

Legal Politics of Decentralization and the Challenges of Local Democracy in Indonesia

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Abstract: Decentralization constitutes a central legal-political strategy in Indonesia's constitutional framework, aimed at redistributing governmental authority from the central government to regional governments in order to enhance public service delivery, governance effectiveness, and the quality of local democracy. As a unitary state, Indonesia adopts decentralization not merely as an administrative arrangement but as a constitutional mandate embedded in Article 18 of the 1945 Constitution, further operationalized through various laws on regional governance. This study examines the legal politics of decentralization in Indonesia and analyzes the challenges it poses to the realization of substantive local democracy. Employing a normative juridical research method, this study uses statutory and conceptual approaches to analyze constitutional provisions, laws on regional government, and relevant legal doctrines. The findings indicate that while decentralization has opened broader opportunities for local autonomy, political participation, and policy innovation, its implementation has also generated significant democratic challenges at the local level. These challenges include the consolidation of local oligarchies, the persistence of political dynasties, corruption, weak institutional capacity, and limited meaningful public participation. In many regions, decentralization has resulted in a shift of power from central elites to local elites rather than genuine empowerment of citizens. This condition reveals a normative-empirical gap between the objectives of decentralization and the realities of local democratic practices. The study argues that the effectiveness of decentralization in strengthening local democracy depends on consistent legal-political orientation, strengthened oversight mechanisms, institutional capacity building at the regional level, and the enhancement of civic participation and political literacy. Without these measures, decentralization risks functioning merely as an administrative transfer of authority rather than as an instrument for deepening democracy and achieving social justice.

Keywords : Legal Politics; Decentralization; Local Democracy; Regional Governance; Indonesia.

1. Introduction

Decentralization has become a prominent legal and political paradigm in contemporary governance, particularly in states seeking to balance governmental effectiveness, democratic accountability, and socio-economic development. As a legal-political policy, decentralization refers to the transfer of authority, responsibilities, and resources from the central government to subnational or local governments, enabling them to manage public affairs in accordance with local needs and conditions. In democratic systems, decentralization is often regarded as an institutional mechanism to strengthen local democracy by promoting public participation, accountability, and responsiveness in governance. Consequently, decentralization is not merely an administrative arrangement, but a constitutional and political strategy aimed at realizing democratic governance and social justice.

In the context of a unitary state, decentralization presents a complex legal and political challenge. Unlike federal systems, where autonomy is constitutionally entrenched at multiple levels of government, unitary states must carefully design decentralization policies to ensure that local autonomy does not undermine national unity and state sovereignty. Indonesia represents a significant example of this tension. As a unitary state, Indonesia constitutionally mandates decentralization through Article 18 of the 1945 Constitution, which recognizes and respects autonomous regional governments. This constitutional foundation positions decentralization as an integral part of Indonesia's legal and political system rather than as a discretionary policy choice.

The legal politics of decentralization in Indonesia cannot be separated from its historical and political trajectory. During the New Order era, governance was characterized by strong centralization, with regional governments functioning largely as extensions of central authority. This centralized model resulted in limited local participation, weak regional accountability, and the marginalization of local

aspirations. Regional governments were often treated as objects rather than subjects of development, leading to persistent inequalities and tensions between the center and the regions. The collapse of the New Order regime in 1998 marked a critical turning point, initiating a fundamental shift in Indonesia's legal-political orientation from centralization toward decentralization.

The post-Reformasi period introduced a series of laws on regional governance that significantly expanded regional autonomy. Decentralization was promoted as a solution to various structural problems, including inefficiency in public service delivery, uneven development, and democratic deficits at the local level. Through decentralization, regional governments were expected to become more responsive to citizens, improve administrative effectiveness, and foster democratic participation through local decision-making processes, including direct local elections. In this sense, decentralization was conceptualized as both a governance reform and a democratic project.

