

Legislation Impediments in Reorganising Government Bodies in Indonesia

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ABSTRACT

Indonesia has implemented administrative reforms in a variety of areas, including reorganizing the structure of ministries and agencies. However, that effort has not yet yielded a significant outcome. The complex legal framework is believed to be primary challenge of this reform. This study aims to identify and analyze to what extent that the legislative constraints affect the reorganization attempt. This study applies qualitative approach. Data was collected through a desk-based study of legislations, policies, and secondary literatures related to bureaucracy reform in Indonesia, as well as its political and legal issues. The study's findings indicate that the government's sprawling and large structure is the result of overlapping function of laws and regulations. This hindered any efforts to reorganize. This further contributes to the administration's ineffectiveness and inefficiency. This study affirmed that legislation impedes the reorganization process because numerous laws have been used (improperly) to create a new ministry or agency rather than to reorganize.



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1. Introduction

A government is required to be effective and efficient, and reform-oriented (Gil-Garcia & Flores-Zúñiga, 2020). An effective reorganization is important for a proper administrative reform aiming to establish an effective and efficient government (Ministry of Menpan, 2014). However, Indonesia is yet to experience a change in its government structure mainly due to its complex legal framework. The legal complexity often impedes administrative reform in Indonesia. Reform in the public sector may be possible if the challenges posed by these complexities can be reduced and the laws are redesigned to reduce impediments to successful reform. This research examines critical factors and constraints for reorganizing government bodies in Indonesia, specifically statutory barriers in reorganization. It is also argued that successful reform will depend on the capability to overcome legislation impediments.

Indonesia has conducted administrative reform in various areas, including in redesigning the structure of its ministries and agencies. However, the size of the Indonesian government is still big. The national government alone currently has 34 ministries, 29 non-ministerial/special agencies, and 103 state auxiliary agencies, not to mention local governments that include 34 Provinces and 514 municipalities. A large government may generate some problems, the study notes that the large bureaucracy is vulnerable to overlapping functions and inefficiencies (Gu et al., 2020).

On the other hand, there are challenges for institutional reform in Indonesia, politicians or high-level officials sometimes resist reforms because they want to preserve their position in the government. The reason behind this is probably as explained by [Jørgensen & Bozeman \(2007\)](#), being that public leaders' support for reform is often insincere and they are careful to conduct reform that does not threaten their power, position, and popularity. Rent-seekers are also often behind the creation of certain agencies/ministries and the appointment of top-level officials ([Fukuoka, 2012](#)). Disharmony of laws and policies has constrained the reform ([Gans-Morse et al., 2018](#)). Furthermore, there are laws in place preserving organizations of many government bodies. Reform therefore often requires amendment of the enabling legislation, which in turn requires consensus between branches of power. Legislation amendment is often a lengthy process. Hence, as argued by reorganization often depends on political considerations more than the pursuit of efficiency ([Gulbrandsen et al., 2021](#)).

The extent to which legislative aspects design the governance and organizational change in Indonesia has not yet been thoroughly studied. Thereby, it is essential to conduct a study that examines the problems of legislation in reform, particularly in the area of reorganization. This paper will provide identification of statutory constraints of institutional reform and help to find solutions to these problems. It is vital to include the relationship between bureaucracy, politics, and legal framework structures when discussing issues related to restructuring in government institutions. As also noted by [Pollitt & Bouckaert \(2017\)](#), in understanding how politics become constraints to reform or reorganizing government institutions, it is important to examine the frontier and the relationship between civil service and politicians.

There is a paucity of literature related to the discussion of legal constraints surrounding reorganization in Indonesia although legal framework, as argued by [Hadiz & Robison \(2014\)](#), is a key aspect of governance. This aligns with findings reported by [Chua \(2014\)](#), and the trend evident in the literature on Southeast Asian countries when discussing socio-legal issues. Having considered literature surrounding these matters, it is evident that a study on the extent of legislation impediments to a reorganization that shapes the Indonesian government would be beneficial to enrich our knowledge. This study aims to investigate the governance structure of bureaucracy reform in Indonesia, particularly in the area of reorganization, and to examine the extent to which statutory aspects influence and constrain institutional reform in the Indonesian administration.

