

Institutional Structure and Public Participation in IKN Governance

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Abstract

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This study examines the relationship between the institutional structure of the new National Capital City (*Ibu Kota Negara*) and public participation in governance, focusing on the legal frameworks outlined in Law Number 3 of 2022, Law Number 23 of 2014, and Law Number 25 of 2004. Through a comparative approach, this study assesses how centralized institutional design, operated by the National Capital City Authority, affects the opportunities and limitations of citizen participation in the planning and decision-making process. The findings show that while regulations provide a normative basis for participatory governance, the effectiveness of their implementation is strongly influenced by bureaucratic capacity, cross-agency synchronization, information disclosure, and public access to consultation mechanisms. Challenges such as overlapping authority, inequality of digital access, and weak accountability mechanisms have the potential to reduce the quality of participation. The urgency of handling these challenges is closely related to the need to ensure the legitimacy of National Capital City development and maintain the consistency of democratic governance principles. This research emphasizes that the success of National Capital City governance is not only determined by the power of regulation, but also by institutional commitment to ensuring inclusive and meaningful public participation.

1. Introduction

The relationship between the institutional structure established for the new National Capital (*Ibu Kota Negara/IKN*) and the level of public participation in governance is a crucial focus for contemporary governance studies because the transfer of national capital functions brings a unique institutional dimension and direct consequences to the mechanisms of citizen participation in public decision-making. The establishment of the IKN Authority, as formulated in Law Number 3 of 2022 concerning the State Capital, marks the establishment of an institutional entity that has broad authority in the planning, development, and administration of government in the IKN area, thus raising questions about how the structure facilitates or limits the space for public participation.¹ Theoretically, new institutional structures could create an efficient bureaucratic pathway for centralized decision-making, but institutional capacity and its procedural design, including rules on public consultation, data transparency, and accountability, will greatly determine the extent to which citizens and other stakeholders can meaningfully engage in governance. Therefore, this relationship analysis demands a combination of governance perspectives, institutional design, and public participation to explain how legal and organizational frameworks affect participatory practices.

In the context of national law, Law Number 3 of 2022 provides the normative basis for the establishment of the IKN Authority and establishes the scope of specific institutional authority in the IKN area, while Law Number 23 of 2014

¹ Wesley Liano Hutasoit. "Analisa pemindahan ibukota negara." *DEDIKASI: Jurnal Ilmiah Sosial, Hukum, Budaya* 39, no. 2 (2019): 108-128.

concerning Regional Government remains relevant as a reference for the principles of regional governance including the principle of decentralization and a broader participatory mechanism that must be taken into account when new institutions are integrated into the state architecture. On the other hand, Law Number 25 of 2004 concerning the National Development Planning System underlines the obligation to prepare development planning involving consultation mechanisms such as musrenbang and the principle of openness in development planning, thereby adding a normative dimension to how public participation can be instructed in the IKN planning process.² The combination of these three legal instruments forms a formal basis for the analysis of the effects of institutional structures on participatory practice, but the real effectiveness of such legal frameworks depends on operational institutional design, technical capacity and resources, and concrete procedures that facilitate access, information, and channels of influence for public and civic actors.

An analytical approach to the relationship between institutional structure and public participation must weigh not only the text of the law but also the mechanism of its implementation: legal norms can open up space for participation, but administrative practices and bureaucratic culture determine whether that space is filled. Focusing on the effectiveness of the implementation of regulations requires an evaluation of the participatory instruments regulated, such as public consultation provisions, the obligation to publish planning documents, and the complaint or accountability mechanism, as well as the extent to which the new institutions can

² Hoong Chen Teo, Alex Mark Lechner, Saut Sagala, and Ahimsa Campos-Arceiz. "Environmental impacts of planned capitals and lessons for Indonesia's new capital." *Land* 9, no. 11 (2020): 438.

integrate the channels of community aspirations into the decision-making process.³ In addition, the analysis needs to separate the issue of institutional design from the implementation challenge: where design can demonstrate a normative intention for participation, operational challenges such as capacity limitations, inter-agency coordination, and access to information technology can hinder the realization of these goals.⁴

With the focus of the study at the general level and without referring to specific events or regions, this study is directed to assess two main aspects sequentially. The first aspect is related to the extent of the effective and efficient implementation of the relevant legal framework, including Law Number 3 of 2022, Law Number 23 of 2014, and Law Number 25 of 2004, in facilitating public participation through the institutional structure of the new National Capital.