Normatively, Indonesia's decentralization framework is reinforced by constitutional provisions beyond Article 18, including Articles 18A and 18B of the 1945 Constitution, which regulate the division of authority between the central and regional governments and recognize special and asymmetrical arrangements for certain regions. This constitutional recognition of asymmetrical decentralization reflects Indonesia's socio-political diversity and its efforts to accommodate historical, cultural, and political particularities in regions such as Aceh, Papua, Yogyakarta, and Jakarta. Asymmetrical decentralization thus represents an important dimension of Indonesia's legal politics, illustrating how decentralization is tailored to address local complexities while maintaining national cohesion.

Despite its strong normative foundation, the implementation of decentralization in Indonesia has produced mixed outcomes, particularly in relation to local democracy. While decentralization has expanded political space at the local level, it has not always resulted in substantive democratic governance. In many regions, the transfer of authority has been accompanied by the concentration of power among local elites rather than by the empowerment of citizens. The emergence of local oligarchies, political dynasties, and patron-client networks has raised concerns that decentralization may merely shift power from national elites to local elites without enhancing democratic accountability.

Local elections, which are intended to serve as instruments of democratic participation, often illustrate this paradox. Although procedurally democratic, local elections in Indonesia are frequently characterized by money politics, identity-based mobilization, and elite domination. These practices undermine fair political competition and weaken the substantive quality of democracy. As a result, democratic processes at the local level tend to function formally while failing to deliver meaningful representation, equality, and public accountability.

Another significant challenge lies in the uneven institutional capacity of regional governments. Decentralization presupposes that local governments possess adequate administrative competence, human resources, and institutional integrity to manage public affairs effectively. However, disparities in capacity across regions have resulted in inconsistent governance performance. In some regions, limited bureaucratic professionalism, weak regulatory frameworks, and inadequate oversight mechanisms have created conditions conducive to corruption and abuse of power. These governance deficiencies further erode public trust and limit the democratic potential of decentralization.

Public participation, which is central to the concept of local democracy, also remains constrained. Although formal mechanisms for participation exist—such as elections, local councils, and participatory development planning forums—citizen engagement often remains symbolic rather than substantive. Low levels of political literacy, limited access to information, and entrenched paternalistic political cultures restrict citizens' ability to meaningfully influence local governance. Consequently, decentralization has not fully succeeded in fostering an active and critical local civil society capable of holding regional authorities accountable.

These empirical realities reveal a significant gap between the normative objectives of decentralization and its practical outcomes. While decentralization is constitutionally framed as a means to strengthen democracy and improve governance, its implementation has frequently produced unintended consequences that challenge democratic consolidation at the local level. This gap underscores the importance of examining decentralization not only as a policy of governance reform but also as a manifestation of legal politics—that is, as the outcome of political choices embedded in legal norms, institutional designs, and power relations.

Existing studies on decentralization in Indonesia have largely focused on administrative efficiency, fiscal decentralization, or electoral dynamics. However, fewer studies explicitly analyze decentralization through the lens of legal politics while simultaneously examining its implications for local democracy. This study seeks to address that gap by analyzing the legal-political foundations of decentralization in Indonesia and critically assessing the challenges it poses to the realization of substantive local democracy.

Accordingly, this research aims to answer two central questions: first, how is the legal politics of decentralization constructed within Indonesia's constitutional and statutory framework; and second, what challenges does decentralization present for the development of substantive local democracy? By employing a normative juridical approach with statutory and conceptual analyses, this study contributes to a deeper understanding of decentralization as a dynamic legal-political process. The findings are expected to offer theoretical insights into the relationship between decentralization and democracy in unitary states, as well as practical implications for strengthening democratic governance at the local level in Indonesia.

2. Research Methodology

This study employs a **normative juridical research method**, focusing on the analysis of legal norms and legal doctrines governing decentralization and local democracy in Indonesia. Normative juridical research is appropriate for examining the legal politics of decentralization because it emphasizes the study of law as a normative system that reflects political choices, constitutional values, and state objectives embedded in legal instruments.