2. Research Method

A qualitative approach has been taken to meet the aim of this paper, namely to identify legal constraints to reform and examines the extent to which such challenges have shaped the governance structure. Qualitative research is defined as a process of research that uses inductive data analysis to understand the issues ([Sarfo & Ofori, 2017](#)). Data was collected through a desk-based study of legislations, policies, and secondary literature related to bureaucracy reform in Indonesia, as well as its political and legal issues. There are limitations in this paper, a lack of access to the grey literature meant the analysis was restricted to what is available in the public domain. The assumption of extracting how legislation applies in institutional reform is a crude approximation to examine what approaches prevail. It was not possible to discuss in detail the true depth or scope of each legislation that deals with the organization of government bodies. Furthermore, the legal realm in Indonesia, despite its complexity, changes constantly.

3. Results and Discussion

3.1. Legal Challenges in Reorganisation

Although reorganizing government bodies is very often, the Indonesian government is still a large government with overlap functions. The large bureaucracy is considered as the root of inefficiency, particularly when the governance is linked to a country's economy ([Gu et al., 2020](#)). However, to understand issues related to governance, dealing with the relationship of economy and governance is not sufficient. Other aspects related to the organizational outcome of public sector operations and their impact should also be included ([Magdahl & Jordhus-Lier, 2020](#)). In this regard, [Yazaki \(2018\)](#) suggests that the examination of cost duplication and overlap tasks causing inefficiency is also important.

Any institution is subject to change, and changes are often politically driven (Lim et al., 2021). There are political hurdles in reforming institutions in Indonesia, the top echelons in ministries and agencies are sometimes rejecting reform to preserve their position and entitlements. This is in line with Jørgensen & Bozeman (2007), which argued that a reform agenda often received insincere support from top-level politicians or bureaucrats since they are careful to conduct reform that does not threaten their power, position, and popularity. There were also political transactions behind the establishment of certain institutions and the selection of top-level bureaucrats (Fukuoka, 2012), and some institutions in the executive power were established under the laws, which means reorganization often features a lengthy and difficult political process for law amendment.

It is a fundamental principle of the rule of law that divides power into executive, legislative, and judicative powers (Hammond & Knott, 1996). According to the 1945 Constitution, Indonesia is a democratic country with separation of powers where executive power lies with the Government (led by the President), legislative power lies with the Parliament, and judicial power lies with the Court system (Supreme Court and Constitutional Court). Indonesia applies the presidential government system. Based on Article 4 of the Constitution, the president holds the executive power, acting as the head of state and the head of administration, the authority to appoint ministers and government officials. However, in terms of the separation of powers and democracy, no institutions are free from politics (Carausan, 2009); Therefore, political interests were often involved in managing the administration, including in the creation of public institutions.

Any study related to restructuring government agencies in Indonesia must include an examination of issues linked to the relationship between the bureaucracy and politics of that country. A study by Hammond & Knott (1996) concluded that the civil service often becomes an object of political influences between executive and legislative powers, in regard to who has the power to control the bureaucracy. The study of Hammond & Knott (1996) concluded that the civil service often becomes an object of political influences between executive and legislative powers, in regard to who has the power to control the bureaucracy. The study of Hammond & Knott, (1996) provides an empirical and in-depth analysis of institutional policy-making in the United States of America (USA). In this study, presented a multi-model government that controls agencies. They conclude that bureaucracy can be either autonomous, controlled by Congress, under the control of the president/courts (Hammond & Knott, 1996). This study supports the idea that politicians are involved in managing the bureaucracy, although limited by the fact that it was only based on the American political context. As noted by Pollitt & Bouckaert, (2017), politic-topographical features may vary between countries, and therefore challenges of reform between countries are different. However, Indonesia is adopting the same presidential system as the USA and the parliament in Indonesia is moving towards having a stronger role and power similar to that seen in the USA.

The above findings align well with those of Harris et al., (2020), who argued that top-level bureaucracy will always be deeply involved with politics. Despite the contention that civil servants are neutral, the Joseph La (2006) study found they were frequently engaged in political processes, in the sense of conducting activities related to policies and programs for their own agencies (Pollitt & Bouckaert, 2017). Findings such as these indicate that political situations affect the public sector.

As argued by Pollitt & Bouckaert (2017), to understand the nature of bureaucracy is pivotal to firstly examine the relationship between administration and politics, or between administrator and politicians. It is therefore also important in this context to examine the frontier between civil service and politicians. Concerning how political and legal issues affect bureaucracy, Yazaki (2018) argues that legislation plays a significant role in the mushrooming of administration. As such, political and legal rules have played significant roles in producing large and fragmented governing institutions, many of which have overlapping functions and authorities between agencies (Yazaki, 2018).