The second aspect examines the substantive challenges that arise in the implementation of the three laws and the urgency to address them to improve the quality of public governance as a whole, without discussing the reconstruction of specific cases, so that policy implications can be drawn that are general and can be applied in various contexts. Based on these objectives, this study asks two main questions, namely how the implementation and effectiveness of the provisions in the three laws can support meaningful public participation in the new National Capital Governance mechanism, as well as what the challenges of its implementation

³ Aulia Akbar, Johannes Flacke, Javier Martinez, and Martin FAM van Maarseveen. "Participatory planning practice in rural Indonesia: A sustainable development goals-based evaluation." *Community Development* 51, no. 3 (2020): 243-260.

⁴ Wesley Liano Hutasoit. "Analisa pemindahan ibukota negara." *DEDIKASI: Jurnal Ilmiah Sosial, Hukum, Budaya* 39, no. 2 (2019): 108-128.

are and why the urgency is so important to improve the quality of governance and public participation.

2. Methods

This study uses a comparative approach to analyze the relationship between the institutional structures formed through the legal framework related to the new National Capital and the forms of public participation that emerge in the context of modern governance. The comparative approach was chosen because it was able to generate a deeper understanding of the variations in institutional design, implementation processes, and differences in the level of effectiveness of public participation mechanisms regulated in the national legal framework. Through comparative analysis, this study not only assesses the normative content of relevant laws, but also compares how the principles contained in the rule of law can be understood, interpreted, and operationalized in different governance contexts. This approach allows research to identify common patterns, inconsistencies, as well as institutional factors that have the potential to affect the effectiveness of public participation without relying on specific cases or regional analysis.

The use of comparative methods is carried out through three main steps. First, a systematic analysis of the legal substance that forms the basis for the formation of the institutional structure of the IKN is carried out, including provisions regarding the authority, functions, and coordination mechanisms between institutions. This analysis aims to identify the main characteristics of institutional design that affect the potential for public participation. Second, these

institutional characteristics are compared with the general principles of participatory governance that apply widely, such as procedural transparency, access to information, and the existence of two-way communication channels between the government and the community. This comparison is intended to assess the extent to which the legal framework provides sufficient room for participation and the extent to which institutional structures can support or hinder the implementation of those principles.

The third step is to conceptually compare the challenges that may arise in the application of the legal framework with the challenges in public governance that are common in the context of new institutions. This approach helps to produce a clearer picture of implementation barriers, both related to institutional capacity, regulatory coordination, and the dynamics of the relationship between government and the public. Since this study did not examine specific cases, comparative methods were used primarily to identify common trends that could potentially arise in governance environments characterized by large-scale institutional change. Thus, the comparative method provides a strong analytical foundation to understand the effectiveness of the legal framework, assess the suitability of institutional design, and examine the urgency of addressing various structural challenges that affect the quality of public participation in the governance of the new National Capital.

3. Results and Discussion

3.1. Institutional Phenomenon and Public Participation in the IKN Regulation Framework

The establishment of the institutional structure of the new National Capital City (IKN) through Law No. 3 of 2022 (Law No. 3/2022) has resulted in significant governance dynamics, especially because the IKN Authority model introduces a centralized government structure that is different from the local government mechanism as stipulated in Law No. 23 of 2014 (Law No. 23/2014). The broad authority given to the Authority causes a shift in public decision-making patterns and has the potential to reduce the space for participation that is commonly used in the context of local government. A number of studies confirm that new institutions with large mandates can improve technocratic efficiency, but their effectiveness is highly dependent on procedural designs that govern public access to planning and policy processes.⁵

In the literature on spatial planning and urban planning, the role of institutional structures in opening or limiting public participation is highly dependent on regulations and their implementing capacity. Salim and Hudalah⁶ emphasized that information closure and decisions that are too technocratic are often obstacles for the community to understand the direction of development. At the same time, Akbar

⁵ Rahmat Aris Pratomo, D. Ary A. Samsura, and Erwin van der Krabben. "Transformation of local people's property rights induced by new town development (case studies in Peri-Urban areas in Indonesia)." *Land* 9, no. 7 (2020): 236.

