

## EFFECTIVENESS AND DILEMMA OF LOCAL BUREAUCRACY CREATION

**M.R. Khairul Muluk**

Department of Public Administration, University of Brawijaya, Malang, Indonesia

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### ABSTRACT

Central and local government relations are always characterized by two main approaches: the first is governmental efficiency and effectiveness approach which concerns on central government interest and the second is the democratic approach which strengthens the local government position. Dilemma for local government is how to balance between local government effectiveness and local democracy. The risk faced by local government is the possibility considered against the central government. This study is related to the local bureaucracy effectiveness considerations that bring local government faces a dilemma of central and local relationships. The results of this study reinforce the development of the third approach that combines administrative and political interests in the central and local government relations.

**KEY WORDS:** local bureaucracy, local government, organizational effectiveness, central and local government relations.

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### INTRODUCTION

Reform in the late 1990s in Indonesia has brought significant changes, i.e. more powerful decentralization. The change comes to a very strong local autonomy indicated by the more autonomous authority, the broader functions, and the stronger administrative resources than the previous one. Local authority and affairs are organized through the institution of local bureaucracy (LB) which is formed in accordance with the local interests and needs. As a result, each local government sets LB according to local choice and voice, and further leads to the more dominant local political interests than the administrative feasibility. This situation does precisely not encourage sound government and it affects maladministration in local government which led to the decline of the community welfare. To overcome such problems the Indonesian government issued a government regulation Number 41 Years 2007 (41/2007) on Local Bureaucracy in order to standardize LB so that the local government executes the local autonomy in accordance with the local characteristics and ensure the achievement of the community welfare.

Now, all local governments in Indonesia run the government regulation No. 41/2007 as the basis of the LB creation. The same condition also occurs in Upstream Kapuas Regency. However, some new problems arise when several rules which are derived from the national government also encourage the creation of another LB outside the provision of the government regulation No. 41/2007. Some of the rules are newer and have equal position and even there are some rules which have higher law position. Legally, this condition causes the local government to establish such new LB. Administratively, Upstream Kapuas Regency objected to create a new LB by considering that it will burden the local budget which precisely will harm the public welfare. Although this study takes place in Upstream Kapuas Regency, the issues reflect the actual problems which take place largely in autonomous regions in Indonesia, and even in the certain point, it reflects the objection of local government which are too bound by central government regulations. Such condition endangers the local capacity in governing autonomy.

The central and local relations dilemma has been discussed by Rhodes [1] and Turner [2]. Rhodes explained that the central and local relations are always differentiated in two models, namely the agent model and partnership model. The first model puts the local government as an institution which runs the national policy and is under the supervision of central government so that the local government tends to have little discretion. This is different from the second model which defines that all government levels are considered equivalent organizations so that the local government has considerable discretion in formulating and implementing its own policies. Meanwhile, Turner stated that the decentralization arrangements are not fixed arrangement and always aim to acquire the balance between central and local relations. The dilemma always located on the central interests to enforce the efficiency which often carried different consequences from the local aspirations which wanted to maintain its local interests.

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\*Corresponding Author: M.R. Khairul Muluk, Department of Public Administration, University of Brawijaya, Malang, Indonesia. Email: [kmuluk@yahoo.com](mailto:kmuluk@yahoo.com)

Smith [3] revealed that the central and local relations also invite a dilemma when there are various approaches that can be used in the debate. Such approaches are the law and administration approach which tend to be similar to the agent model, and the community politics approach which tend to carry greater local autonomy and weakened central control, and the inter-organizational politics approach which tend to seek administrative and political balance. Although there are several theories which explain the dilemma of central and local government relations, until now the problems still exist and require an adequate explanation to understand it.

Up to now the debate and tensions between the central and local are still hot topics as the material of study. Edward [4] indicated an attempt to strengthen the local government. Edward stated that "local government is the key role player of service delivery and development and has to fulfill its rightful role in intergovernmental relations. Without the full participation of the local sphere of government the essential contribution of locally articulated preferences will be missing." Edwards' support to strengthen local government position is countered by Agranoff [5] who supports the national government interests which exceeds the local interests. The position of relations in the intergovernmental relations for federal state or central-local relations for unitary state is to produce better performance or lower costs. Relation is a means to an end, not an absolute requirement. Two recent studies between Edward and Agranoff generate a sustained conflict in the central and local relations.