To identify the challenges of public governance in Indonesia, it is also important to understand the oligarchy structures of the Indonesian political elites. A study from Warburton (2016) notes that often the current administration under President Joko Widodo is unable to make decisions that are free from the vested interests of the political elites. Since many political parties are members of the coalition, Joko Widodo sometimes has to accommodate their interests through cabinet representation, creating new agencies, and the appointment of certain high-ranking officials. The President's attempt to

establish a workable government sometimes faces hurdles from the influences of the elites (Warburton, 2016).

Koike (2013) revealed that one of the prerequisites for an effective and efficient public administration is the establishment of legal-rational bureaucracy which dismisses patronage influence. Jones & Long (2021) provides a view on the relation of the rule of law and governance which stated that government institutions should be bound by the law. In addition to productivity, legal rationality is the requirement to establish successful public institutions (Heper & Sancar, 1998).

However in Indonesia, there is a traditional mindset of civil servants to serve the government rather than the people (Koike, 2013), problems of overlapping legal rules also still exist, which produce overlapping policies between ministries and agencies (Gans-Morse et al., 2018). Wang et al., (2018) argues that certain structural features in legislation are significant factors in shaping public policies and therefore incoherent legislations are counter-productive for the bureaucracy as they may produce incoherent public policies.

One of the major problems in public governance in Indonesia is the disharmony of laws and regulations (Gans-Morse et al., 2018). Whilst the focus of administrative reform in Indonesia is implementing policies, laws, and regulations, civil servants in Indonesia face difficulties in implementing policies and legislations due to the issue of incoherent policies and legislations (Gans-Morse et al., 2018). Therefore, to establish effective reform, the Indonesian government has to find solutions to the issues of disharmony of laws and policies which become constraints to reform (Gans-Morse et al., 2018). This disharmony of laws and regulations is often viewed as a "red tape", an excessive structural constraint in the form of administrative procedures or regulations (Bozeman, 1993).

3.2. Statutory Preserved Government Bodies

Some laws deal with the establishment, nomenclature, or the authority of a particular ministry or agency. The organizational creation of that institution has been through political consensus between the government led by the president and the House of Representatives or parliament as a legislative power. Reorganizing government bodies often involved difficult political processes as amending laws involved lengthy processes and political consensus between the executive and legislative. Thus, restructuring the government organization sometimes cannot be seen only as involving administrative measures, in some cases, it involves political processes of amending the laws.

According to the constitution, the president holds power over the government. The President held the power in the creation of ministries and agencies, and the appointment of ministers or head of agencies in the executive (Alfath et al., 2019). However, some ministries and agencies are statutorily established, which not only made them difficult to be reformed but also reduced the constitutional prerogative rights of the President.

Alfath et al., (2019) stated there are 46 functions of the government. On the other hand, the law stipulates that the number of ministries should not exceed 34 ministries. This means that some ministers are performing more than one administrative function, such as Ministry of Laws and Human Rights, Ministry of Education and Culture, Ministry of Science, Research and Higher Education, Ministry Energy and Mineral Resources, Ministry of Forestry and Environment, Ministry of Transmigration and Development of Rural Area, etc. As the nomenclatures of administrative functions are stated in the law, the President will have limitations to determine and establish the nomenclature of the ministries; the names of the ministries should be no different from the 46 functions of the government as stated in Act 39/2008. Furthermore, to provide authorities or mandates for the ministries, almost all ministries are mentioned in their sectoral legislation, and these have become one way to preserve the existence of such ministries. Below are some examples of the ministries that are mentioned in table 1.