⁶ Wilmar Salim and Delik Hudalah. "Urban governance challenges and reforms in Indonesia: towards a new Urban Agenda." In *New urban agenda in Asia-Pacific: Governance for sustainable and inclusive cities*. Singapore: Springer Singapore, (2019): 163-181.

et al.⁷ show that formal participation channels, such as public consultation, can be symbolic if they are not accompanied by a mechanism for channeling aspirations that are followed up. In the context of IKN, the integration between the structure of the Authority and the principles of national planning as stipulated in Law No. 25 of 2004 (Law No. 25/2004) has the potential to create an insynchronization between the national agenda and the participatory rights of citizens.⁸

Another phenomenon identified is the tension between the need for a centralized institutional structure to manage large-scale projects and the demands for democratization that require meaningful public participation. Purwanto et al.⁹ noted that administrative reform is often faced with procedural resistance that makes the participatory path not run optimally. Maulana et al.¹⁰ added that institutional capacity is often not proportional to the demands of modern governance, thus affecting the openness of processes. The studies of Pratomo et al.¹¹ indicate that despite the existence of formal channels, the public participation process is often conditioned by the technical agenda and the speed of the project, so that deliberative space is limited.

⁷ Aulia Akbar, Johannes Flacke, Javier Martinez, and Martin FAM van Maarseveen. "Participatory planning practice in rural Indonesia: A sustainable development goals-based evaluation." *Community Development* 51, no. 3 (2020): 243-260.

⁸ Hoong Chen Teo, Alex Mark Lechner, Saut Sagala, and Ahimsa Campos-Arceiz. "Environmental impacts of planned capitals and lessons for Indonesia's new capital." *Land* 9, no. 11 (2020): 438.

⁹ Arie Purwanto, Anneke Zuiderwijk, and Marijn Janssen. "Citizen engagement with open government data: Lessons learned from Indonesia's presidential election." *Transforming government: people, process and policy* 14, no. 1 (2020): 1-30.

¹⁰ Aris Maulana, Fibria Indriati, and Kemal Hidayah. "Analysis of Bureaucratic Reform Through Delaying of Government Institutions in Indonesia." *Jurnal Borneo Administrator* 18, no. 2 (2022): 155-170.

¹¹ Rahmat Aris Pratomo, D. Ary A. Samsura, and Erwin van der Krabben. "Transformation of local people's property rights induced by new town development (case studies in Peri-Urban areas in Indonesia)." *Land* 9, no. 7 (2020): 236.

In addition, the development of digital governance provides opportunities to expand access to participation, but its effectiveness is inseparable from the readiness of infrastructure and institutional commitment to integrate citizen input. Aminah and Saksono¹² show that digitalization can increase interaction between the government and the public, but digital participation still requires clear operational rules so that public input really influences policies. In the context of IKN regulations, the clauses regarding public consultation, transparency, and accountability in Law No. 3/2022 require detailed implementing regulations so that they do not only become legal principles without real implementation.¹³

From all these phenomena, it can be seen that the existence of the legal framework that regulates the institutional structure of IKN Law No. 3/2022, Law No. 23/2014, and Law No. 25/2004 is an important normative foundation, but does not necessarily guarantee effective public involvement. Florini and Pauli,¹⁴ Salim and Hudalah,¹⁵ and Purwanto et al.¹⁶ agree that the effectiveness of public participation is greatly influenced by the administrative capacity, procedural design, and political commitment of implementing institutions. Therefore, the institutional phenomenon that emerged in the process of forming the IKN shows that effective governance is

¹² Sitti Aminah and Herie Saksono. "Digital transformation of the government: A case study in Indonesia." *Jurnal Komunikasi: Malaysian Journal of Communication* 37, no. 2 (2021): 272-288.