The study was begun by investigating the institutional capacity of LB to govern the local autonomy. This capacity was seen from the fulfillment of modern organization dimensions in the LB institution and the LB organizational effectiveness in performing their duties. Furthermore, this study also studied the dilemma faced by the local government when they need to run additional institutional scheme which is obligated by the national government. This study took place in Upstream Kapuas located at Upper Kapuas River (1,143 km). It is a regency of West Kalimantan, Republic of Indonesia. 56 percent of this regency is a conservation area in the form of national park and protected forest by Coordinates: 0°51'58"N 112°55'28"E. The population of the regency was 221,952 at the 2010 census located in 23 districts. Having the width which reached 29.842 km<sup>2</sup>, this area has the population density of 7.4 population/km<sup>2</sup>.

## MATERIALS AND METHODS

This qualitative research was conducted in the mid 2010 until earlier 2011 at Upstream Kapuas Regency, West Kalimantan Province, and Republic of Indonesia. Analysis Unit was local bureaucracy in Upstream Kapuas Local Government. Local bureaucracy comprise of 4 types: regency secretariat, techno structure board, operating core agency, and district. The research focuses are: understanding dimensions and effectiveness of the local government institution. Organizational dimensions operationalized into complexity, formalization, centralization and organizational context while effectiveness operationalized into productivity, implementation capacity, and flexibility. The key informants were senior officers in several sample agencies, boards, offices, and districts. Sampling technique used purposive sampling by considering strategic roles of the institution. Miles & Huberman methods are used as qualitative data analysis.

## RESULTS AND DISCUSSION

### Dimensions of Local Bureaucracy

Creation of local bureaucracy at Upstream Kapuas Regency was based on Local Government Regulation (Peraturan Daerah) No.7/2008. This regulation was arranged to implement Government Regulation (Peraturan Pemerintah) No. 41/2007 on Local bureaucracy. There are four organization dimensions discussed in this study: the dimension of complexity, formalization, centralization and contextual condition. The complexity dimension was the suitability of the local bureaucracy (LB) with the existing rules. The dimension of formalization regarded the extent of rules formalization in the internal organization, especially in order to improve the organizational performance. The dimension of centralization was related to the level of decentralization/centralization of authority which exists in each LB. The contextual dimension was related to the distinctiveness which exists in the each LB.

Most of the LB at Upstream Kapuas Regency has shown a fairly good complexity. Most of the informants explained that there had been correspondence between the management of local bureaucracy (LB) with Government Regulation No. 41/2007. It meant that the organization arrangement of LB was in clumps plot although there were still some LBs which had not abided yet by the regulation. A good

complexity did not always mean that the organizational performance was also good. This was due to the motivation of organization structural change which did not orient on the efforts of performance improvement, but focused more on fulfilling the demands of government regulation.

There were other considerations which included efficiency, political, and conditional context thus it caused the LB creation which was improper grouping in the organization structure according to Government Regulation No. 41/2007. For example, the Sub-division of archives and libraries were under the Public Relations Division. It was considered deviant because the functions of archives and libraries should stand alone as a service agency. Another example was the sub-division of food Resilience which was under Division of Economy. Ideally, it should stand alone as a board or office.

In addition, the complexity also included the aspects of position and echelons numbers in each LB. Most of the LB showed that the echelons were in accordance with the applied regulations. However, there were several different LB such as agency of Mining and Energy, Agency of Plantation and Forestry, office of Woman Emancipation and Family Planning, Board of Community Empowerment and Village Government, and Agency of Culture and Tourism. Furthermore, almost all informants of LB agreed that the function on each division/field was determined based on job duties and functions of the position layer above it. Also the established LB and technical implementation unit was deemed appropriate. However, for the units in LB which were formed still required special attention because they still overlapped toward other units in the internal or external organization. Furthermore, most of the LB showed the situation that the functional positions already met the needs and its placement also met the needs and supported the efficiency and effectiveness of operational units.

In formalization dimension, most of the LB stated that the implementation of work unit task was still not regulated clearly and firmly. It surely had to be a serious concern for the Local Government of Upstream Kapuas. There should be clarity about the implementation of work unit task (internal agency) which is set out in regulations. In addition, several LB indicated that there was no firmly and clearly mechanism linked to the cooperation implementation mechanism between the work units specifically related to the external agencies. Furthermore, the majority of LB stated that they already had standard operating procedures (SOP) regarding the standardization of work processes. However, almost the entire LB in Upstream Kapuas Regency stated that they still did not have the standards of internal and external service. Only a few LB had it. It needed to get serious attention from the local government to improve the public services and to ensure the quality. For the indicators of competence standard, some LBs have had it while some others have not. For example, at the Office of Woman Emancipation and Family Planning, almost all the staff did not have a clear competence standard and less educated. The same complaint was also presented by the Land Division of Regency Secretariat. The cause was some LBs have already implemented competence-based training, while others have not. In fact, there were informants who stated that the training have still not considered the competence needs yet in carrying out assigned tasks.