Table 1. Ministries Mentioned in Statutes

No.	Ministries	Statutes
1	Ministry of Defence	Civil Reserve Act 56/1999, Defence Act 3/2002, and Defence Industry Act 16/2002.
2	Ministry of Foreign Affairs	International Relations Act 37/1999, International Agreements Act 24/2000, Protection of Indonesian Workers in Foreign Country Act 39/2004, and Protocols Act 9/2010.
3	Ministry of Home Affairs	Local Governments Act 23/2014, Election of Local Governments Act 8/2015.
4	Ministry of Administrative Reform	Public Service Act 25/2009, Civil Servants Act 5/2014, Administrative Procedures Act 30/2014.
5	Ministry of Health	Public Health Act 36/2009, Hospital Act 44/2009, etc.
6	Ministry of Energy and Mineral Resources	Oil and Gas Act 22/2001, Electricity Act 30/2009, Geothermal Act 27/2003, Energy Act 30/2007, Minerals and Coal Act 4/2009, etc.
7	Ministry of Science, Research, and Higher Education	National System on the Research, Development, and Implementation of Science and Technology Act 18/2002, Industry Design Act 31/2000, Higher Education Act 12/2012, etc.
8	Ministry of Women Empowerment and Children Protection	Children Protection Act 23/2012 and 35/2014, Domestic Violence Abolition Act 23/2004.
9	Ministry of Cooperation and SME	Small and Medium Enterprise Act 20/2008 and Micro Financial Institutions Act 01/2013.
10	Ministry of Laws and Human Rights	Immigration Act 6/2011, Law Making Procedures Act 12/2011, Patent Act 14/2001, Copyright Act 28/2014, etc.
11	Ministry of Forestry and Environment	Environmental Protection and Management Act 32/2009, Forestry Act 41/1999, etc.
12	Ministry of Labour	Labour Act 13/2003, Industrial Relation Resolution Act 2/2004, and Unions Act 21/2000.
13	Ministry of Youth and Sports	National Sports System Act 3/2005, Youth Act 40/2009, Scouts Act 12/2010.
14	Ministry of Trade	Trade Act 7/2014.
15	Ministry of Transport	Aviation Act 1/2009, Shipping Act 17/2008, Road Traffic and Transport Act 22/2009, and Railways Act 13/1992.
16	Ministry of Industry	Industry Act 3/2014.
17	Ministry of Public Works and Housing	Road Traffic and Transport Act 22/2009, Housing and Residential Act 1/2011, Irrigation Act 11/1974, and Public Roads Act 38/2004.
18	Ministry of Social Welfare	Poor People Management Act 13/2012, Social Conflict Resolution Act 7/2012, and Social Welfare Act 11/2009.
19	Ministry of Agriculture	Foodstuffs Act 18/2012, Agriculture Land Protection Act 41/2009, Horticulture Act 13/2010, Plant's Varieties Protection Act 29/2000, Farming and Livestock Health Act 18/2009, Quarantine Act 16/1992.
20	Ministry of Marine Affairs and Fisheries	Coastal Area and Small Islands Management Act 27/2007, Quarantine Act 16/1992, and Shipping Act 17/2008.

Table 1 shows there are many ministries mentioned in the statutes, such as these provide limitations for the government if it wants to reform them. The government may not be able to dissolve or merge them, as this will be not per the laws. Furthermore, if a ministry under such law is dissolved, there will be questions on how the law will be implemented if the responsible ministry no longer exists. Therefore, in reforming the structures of government institutions in Indonesia, it is important to fully examine all relevant legislation that constitutes the legal basis for the establishment of such institutions (Ministry of Menpan, 2014). In addition to ministries, there are 29 non-ministerial agencies, 15 of which are statutorily established. Below are some examples of the non-ministerial agencies that are mentioned in table 2.

Table 2. Non Ministries Agencies Mentioned in Statutes

No.	Non Ministries Agencies	Statutes
1	Civil Service Agency.	Civil Servants Act 5/2014.
2	National Population and Family Planning Board.	Population and Family Development Act 52/2009.
3	Investment Coordinating Board.	Investment Act 25/20.
4	Geospatial Information Agency.	Geospatial Information Act 4/2011.
5	National Narcotic Agency.	Narcotic Act 35/2009.
6	National Disaster Management Agency.	Disaster Management Act 24/2007.
7	Nuclear Energy Regulatory Agency.	Nuclear Energy Act 10/1997.
8	Nuclear Energy Agency.	Nuclear Energy Act 10/1997.
9	Agency for the Placement and Protection of Indonesian Migrant Workers.	Protection of Indonesian Migrant Workers Act 39/2004.
10	National Development Planning Agency.	National Development Planning System Act 25/2004.
11	Statistics Agency.	Statistics Act 16/1997.
12	National Standardisation Agency.	Standardisation Act 20/2014.
13	National Archive.	Archive Act 43/2009.
14	National Institute of Public Administration.	Civil Servants Act 5/2014.
15	National Library.	Library Act 43/2007.