¹³ Sekar Banjaran Aji and Achmad Firas Khudi. "Indonesia's National Strategic Project Displacement, and the New Poverty." *JSEADR* 5 (2021): 136.

¹⁴ Ann Florini and Markus Pauli. "Collaborative governance for the sustainable development goals." *Asia & the Pacific Policy Studies* 5, no. 3 (2018): 583-598.

¹⁵ Wilmar Salim and Delik Hudalah. "Urban governance challenges and reforms in Indonesia: towards a new Urban Agenda." In *New urban agenda in Asia-Pacific: Governance for sustainable and inclusive cities*. Singapore: Springer Singapore, (2019): 163-181.

¹⁶ Arie Purwanto, Anneke Zuiderwijk, and Marijn Janssen. "Citizen engagement with open government data: Lessons learned from Indonesia's presidential election." *Transforming government: people, process and policy* 14, no. 1 (2020): 1-30.

not only determined by the strength of the rule of law, but also by how the institution translates the rules in a clear and accountable participatory mechanism.

3.2. Challenges of Implementing the Law and Its Urgency

The main challenge in implementing the provisions contained in Law No. 3 of 2022 concerning the National Capital City (Law No. 3/2022), when linked to a broader legal framework such as Law No. 23 of 2014 concerning Regional Government (Law No. 23/2014) and Law No. 25 of 2004 concerning the National Development Planning System (Law No. 25/2004), lies in the issue of harmonization of rules and cross-agency coordination. The insynchronization of norms between the implementing regulations of the IKN Authority and the national planning mechanism can cause overlapping authorities and unclear responsibilities, so that the participation procedures mandated by the Planning Law and local government risk becoming nominal if they are not technically accommodated in the work procedures of the new institution.¹⁷ In practice, these kinds of administrative barriers often emerge as implementation loopholes that weaken the public consultation channels and feedback mechanisms needed for citizen participation to be meaningful.¹⁸

Institutional capacity is a second challenge that is very crucial. The IKN authority, as a new entity, needs competent human resources, reliable information systems, and modern managerial mechanisms to exercise broad authority without

¹⁷ Hoong Chen Teo, Alex Mark Lechner, Saut Sagala, and Ahimsa Campos-Arceiz. "Environmental impacts of planned capitals and lessons for Indonesia's new capital." *Land* 9, no. 11 (2020): 438.

¹⁸ Ann Florini and Markus Pauli. "Collaborative governance for the sustainable development goals." *Asia & the Pacific Policy Studies* 5, no. 3 (2018): 583-598.

sacrificing the principles of transparency and accountability. Limited technical capacity and resources can cause project priorities to drown out the consultative process; This is reflected in studies that show that large development projects tend to prioritize implementation efficiency which can reduce the space for public deliberation.¹⁹ The lack of adequate capacity also has implications for weak monitoring of policy implementation and lack of participation evaluation, making violations of participatory principles difficult to identify and handle.²⁰

Information and access constraints are also serious problems. Although Law No. 3/2022 and Law No. 25/2004 emphasize information disclosure and participatory planning mechanisms, their realization depends on the availability of publicly accessible data and inclusive communication platforms. Disparities in digital access and public literacy pose a risk of exclusion for vulnerable groups who are less connected to digital channels of participation, so the adoption of e-governance without an inclusion strategy can widen participatory inequality.²¹ In addition, the technical language of planning and the dense project schedule often hinder the public's ability to provide substantive input, making participation more symbolic than substantive.²²

¹⁹ Aris Maulana, Fibria Indriati, and Kemal Hidayah. "Analysis of Bureaucratic Reform Through Delaying of Government Institutions in Indonesia." *Jurnal Borneo Administrator* 18, no. 2 (2022): 155-170.