Next was about the dimension of centralization. Nearly all informants argued that the Regent has made a decision which crossed areas and sectors. Nearly all of them answered that the Regent besides took both strategic policy and technical policy. Head of LB was also given an authority to make decisions which supported the performance of upper leadership level creatively and innovatively. Most of the LB informants showed the condition the LB's leaders had been given sufficient authority to make creative and innovative decisions to improve the organization performance. Informants also agreed that the conditions of higher echelons had provided the authority delegation to the lower echelons, so that delegates could encourage the emergence of innovative and creative decisions.

There were variety conditions indicated by the informants on the contextual condition dimension. In the internal of LB, ones considered that the scope of work had been in accordance with the existing functionality, but some others were considered that it had not been yet. Therefore, there needed the firm and clear mapping about the ratio between the scope and functions, so it did not cause the sustainable confusion. In addition, some informants argued that there had no match between the workload and the capacity, while some others considered that there had. Therefore, it was very important to analyze the existing workload on each LB so that it could be seen that the workload was in accordance with the capacity owned. Other finding in this dimension was almost the internal coordination of most of LB had taken place effectively and efficiently. Coordination was usually done in two forms: the formal and informal coordination. Furthermore, there was a condition that the leadership controls in the LB was considered good. About the use of technology in completing the organizational tasks, almost all of LB had leveraged technology well; except for the districts and village which demonstrated less optimal in using the technology.

Regarding the work environment of LB, internal environment was very important to maintain comfort in completing the organizational tasks. Most of the informants showed that the working

environment of internal LB was conducive to complete the tasks. However, there were some who thought differently because of some reasons, such as indoor facilities which were not feasible and adequate. Furthermore, there were several LB which had strong relationships with the external of organization, while the other LB had not. For the LB which frequently interacted with the external of organization, the external environment would certainly affect the completion of organizational tasks, and vice versa.

The next context was the social and cultural conditions of each LB. It showed that almost all of LB was in the heterogeneity of social and cultural conditions. This reflected the society condition of Upstream Kapuas regency in general which consisting of various races, religions and cultures. Most informants acknowledged that the heterogeneity had the effect on the performance of LB, while others admitted that it had no. About the political constellation, some informants admitted that it affected the performance of LB, but others indicated that it did not. The last condition was caused by the LB was stable enough to withstand the shock of local political constellation.

### **Effectiveness of Local Bureaucracy**

Effectiveness of local bureaucracy at Kapuas Hulu Regency indicated by several aspects: organizational productivity, implementation capacity, organizational flexibility. The findings on various aspects of productivity showed a token of local bureaucracy effectiveness. Most of the informants showed indication that there was no duplication of the basic tasks so that the employees performed their own duties. The duplication would reduce the productivity achievement because it would cause some employees worked for the same duties despite the fact that it could be worked by co-workers. However, some informants also indicated the presence of duplication which reduced the organization productivity.

Furthermore, most of the informants also showed the conformity between the organization workload and the capacity. However, it should also be observed that some informants in different institutions precisely showed that the institution workload was not in accordance with their capacity. These discrepancies could be categorized in two ways: *overload* and *under load*. Such two categories disrupted the organization productivity. The condition was supported by the employee adequacy and commitment, and span of control. The institution capacity was supported by the employee adequacy. The employee inadequacy would reduce the institution capacity. Most of the informants also indicated the effective superior span of control that could ensure the productivity. At the same time, the subordinates also showed their commitment in running the tasks so that it was able to support the organization productivity.