Table 2 shows there are many non-ministerial agencies are institutions performing government or executive functions, the Indonesian administration has hundreds of state auxiliary agencies (*lembaga non-struktural-LNS*), of which 76 are established by statutes. These agencies are often regarded as independent state bodies (*non-struktural* - outside the structure of the government), which can be either responsible for public policies implementation similar to ministries and non-ministerial agencies or to perform oversight functions. Below are some examples of the provides an overview of non-structural agencies (LNS) established by statutes that are mentioned in table 3.

Table 3. Non-structural agencies established by statutes

No	Name of LNS	Enabling Statutes
1	<i>Komisi Kepolisian Nasional</i> —National Police Commission	<i>Act 2/2002 on the National Police of the Republic of Indonesia</i>
2	<i>Komisi Pengawas Persaingan Usaha</i> (KPPU)—The Commission for the Supervision of Business Competition	<i>Act 5/1999 on the Prohibition of Monopoly Practices and Unhealthy Business Competitions</i>

3	<i>Komisi Perlindungan Anak Indonesia—The Indonesian Child Protection Commission</i>	<i>Act 23/2002 on Child's Protection, and its Amendments (Act 35/2014)</i>
4	<i>Komisi Kejaksaan—Attorney Commission</i>	<i>Act 16/2014 on the General Attorney</i>
5	<i>Komisi Nasional Lanjut Usia – National Commission for Elderly People</i>	<i>Act 13/1998 on the Wellbeing of Elderly People</i>
6	<i>Komisi Penyiaran Indonesia—Indonesian Broadcast Commission</i>	<i>Act 32/2002 on Broadcasting</i>
7	<i>Komisi Banding Merek—Trademark Appeal Commission</i>	<i>Act 19/2002 on Trademark</i>
8	<i>Komisi Banding Paten—Patent Appeal Commission</i>	<i>Act 13/2016 on Patent</i>
9	<i>Komisi Informasi—Public Information Commission</i>	<i>Act 14/2008 on the Public Information Disclosure</i>
10	<i>Komisi Pengawas Haji Indonesia—The Indonesian Commission for Oversight of the Hajj</i>	<i>Act 13/2008 on Hajj</i>
11	<i>Komisi Nasional Hak Asasi Manusia (Komnas HAM)—National Commission for Human Rights</i>	<i>Act 39 on Human Rights and Act 40/2008 on the Eradication of Racial and Ethnic Discrimination</i>
12	<i>Komisi Pemilihan Umum—General Election Commission</i>	<i>Act 7/2017 on General Elections (and its Subsequent Laws)</i>
13	<i>Komisi Pemberantasan Tindak Pidana Korupsi—Corruption Eradication Commission</i>	<i>Act 30/2002 on the Corruption Eradication Commission</i>
14	<i>Komite Nasional Keselamatan Transportasi—National Committee for Transport Safety</i>	<i>Act 23/2007 on Railways, Act 17/2008 on Shipping, Act 1/2009 on Aviation, and Act 22/2009 on the Road Traffic and Transport</i>
15	<i>Komite Nasional Keamanan Penerbangan—National Committee for Aviation Safety</i>	<i>Act 1/2009 on Aviation</i>
16	<i>Lembaga Produktivitas Nasional—National Productivity Agency</i>	<i>Act 13/2003 on Workforce</i>
17	<i>Lembaga Sensor Film—Censor Agency</i>	<i>Act 33/2009 on Motion Picture</i>
18	<i>Lembaga Kerja Sama Tripartit—Tripartite Cooperation Agency</i>	<i>Act 13/2003 on Manpower</i>
19	<i>Lembaga Perlindungan Saksi dan Korban (LPSK)—Criminal Witnesses and Victim Protection Agency</i>	<i>Act 13/2006 on Criminal Witnesses and Victim Protection</i>
20	<i>Dewan Riset Nasional—National Research Council</i>	<i>Act 18/2002 on the National System of Research, Development, and Application of Science and Technology</i>
21	<i>Dewan Pertimbangan Otonomi Daerah—Subsidiarity Council</i>	<i>Act 23/2014 on Regional Autonomy</i>
22	<i>Dewan Pengupahan Nasional—National Wage Council</i>	<i>Act 21/2000 on the Unions and the Act 13/2003 on Workforce)</i>
23	<i>Dewan Energi Nasional—National Energy Council</i>	<i>Act 30/2007 on Energy</i>
24	<i>Dewan Pers—Press Council</i>	<i>Act 40/1999 on Press</i>
25	<i>Dewan Pertimbangan Presiden—President's Advisory Council</i>	<i>Act 19/2006 on the Presidential Advisory Council</i>
26	<i>Dewan Sumber Daya Air Nasional—National Water Resources Council</i>	<i>Act 7/2004 on Water Resources</i>
27	<i>Dewan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Batam—Council for Batam Harbor and Free Trade Zone</i>	<i>Act 36/2000 as Amended by Act 44/2007 on the Free Trade and Free Harbour Zones</i>
28	<i>Dewan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Bintan—Council for Bintan Harbor and Free Trade Zone</i>	<i>Act 36/2000 as Amended by Act 44/2007 on the Free Trade and Free Harbour Zones</i>
29	<i>Dewan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Karimun—Council for Karimun Harbor and Free Trade Zone</i>	<i>Act 36/2000 as Amended by Act 44/2007 on the Free Trade and Free Harbour Zones</i>
30	<i>Dewan Jaminan Sosial Nasional—National Social Security Council</i>	<i>Act 40/2004 on the National Social Security System</i>
31	<i>Dewan Nasional Kawasan Ekonomi Khusus—National Council for Special Economic Zone</i>	<i>Act 39/2009 on Special Economic Zones</i>
32	<i>Badan Pendukung Pengembangan Sistem Penyediaan Air Minum—Agency to Support the Development and Supply of Drinking Water</i>	<i>Act 11/1974 on Waters</i>