Research Approach

The research applies two main approaches: **the statutory approach** and **the conceptual approach**. The statutory approach is used to analyze constitutional provisions and legislation related to decentralization and regional governance, particularly the 1945 Constitution of the Republic of Indonesia (Articles 18, 18A, and 18B), Law Number 23 of 2014 on Regional Government, Law Number 30 of 2014 on Government Administration, and other relevant laws regulating local democracy and regional autonomy. This approach allows for a systematic examination of the legal framework that shapes the distribution of authority between the central and regional governments.

The conceptual approach is employed to examine legal doctrines, theories, and scholarly concepts related to legal politics, decentralization, democracy, and governance. This approach draws upon the views of constitutional law scholars, political theorists, and public law experts to clarify key concepts such as legal politics, decentralization, local democracy, oligarchy, and accountability. Through this approach, decentralization is analyzed not merely as a technical administrative policy, but as a political-legal instrument influenced by power relations and ideological orientations.

Sources of Legal Materials

The study utilizes **three types of legal materials**. First, **primary legal materials**, consisting of constitutional norms, statutes, and official legal documents related to decentralization and regional

governance. Second, **secondary legal materials**, including academic books, peer-reviewed journal articles, legal commentaries, and research reports that discuss decentralization, democratic governance, and local political dynamics in Indonesia. Third, **tertiary legal materials**, such as legal dictionaries, encyclopedias, and explanatory materials, which support the interpretation of legal terms and concepts.

Data Collection and Analysis

Legal materials are collected through library research and document analysis. The collected materials are then analyzed qualitatively using **prescriptive and analytical techniques**. Prescriptive analysis is used to assess how decentralization *should* function normatively within a democratic constitutional framework, while analytical analysis is employed to identify inconsistencies, gaps, and challenges in the implementation of decentralization in practice. The analysis is conducted by systematically interpreting legal norms, comparing them with democratic principles and theoretical frameworks, and contextualizing them within Indonesia's political and institutional realities. This method enables the identification of the normative-empirical gap between the legal objectives of decentralization and the actual conditions of local democracy.

Research Scope and Limitations

This research is limited to the examination of decentralization and local democracy within the Indonesian legal system and does not involve empirical fieldwork or quantitative data analysis. Nevertheless, the normative juridical approach provides a strong analytical foundation for understanding decentralization as a legal-political process and for formulating recommendations aimed at strengthening democratic governance at the local level.

3. Results and Discussion

3.1 Research Results

The results of this study demonstrate that decentralization in Indonesia is fundamentally shaped by a legal-political framework that combines constitutional mandates, statutory regulation, and political objectives aimed at strengthening regional autonomy and local democracy. Normatively, the legal politics of decentralization is grounded in the 1945 Constitution of the Republic of Indonesia, particularly Articles 18, 18A, and 18B, which provide the constitutional basis for regional autonomy, the division of authority between the central and regional governments, and the recognition of special and asymmetrical forms of decentralization. The analysis of statutory regulations shows that Indonesia adopts a **dual model of decentralization**, consisting of symmetrical decentralization applicable to most regions and asymmetrical decentralization granted to specific regions based on historical, political, and sociocultural considerations. Regions such as the Special Region of Yogyakarta, Aceh, Papua, and Jakarta are constitutionally and statutorily recognized as having special or specific autonomous arrangements. This legal design reflects the state's political choice to maintain national unity while accommodating regional diversity within a unitary state structure.