Local bureaucracy effectiveness could be analysed from the capacity of programs implementation which had been defined. The most informants indicated the organization effectiveness by considering several factors. In terms of functional employees' management, virtually all informants revealed that it had been progressing well. There was even the standardization of employee expertise in placing the function and job. Furthermore, a good implementation capacity was also shown by the awareness of the importance of decision-making hierarchy in completing the organizational tasks. This hierarchy showed that the decision-making authoritative position in the organization was in the hands of the superior while at the same time delegated some authority to subordinates. In this case, there was a subordinate loyalty to the superior as well as giving greater responsibilities to the subordinates. A good implementation capacity was also encouraged by the existence of cooperation mechanisms between the work units. The cooperation mechanism was strengthened by the synchronized understanding toward the vision and mission of Upstream Kapuas regency. This cooperation mechanism precisely strengthened the coordination between the work units in carrying out the tasks and programs to achieve the regency vision and mission. The implementation capacity was also strengthened along with the use of modern communication technology devices in coordination, cooperation, and implementation of the tasks in each institution. Although the information technology was not the latest fashion, but the utilization at the same level IT development produced a harmony.

The organizational effectiveness could also be viewed from the aspect of organization flexibility toward the change. This aspect was the organization capability to adapt to both internal and external change. Local bureaucracy internally already had a good capability in adapting to change. The LB was designed to be able to adapt to change. It meant that there was awareness on a dynamic and flexible organization. Then, the LB had also oriented to the needs of community services. Flexibility referred to the external change. The flexibility was useful in dynamic political constellation. On one side the LB was able to adjust to the political constellation change, but at the same time it was able to maintain its existence as a public bureaucracy which finished their duties well. The LB did not dissolve in the political constellation change because it was considered dangerous toward the common interest when the political dynamics run too hard. The LB was still able to adjust to the change without soluble in the fight of

political interests. This organization flexibility was supported by conducive working atmosphere because the internal support of bureaucracy insisted to keep achieving the effective bureaucracy performance.

### **Dilemma for Local Government**

The creation of LB was governed by the central government so that when the local region created the LB, it should refer to the government regulation, i.e. the Government Regulation No. 41/2007. Basically, this regulation also directs the creation of LB which had to consider the local needs and characteristics. This meant that the LB remained efficient and effective in carrying out its primary tasks, i.e. the public services and the development administration. If it only referred to this regulation, the organization effectiveness of LB had been achieved as the field data findings which were mentioned above. However, at the same time the local government faced a dilemma when there were many rules at the National level which also regulated many agencies for local governments beyond the arrangement in the Government Regulation No. 41/2007.

The regulations were as follows. The first was Law No. 24, 2007 on Disaster Management. It strongly suggested the local government to create the Local Disaster Management Agency. The informant testified that if the region did not create it, there would be no direct sanctions. However, when disaster struck, the central government aid and relief would be difficult given. It meant that there was a "soft threat" to the local government in refusing to create the institution.

The second was the Presidential Regulation No. 83, 2007 which strongly advocated to local government to create the National Narcotics Agency (BNN). This agency aimed to early prevent the danger of narcotics and illegal drugs and at the same time it was also to deal with effectively the crimes. Upstream Kapuas Regency originally rejected the creation of this institution and had a strong legal argument that the legal basis for its creation was lower than the Government regulation No. 41/2007. It was in accordance with the legal principle of "*lex superiori derogat legi inferiori*". In the end, the BNN was also created in Upstream Kapuas Regency, but it was not a part of the LB. It was a deconcentrated agency of the BNN.

The third was the presence of three regulations issued by the Central Government, i.e. Minister of Home Affairs Circular No: 061/2977/SJ on October 7 2008; Minister of State Apparatus Regulation No Per/13/M.APN/5/2008; and Head of Civil Servant Board Regulation No. 19 year of 2008. Such three regulations obligated the region to create a Secretariat of Civil Servants Corps (Korpri) at the regency level. Some informants denied the existence of this institution with a variety reasons. The existence of this institution would increase the number of LB in Upstream Kapuas Regency so it would burden the local budget. They also doubted a direct impact of this institution toward the local government effectiveness so that it preferred that the financing came from the central government. In the end, the institution was also created in Upstream Kapuas Regency with the consideration to avoid conflicts with the three central government agencies which were considered to be detrimental to the region someday.

The fourth was Law No. 43 year 2008 on State territory. It suggested the regions which were in the national border to create the Border Management Agency (Badan Pengelola Kawasan Perbatasan/BPKP). Because Upstream Kapuas Regency was bordering to Malaysia, so that it was already a mandate of Law to also create BPKP. Almost all informants objected to create this institution because it required a bigger budget than the benefits. The presence of BPKP was considered as central government interests rather than the local interests. However, because the legal basis of BPKP is the law who is higher position than the Government Regulation No. 41/2007, so it becomes more powerful dilemma for the local government. The Local Government did not prioritize the creation because it was not compulsory in the Government Regulation No. 41/2007. However, the National Government obligated it creation based on the Law. The Local Government did not dare to refuse because the law basis of its creation was stronger based on the principle of "*lex superiori derogat legi inferiori*".