33	<i>Badan Pengatur Hilir Minyak dan Gas—Oil and Gas Downstream Regulatory Agency</i>	<i>Act 22/2011 on Oil and Gas</i>
34	<i>Badan Nasional Sertifikasi Profesi—National Profession Certification Agency</i>	<i>Act 13/2003 on Workforce</i>
35	<i>Badan Perlindungan Konsumen Nasional—National Consumers Protection Agency</i>	<i>Act 8/1999 on Consumers' Protection</i>
36	<i>Badan Nasional Pengelola Perbatasan—National Outer Territory Management Agency</i>	<i>Act 43/2008 on the National Territory</i>
37	<i>Badan Pengelola (Perbatasan) di Tingkat Daerah—Regional Outer Territory Management Agency</i>	<i>Act 43/2008 on the National Territory</i>
38	<i>Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Sabang—Agency for the Management of Sabang Harbor and Free Trade Zone</i>	<i>Act 36/2000 as Amended by Act 44/2007 on the Free Trade and Free Harbour Zones</i>
39	<i>Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Batam—Agency for Batam's Free Trade Zone and Harbor</i>	<i>Act 36/2000 as Amended by Act 44/2007 on the Free Trade and Free Harbour Zones</i>
40	<i>Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Karimun—Agency for Karimun's Free Trade Zone and Harbor</i>	<i>Act 36/2000 as Amended by the Act 44/2007 on the Free Trade and Free Harbour Zones</i>
41	<i>Badan Pengusahaan Kawasan Perdagangan Bebas dan Pelabuhan Bebas Bintan—Agency for Bintan's Free Trade Zone and Harbor</i>	<i>Act 36/2000 as Amended by the Act 44/2007 on the Free Trade and Free Harbour Zones</i>
42	<i>Ombudsman Republik Indonesia—Ombudsman of the Republic of Indonesia</i>	<i>Act 37/2008 on the Ombudsman of the Republic of Indonesia</i>
43	<i>Konsil Kedokteran Indonesia—Indonesian Medical Council</i>	<i>Act 29/2004 on Medicare</i>
44	<i>Akademi Ilmu Pengetahuan Indonesia—Indonesian Academy of Science</i>	<i>Act 8/1990 on the Indonesian Academy of Science</i>
45	<i>Badan Pertimbangan Telekomunikasi—Telecommunication Advisory Board</i>	<i>Act 3/1989 and Act 36/1999 on Telecommunication</i>
46	<i>Badan Regulasi Telekomunikasi Indonesia—Indonesian Telecommunication Regulatory Agency</i>	<i>Act 36/1999 on Telecommunication</i>
47	<i>Pusat Pelaporan dan Analisis Transaksi Keuangan—the Indonesian Financial Transactions Reports and Analysis Centre</i>	<i>Act 15/2002 on Money Laundering and Act 9/2013 on the Prevention and Eradication of Terrorism</i>
48	<i>Komisi Aparatur Sipil Negara—Civil Service Commission</i>	<i>Act 5/2014 on Civil Service</i>
49	<i>Komite Perdagangan Nasional—National Trade Commission</i>	<i>Act 7/2014 on Trade</i>
50	<i>Komite Industri Nasional—National Industry Commission</i>	<i>Act 3/2014 on Industries</i>
51	<i>Badan Koordinasi Nasional Penyuluhan Pertanian, Perikanan dan Kehutanan—National Coordinating Agency for Agriculture, Fisheries, and Forestry Counselling</i>	<i>Act 16/2006 on the Counselling System for Agriculture, Fisheries, and Forestry</i>
52	<i>Komisi Penyuluhan Nasional—National Agricultural Counselling Commission</i>	<i>Act 16/2006 on the Counselling System for Agriculture, Fisheries, and Forestry</i>
53	<i>Badan Koordinasi Penyuluhan—Agricultural Counselling Coordinating Agency</i>	<i>Act 16/2006 on the Counselling System for Agriculture, Fisheries, and Forestry</i>
54	<i>Badan Pelaksana Penyuluhan—Agricultural Extension Agency</i>	<i>Act 16/2006 on the Counselling System for Agriculture, Fisheries, and Forestry</i>
55	<i>Badan Amil Zakat Nasional—National Zakat (Alms) Agency</i>	<i>Act 23/2011 on Zakat (Alms) Management</i>
56	<i>Badan Pertimbangan Aparatur Sipil Negara—Advisory Agency on Civil Service</i>	<i>Act 5/2014 on Civil Service</i>
57	<i>Lembaga Pencegahan dan Pemberantasan Kerusakan Hutan—Agency for Preventing and Eradication of Deforestation</i>	<i>Act 18/2013 on the Prevention and Eradication of Deforestation</i>
58	<i>Badan Pengawas Pasar Tenaga Listrik—Electricity Market Oversight Agency</i>	<i>Act 20/2003 on Electricity</i>
59	<i>Badan Koordinasi Pemberantasan Rupiah Palsu—Agency of Counterfeit Coordination</i>	<i>Act 7/2012 on the National Currency</i>