²⁰ Arie Purwanto, Anneke Zuidervijk, and Marijn Janssen. "Citizen engagement with open government data: Lessons learned from Indonesia's presidential election." *Transforming government: people, process and policy* 14, no. 1 (2020): 1-30.

²¹ Sitti Aminah and Herie Saksono. "Digital transformation of the government: A case study in Indonesia." *Jurnal Komunikasi: Malaysian Journal of Communication* 37, no. 2 (2021): 272-288.

²² Wilmar Salim and Delik Hudalah. "Urban governance challenges and reforms in Indonesia: towards a new Urban Agenda." In *New urban agenda in Asia-Pacific: Governance for sustainable and inclusive cities*. Singapore: Springer Singapore, (2019): 163-181.

The aspect of representation and legitimacy is also a challenge in itself. The centralized structure mandated by Law No. 3/2022 has the potential to reduce the role of local representation that has been facilitated by local government mechanisms (Law No. 23/2014), raising questions about political accountability and representation of the interests of local communities and marginalized groups. If participation mechanisms are not designed to guarantee fair representation, the resulting decisions are vulnerable to being perceived as less legitimate by the public, which can trigger social resistance and lower trust in new institutions.²³

Finally, the challenges of regulation and implementation monitoring are in the spotlight. Many normative provisions require implementing regulations, operational standards, and evaluation mechanisms to be translated into measurable practices. The absence of participatory performance indicators and an effective complaint system makes it difficult to assess whether the mandate of participation in Law No. 25/2004 and the consultation provisions in Law No. 3/2022 have been substantively fulfilled.²⁴ These barriers underscore the need for independent oversight mechanisms and participatory audits that can verify procedural compliance and participation outcomes.

The urgency of addressing these challenges is high because of the direct implications for governance legitimacy, the quality of public policy, and social cohesion. Without swift action to clarify regulatory harmonization, strengthen

²³ Sekar Banjaran Aji and Achmad Firas Khudi. "Indonesia's National Strategic Project Displacement, and the New Poverty." *JSEHR* 5 (2021): 136.

²⁴ Ann Florini and Markus Pauli. "Collaborative governance for the sustainable development goals." *Asia & the Pacific Policy Studies* 5, no. 3 (2018): 583-598.

institutional capacity, ensure access to information and digital inclusion, ensure fair representation, and establish transparent monitoring mechanisms, the risk of marginalization of citizens and governance failures in the long term will increase. Therefore, answering this implementation problem is not only a matter of legal compliance with Law No. 3/2022, Law No. 23/2014, and Law No. 25/2004, but a strategic step to ensure that the institutional structure of the IKN is truly able to deliver participatory, fair, and sustainable development.

4. Conclusion

This study shows that the relationship between the institutional structure of the new National Capital and public participation in governance is largely determined by how the provisions in the applicable legal framework are implemented in administrative and planning practices. Law Number 3 of 2022, Law Number 23 of 2014, and Law Number 25 of 2004 provide a strong normative foundation for the implementation of participatory governance, but its effectiveness depends on procedural clarity, institutional capacity, and institutional commitment to open up inclusive and meaningful participation spaces. The findings of the analysis show that the existence of a centralized authority structure can bring efficiency, but it also poses significant challenges for representation mechanisms, cross-agency coordination, and synchronization with participatory national planning principles.

Challenges such as limited capacity, uneven access to information, lack of participatory assistance mechanisms, and lack of operational clarity are the main

factors that have the potential to hinder substantive public participation. The urgency of handling this issue is very high because the quality of IKN governance will affect the legitimacy of the development process and the long-term sustainability of policies. Thus, the effectiveness of IKN governance is determined not only by the strength of the regulatory framework, but also by the ability of institutions to translate legal norms into professional practices that are responsive to public needs. Efforts to strengthen accountability, transparency, and inclusivity are key to ensuring that the development of the IKN truly reflects the aspirations of the community and ensures the sustainability of democratic governance.

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