The fifth were some institutions which had been created in the LB and were beyond the corridor of the Government Regulation No. 41/2007. This institution was created because the Local Government needed the existence of these institutions and the power of law basis created it. Such institutions were the Local Government Civil Servants Agency mandated by Law no. 43/1999 on Amendment of Law no 8/1987 on the Fundamentals of Civil Servants. Such Law was operationalized with Presidential Decree No. 159/2000 on the Guidelines for Creation of Local Government Civil Servants Agency. All informants stated that although there was no legal basis in the Government Regulation No. 41/2007, this institution was required by the LB and was a part of the local government techno structure. Besides, its legal basis was also more powerful. The next was the Board of Agriculture, Fisheries, and Forestry Information and Consultation which were established by Law No. 16/2006 on System of Agriculture, Fisheries, and Forestry Information and Consultation. The creation of this institution was directly approved because

required by the Upstream Kapuas Regency in accordance with the local characteristics. The same thing happened on the creation of Civil Service Police Unit based on the Government Regulation No. 6/2010 about the Unit of Civil Service Police. This institution was really needed by the region so that the existence of such government regulation strengthened politically the institutional position. Such government regulation was equal level to the Government Regulation No. 41/2007, but its position was more powerful because of the principle of *"lex posteriori derogat legi priori"*, which means that the newer regulation overrides the longer regulations. Because the Government Regulation No. 6/2010 was newer, then its position was stronger than the Government Regulation No. 41/2007 which came out earlier.

The sixth was the creation of the Office of Women Empowerment and Family Planning which based on Law No. 52/2009 on Population and Family Development. Actually, the creation of the office did not fully comply with the mandate of Law No. 52/2009 which mandated the creation of Local Government Population and Family Planning Agency. The existence of this office actually adjusted to the legal provisions and the local needs and capabilities. Although it was not identical with the mandate of the Law, but the spirit and the performed tasks could still be implemented even if it forced to modify its institutions.

The seventh was the presence of Integrated Services Unit. This institution was supported and mandated by several Laws, namely Law No. 25/2007 about Investment, the Government Regulation No. 41/2007 about Local Bureaucracy, the Home Affairs Ministerial Regulation No. 24/2006 on the Implementation Guidelines of One Door Integrated Services, and the Home Affairs Ministerial Regulation No. 20/2008 on the Guidelines of Organization and Management of Local Government Integrated Services Unit. This institution was not immediately created because of considering some things: local needs, budget, personnel expenses which were still not considered a priority for the region. On the other hand, the legal basis for creating this institution was so powerful so that it could not be rejected by the Local Government. This represented the central government "coercion" to the local government.

In general, the creation of LB could not be solely based on the Government Regulation No. 41/2007 which was the follow-up of the Government Regulation No. 38/2007 on Division of Functions between the Government, Provincial Government, and Regency/City Government. Many agencies which were not expressly regulated in the Government Regulation No. 41/2007 were still needed by the region. Of course it was contrary to the calculation of the efficiency and effectiveness of institution which was regulated by the Government Regulation itself. At the same time, there were many rules which were stronger than the Government Regulation No. 41/2007 which required the creation of institutions outside the obligatory and optional affairs. It made indecision for the region to create it. If it was created, it would violate the effectiveness and efficiency principle because it burdened the local budget so that it was heavier on the personnel expenditure account rather than services and developments. If it was not created, it would be considered against the national government which could have an impact on the lack of support and assistance of the Central Government to the region. This dilemma became a serious matter for the local government because the consequences were equally unfortunate. In one side, obedience to the national government became heavy burden for local government and sacrificed the community interests. In other side, reducing the LB burden could optimally serve the public and develop the region but it was at risk of conflicts with the central government interests.

The case of center and local relations dilemma in this institution creation confirmed earlier explanation that central and local tensions were always preserved in various places. Turner [2] expressed "however, finding a combination of central control and local autonomy that satisfies regime requirements and popular demands is a persistent dilemma for governments."