60	<i>Komite Profesi Akuntan Publik</i> —Committee on Public Accountant Professions	<i>Act 5/2011 on Public Accountant</i>
61	<i>Dewan Gelar, Tanda Jasa, dan Tanda Kehormatan</i> —Council for Title, Decorations, and Honours	<i>Act 20/2009 on Title, Decorations, and Honours</i>
62	<i>Majelis Pertimbangan Tenaga Nuklir</i> —Nuclear Energy Advisory Council	<i>Act 10/1997 on Nuclear Energy</i>
63	<i>Komite Kebijakan Industri Pertahanan</i> —Defence Industry Policy Committee	<i>Act 16/2012 on Defence Industries</i>
64	<i>Badan Promosi Pariwisata Indonesia</i> —The Indonesian Tourism Promotion Agency	<i>Act 10/2009 on Tourism</i>
65	<i>Badan Pengawas Rumah Sakit Indonesia</i> —Hospitals Oversees Agency	<i>Act 44/2009 on Hospitals</i>
66	<i>Lembaga Sertifikasi Industri Hijau (LSIH)</i> —Green Industry Certification Agency	<i>Act 3/2014 on Industries</i>
67	<i>Komite Pengelola Lembaga Sertifikasi Industri Hijau</i> —Committee for the Management of the Green Industry Certification Agency	<i>Act 3/2014 on Industries</i>
68	<i>Badan Perfilman Indonesia</i> —Indonesian Movies Agency	<i>Act 33/2009 on Motion Pictures</i>
69	<i>Komite Akreditasi Nasional</i> —National Accreditation Committee	<i>Act 20/2014 on Standardisation and Compliance Assessment</i>
70	<i>Konsil Tenaga Kesehatan</i> —Council for Health Workers	<i>Act 36/2014 on Health Workers</i>
71	<i>Konsil Tenaga Keperawatan</i> —Council for Nursery Workers	<i>Act 38/2014 on Nursery</i>
72	<i>Dewan Insinyur Indonesia</i> —Indonesian Engineers Council	<i>Act 11/2011 on Engineers</i>
73	<i>Dewan Pertahanan Nasional</i> —National Defence Council	<i>Act 3/2002 on the National Defence</i>
74	<i>Majelis Disiplin Tenaga Kesehatan</i> —Health Workers Disciplinary Council	<i>Act 36/2014 on Health Workers</i>
75	<i>Badan Pertimbangan Kesehatan Nasional</i> —National Health Advisory Agency	<i>Act 36/2009 on Health</i>
76	<i>Komisi Penilai Amdal</i> —Environmental Assessment Commission	<i>Act 32/2009 on Environment</i>