The post-1998 Reform era marks a significant shift in Indonesia's legal-political orientation toward decentralization. The enactment and subsequent revisions of laws on regional government, culminating in Law Number 23 of 2014 on Regional Government, illustrate the state's commitment to devolving authority to regional governments. This legal framework reallocates governmental functions, fiscal authority, and administrative responsibilities to local governments, with the stated objectives of improving public service delivery, increasing administrative efficiency, and strengthening democratic governance at the local level. Empirically, the implementation of decentralization has produced **diverse and uneven outcomes**. On the one hand, decentralization has enabled regional governments to exercise greater discretion in managing local affairs, developing region-specific policies, and utilizing

local resources. Several regions have demonstrated policy innovation and improved responsiveness to local needs. On the other hand, the transfer of authority has not always been accompanied by adequate institutional capacity, effective oversight mechanisms, or strong democratic accountability.

The findings indicate that decentralization has often resulted in the **concentration of power at the local level**, rather than the dispersion of power among citizens. Local political elites, supported by patronage networks and political parties, frequently dominate regional political processes. Direct local elections (pilkada), which are designed to function as instruments of democratic participation, have in many cases reinforced elite domination through money politics, political dynasties, and transactional politics. Furthermore, the study finds that institutional weaknesses at the regional level—such as limited bureaucratic professionalism, uneven human resource capacity, and weak regulatory enforcement—have contributed to governance problems, including corruption and abuse of authority. These conditions reveal a clear **normative–empirical gap** between the constitutional objectives of decentralization and the realities of local democratic practices. Overall, the research results confirm that while decentralization in Indonesia is normatively designed as a legal-political instrument to strengthen democracy and regional autonomy, its implementation remains constrained by structural, institutional, and political challenges that undermine the realization of substantive local democracy.

3.2 Discussion

The findings of this study highlight that decentralization in Indonesia must be understood not merely as an administrative reform, but as a **legal-political process** deeply influenced by power relations, institutional design, and political culture. The constitutional and statutory commitment to decentralization reflects a progressive legal vision aimed at democratizing governance and bringing decision-making closer to the people. However, the effectiveness of this vision depends on how decentralization operates in practice. From the perspective of legal politics, decentralization represents a state policy choice that embeds political interests into legal norms. While the legal framework emphasizes autonomy, participation, and accountability, the political dynamics at the local level often reshape these norms in ways that deviate from their original democratic intent. The emergence of local oligarchies and political dynasties illustrates how decentralization can be co-opted by entrenched elites, transforming local democracy into a procedural formality rather than a substantive mechanism of popular sovereignty.

This phenomenon aligns with broader theoretical debates on decentralization in unitary states, which suggest that decentralization does not automatically lead to democratic deepening. Instead, decentralization may facilitate elite capture when institutional safeguards, civic participation, and accountability mechanisms are weak. In the Indonesian context, the persistence of patron–client relationships, money politics, and identity-based mobilization has limited the democratic potential of local elections and regional governance.

Another critical issue revealed by this study is the uneven capacity of regional institutions. Decentralization presupposes that local governments possess sufficient administrative competence and integrity to manage devolved authority. However, disparities in institutional capacity across regions have resulted in unequal governance performance and public service delivery. This condition not only undermines democratic accountability but also risks exacerbating regional inequality, which contradicts the constitutional objectives of social justice and equitable development. Public participation, which is central to the concept of local democracy, also remains largely symbolic. Although legal mechanisms for participation exist—such as elections, regional representative councils, and participatory development planning forums—citizen engagement is often limited by low political literacy, restricted access to information, and paternalistic political culture. Consequently,

decentralization has not yet succeeded in fostering a strong local civil society capable of exercising effective oversight over regional authorities.

The discussion further indicates that the challenges of local democracy in Indonesia cannot be resolved solely through legal reform. While harmonizing regulations and clarifying the division of authority between the central and regional governments are necessary, these measures must be complemented by broader political and institutional reforms. Strengthening oversight institutions, enhancing bureaucratic professionalism, and promoting political education are essential to ensure that decentralization functions as a genuine instrument of democratic governance. In this regard, decentralization should be reoriented toward a **substantive democratic framework**, where the transfer of authority is accompanied by robust accountability, transparency, and meaningful public participation. Without such reorientation, decentralization risks becoming merely a redistribution of power among elites rather than a mechanism for empowering citizens and realizing constitutional ideals.