However, unlike previous explanation [2][3][7] who stated that there was a tendency of central government to enforce the governmental efficiency and effectiveness and the localities always tried to find the local populist support so that in the cases of LB in Upstream Kapuas Regency there was precisely the opposite phenomenon. The central willingness to enforce the institutional uniformity nationally while at the same time the local government precisely wanted the efficiency and effectiveness of local institutions. For local government, this central command precisely endangered the local government administration. The way taken by the local government was by not showing the political opposition towards the central government to retain its local choice and voice. The local government still wished to obey the central government; however they searched for many ways to maintain their government effectiveness. The administrative argument presented by local government in this case was something new in the study of central and local relations.

Theoretically, this case provided a new argument toward the third model or approach in the central and local relations. If during these two dominant models of Rhodes (agent model and partnership

model) or two opposing approaches of Smith (law and administrative approach and community politics approach), then the third approach had the support of the findings by this study. Smith called it as the inter-organizational politics and while Rhodes (1981) had not given the label of this approach yet. Even Rhodes [1] mentioned there was a phenomenon which is reinforced by this study that "in recent experience, local government is ceasing to be a partner and is becoming an agent because of its dependence on central grants and increased central control."

A similar situation also occurred in the approach toward the problem of central and local relations expressed by Muttalib & Khan [6]. The problems of such relationship could be approached by two main approaches. Local government-centered approach promoted democratic values. This approach was similar to the Rhodes partnership model and prioritized the local struggles toward the central. Service-centered approach prioritized administrative values. This approach was similar to the Rhodes agent model which promoted the adherence to the central government and a strong central control toward the local in order to improve the administrative efficiency and effectiveness. This study also reinforced the proposal of Muttalib & Khan [6] about the need to attempt to "seek to strike balance between local government and service centered approaches". The same opinion was also addressed by Turner (1999) who suggested the existence of intersection in the administrative and political structures so that the tension of central and local relationships could be maintained in dynamic equilibrium.

Although having the different arguments and ways, the case of Upstream Kapuas Regency in creating LB had shown how important approach which could combine the two models (agent and partnership) and the two approaches (local government and service centered). The better new approach which was able to combine the administrative values and political owned by the central and local governments. This study illustrated that the central interest was not only the administrative interest but also the political interest. Similarly, the local government which was generally seen having purely political purposes but also had the administrative interest. This new approach should combine the administrative and political interests of central government as well as the political and administrative interests of local government.

## **CONCLUSION AND RECOMMENDATION**

The existing of LB in Upstream Kapuas Regency had been structured based on three dimensional organizations: complexity, formalization, centralization dimension and even added a new dimension: contextual conditions. Such new dimension was to adapt the various dimensions of modern organizations with local characteristics. The LB which was already well established had run well and showed the condition as an effective organization which was viewed from three aspects: organizational productivity, implementation capacity, and organizational flexibility. There was a dilemma in the creation of LB in local government. Such dilemma was conflictual consideration in deciding whether create new LB or not. The dilemma arose between comply the central government regulations and meeting the needs and limitations of local resources. In general, various vertical institutions at the central government always required the availability of executive organs in the local level. Such organ was not the central vertical institutions in the local level but the organization which was a part of the local government itself. The consequence were the fulfillment of finance, human resources, facilities and infrastructure, as well as the institutions themselves had to be met by the local government. Certainly, it was a growing burden for the local government. The compliance of the central demands was as same as the increasing burden for the local. Reducing the burden of the local government meant resisting toward the central policies. The dilemma like this was actually not desired by the local government; however, it was ever faced by local government. The local saw that the condition of LB already met the standard of modern organization dimensions so that it was considered capable to achieve the local vision and mission. In addition, the existing institution effectiveness was already so well so that the creation of new LB institution precisely would reduce the organization effectiveness of LB. Such consideration was used by the local government not to immediately create a new LB in accordance with the mandate of the central rules.

The practical recommendation which is given to solve these problems is that the central government should conduct the cross-sectorial and local coordination then compiles a comprehensive institutional framework in a single regulation so that it will not produce the new regulations which precisely add local government burden. Such regulation becomes a reference for the local region to create an effective and efficient LB in running local government. The theoretical recommendation of this research is that in future more studies should be directed at the efforts to find a balance between the central and local governments. The scope of research covers the balance of administrative and political

aspects in both the central and local governments. The searching of this balance will strengthen the third approach in the central and local relations which are an combination of Rhodes agent and partnership model and Muttalib & Khan's local government centred dan service centred approach.

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