Table 3. shows, there are numerous sectoral legislations provide for the establishment of ministries and agencies. Laws and regulations are the major impediments to reorganization, they tend to curtail the flexibility of managing the government. Societies are rapidly changing and becoming more complex. Technological advances and more knowledgeable citizens create new challenges for the government—it is required to keep up. The current legislation framework has prevented the creation of the flexible organization needed to keep pace with changes and new challenges. As political transactions are often behind the creation of new institutions (Fukuoka, 2012), the Indonesian administration seems powerless to prevent the growth and the establishment of these new LNSs. Some member of the House of Representatives often urged the establishment of these new agencies to accommodate people which are affiliated with their own political party parties to have top-rank positions in such new agencies.

There is a trend when a new law is passed to address a particular problem, it also instructs the establishment of a new agency in that particular issue despite it has become a responsibility of the existing agency. This has resulted to inefficiencies due to overlapping authorities and functions between institutions (Ministry of Menpan, 2016). Therefore, there is a need for a coherent legal framework to establish coherent administrative structures. This is in-line with Wang et al., (2018), which notes the importance of establishing coherent legal frameworks for more integrated public policies.

Bozeman, (1993) argued legal rules are the closest relative of “red tape” and often causes a “rule entropy”, a condition where legal rules applied differently in a number of organizations. The more organizations, levels of the organization, and authorities involved in applying a legal rule, the more likely that the meaning of such rule will be lost as too many governing institutions may cause institutions to interpret rules differently and therefore made the resources used inefficiently (Bozeman,

1993). For effective reform, it is important for the administration to have efficient organization and therefore effective measure to reduce the growing number of agencies is essential. Optimization of functions and organizations of the existing bodies can be a key factor in establishing efficient governance. Even if performance of the existing institutions are not meeting the expectation, establishing a new agency with similar tasks and functions is not always solve the problems. Instead, it will lead to the duplication of functions and authorities, and resulted in poor coordination between institutions (Maulidia et al., 2019).

Therefore, when consideration to establish a new agency arises, it is important for public leaders to conduct a comprehensive institutional assessment for the need of a new agency by scrutinizing existing legal frameworks related to such particular issues. In addition to this, it is also beneficial if Indonesia sets up a new legal framework or passes a new law that establishes rules and guidance for establishing a new government body. Such new law should be able to reduce the fragmentation of Indonesian bureaucracy structure by preventing the establishment of not-really-needed new agencies and reducing overlap functions. Moreover, since the changes in public sector institutions are often politically driven, reforming the structure of the bureaucracy also requires political supports from all relevant stakeholders and public leaders, he executive or legislative branch of powers (Lim et al., 2021).

4. Conclusion

The Indonesian bureaucracy reform depends on the capability to overcome legislation challenges of reorganization. The large structure of the Indonesian government has significant potential overlapping functions, which results in ineffective and inefficient administration. Some laws provide for the preservation of certain ministries or agencies, reforming these often involves difficult political processes. This paper affirmed that legislation constrained reorganization. The Indonesian government has become so large because statutes have been used to create a new ministry or agency. Since the public sector needs to be efficient, it should have an efficient institutional configuration. Successful administrative reform can be achieved if the laws are redesigned to overcome the challenges of reform. Political supports from public leaders and establishing a legal framework to regulate the institutional configuration of government bodies and setting up requirements for the creation of a new ministry or agency are crucial for successful administrative reform. This paper concluded that bureaucratic reform in Indonesia needs legal reform to overcome its statutory barriers.

5. Suggestion

This research has highlighted the problem of how statutes constrain reorganization. Laws have contributed to the creation of a large government with potential duplications. This shows future statutes should not include the terms of establishing new agencies and not explicitly mention the name of a specific institution for a particular issue. The 1945 Constitution should be the primary reference in the making of a new government body, meaning that the establishment of a new ministry or agency is subject to the decision of the president. This research recommends that the Indonesian government develop a new legislative framework to support reorganization and overcome the statutory barriers to reform. Hence, this paper suggests and recommends further research on developing this legal framework. It would be interesting to study how the findings outlined in this study are put into practice in reorganizing government bodies. This will feed the curiosity to understand the extent of the applicability of the suggested legal framework.

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