Thus, the legal politics of decentralization in Indonesia must be continuously evaluated and refined to address the gap between normative aspirations and empirical realities. Only through consistent legal-political commitment, institutional strengthening, and active civic engagement can decentralization contribute effectively to the consolidation of local democracy and the achievement of social justice within Indonesia's constitutional order.

4. Conclusion

4.1 Conclusion

This study concludes that decentralization in Indonesia is a constitutional and legal-political strategy designed to democratize governance, enhance regional autonomy, and improve the quality of public services within a unitary state framework. Normatively, the legal politics of decentralization is firmly grounded in the 1945 Constitution, particularly Articles 18, 18A, and 18B, which provide legitimacy for both symmetrical and asymmetrical decentralization models. These provisions reflect the state's intention to balance national unity with regional diversity. Nevertheless, the empirical reality of decentralization reveals a persistent gap between constitutional ideals and local democratic practices. While decentralization has expanded formal authority at the regional level, it has not consistently produced substantive local democracy. Instead, the strengthening of local elites, political dynasties, money politics, and weak accountability mechanisms has limited the realization of democratic values such as participation, transparency, and equality. This condition indicates that decentralization, in the absence of strong institutional safeguards, may lead to the re-centralization of power at the local level rather than its diffusion to citizens.

Furthermore, disparities in institutional capacity and human resources among regional governments have contributed to uneven governance performance and public service delivery. Limited political literacy and restricted civic engagement further weaken social control over local authorities, reinforcing the procedural nature of local democracy. These findings affirm that decentralization is not inherently democratic, but rather contingent upon the interaction between legal norms, political structures, and societal participation.

4.2 Implications for Legal Politics and Local Democracy

The findings of this study carry important implications for the development of legal politics and democratic governance in Indonesia. First, decentralization must be repositioned as a legal-political instrument that prioritizes democratic substance rather than merely administrative efficiency. This requires greater coherence and harmonization of regulations governing the division of authority between central and regional governments, particularly in relation to supervision and accountability mechanisms. Second, strengthening local democratic institutions is essential to prevent elite capture and oligarchic domination. Electoral systems, political parties, and representative institutions at the local level must be reinforced to ensure fair competition and genuine representation of public interests.

Without such institutional reinforcement, decentralization risks becoming a vehicle for consolidating elite power rather than empowering local communities.

Third, the enhancement of bureaucratic capacity and professionalism at the regional level is a critical prerequisite for democratic decentralization. Effective governance depends on competent, transparent, and accountable public administration capable of translating legal mandates into responsive public policies.

4.3 Policy Recommendations

Based on the conclusions above, this study proposes several policy recommendations. First, the central government should strengthen the regulatory framework of decentralization by clarifying the distribution of authority and improving coordination between levels of government. A more integrated oversight system is necessary to minimize regulatory fragmentation and prevent abuse of power at the local level. Second, continuous investment in human resource development and institutional capacity building for regional governments should be prioritized. Training programs, merit-based recruitment, and performance evaluation systems are crucial to improving governance quality and democratic accountability. Third, mechanisms for public participation and civic oversight must be expanded and institutionalized. Political education, access to information, and community-based monitoring can enhance citizens' ability to engage meaningfully in local democratic processes, thereby strengthening social control over regional authorities.

4.4 Limitations and Future Research Directions

This study is primarily based on a normative juridical approach, focusing on constitutional provisions, statutory regulations, and legal doctrines. As a result, it does not provide an in-depth empirical assessment of decentralization practices at the regional level. Future research should incorporate empirical and comparative methodologies to examine how decentralization affects democratic quality across different regions and governance contexts. Further studies may also explore the role of digital governance, civil society organizations, and political party reform in strengthening local democracy under decentralized systems. Such research would enrich the understanding of decentralization as a dynamic legal-political process and contribute to the development of more effective and democratic governance models.

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