*, 13(2), 269–279. <https://doi.org/10.21787/jbp.13.2021.269-279>
- Ostwald, K., Tajima, Y., & Samphantharak, K. (2016). Indonesia’s Decentralization Experiment: Motivations, Successes, and Unintended Consequences. *Journal of Southeast Asian Economies (JSEAE)*, 33(2), 139–156. <https://muse.jhu.edu/article/628362>
- Roziqin, A., Retnandari, N., Fajrina, A., Sihidi, I., & Kamil, M. (2021). The Local Government and Creative Industry: Experience from Batik Tulis Lasem Industries. *Jurnal Bina Praja*, 13(3), 419–429. <https://doi.org/10.21787/jbp.13.2021.419-429>
- Rządca, R., & Strumińska-Kutra, M. (2016). Local governance and learning: in search of a conceptual framework. *Local Government Studies*, 42(6), 916–937. <https://doi.org/10.1080/03003930.2016.1223632>
- Sekretariat Negara Republik Indonesia. (2009). *Kumpulan Risalah Perubahan Undang-Undang Dasar Negara Republik Indonesia Tahun 1945 Bidang Legislatif*. Sekretariat Negara Republik Indonesia.

- Siburian, M. E. (2020). Fiscal decentralization and regional income inequality: evidence from Indonesia. *Applied Economics Letters*, 27(17), 1383–1386. <https://doi.org/10.1080/13504851.2019.1683139>
- Sihombing, U. (2021). Competence Development Planning of Human Resources with International Tourism Standards for Improving the Welfare of the Badung Regency Community. *Jurnal Bina Praja*, 13(3), 459–470. <https://doi.org/10.21787/jbp.13.2021.459-470>
- Soedirgo, J. (2018). Informal networks and religious intolerance: how clientelism incentivizes the discrimination of the Ahmadiyah in Indonesia. *Citizenship Studies*, 22(2), 191–207. <https://doi.org/10.1080/13621025.2018.1445490>
- Sudrajat, A., & Andhika, L. (2021). Empirical Evidence Governance Innovation in Public Service. *Jurnal Bina Praja*, 13(3), 407–417. <https://doi.org/10.21787/jbp.13.2021.407-417>
- Taufiq, M., Suhirman, & Kombaitan, B. (2021). A Reflection on Transactive Planning: Transfer of Planning Knowledge in Local Community-Level Deliberation. *SAGE Open*, 11(2), 215824402110227. <https://doi.org/10.1177/21582440211022739>
- Thompson, E. C. (1999). *Indonesia in Transition: The 1999 Presidential Elections*.
- Trochev, A. (2018). Patronal politics, judicial networks and collective judicial autonomy in post-Soviet Ukraine. *International Political Science Review*, 39(5), 662–678. <https://doi.org/10.1177/0192512118802943>
- Wulandari, S. N., & Afriyanni, A. (2021). Tourism Development Policy and Their Impact on the Regional Economy in the Riau Islands Province. *Jurnal Bina Praja*, 13(2), 293–305. <https://doi.org/10.21787/jbp.13.2021.293-305>