JRSSEM 2026, Vol. 6, No. 1, August
E-ISSN: 2807 - 6311
P-ISSN: 2807 - 6494

An Evaluation of Bureaucratic Barriers to Public Accountability in Regional Development: Implications for The Community Economy

Siti Nurjanah* , Jopie Tommy Rompas, Maulana Irfan Andriansyah
Universitas Islam Syekh Yusuf, Indonesia
Email: asifaprayitno123@gmail.com* , indonesia1961@yahoo.com, maulana.andriansyah@airnavindonesia.co.id

Keywords:
Bureaucracy; Public Accountability; Regional Development; Community Economy; Bureaucratic Reform

Abstract

This study aimed to analyze bureaucratic constraints on public accountability in regional development and their implications for community economic conditions. The research was based on the problem of limited bureaucratic effectiveness, characterized by hierarchical organizational structures, complex administrative procedures (red tape), and weak performance-oriented work cultures. This study employed a descriptive qualitative approach through a literature review using thematic analysis of academic and policy sources. The findings indicated that bureaucratic constraints significantly reduced public accountability, particularly in terms of transparency and performance accountability. This condition resulted in inefficiencies in regional development implementation, increased economic transaction costs, and declining public trust in local governments. The downstream impacts were reflected in weakened community economic competitiveness, particularly among Micro, Small, and Medium Enterprises (MSMEs), as well as reduced regional investment attractiveness. The study concluded that a consistent causal relationship existed among bureaucratic constraints, public accountability, development performance, and community economic conditions. Therefore, bureaucracy reform based on accountability principles, digital governance transformation, and strengthened oversight systems are essential prerequisites for improving regional development effectiveness.

INTRODUCTION

Regional development is a strategic instrument for achieving community welfare and equitable distribution of national development outcomes. Within the framework of decentralization, local governments have broader authority to manage resources, formulate policies, and implement development programs according to local needs. This decentralization is expected to improve the effectiveness of public services while strengthening community participation in the development process (Dwiyanto, 2015).

However, the success of regional development is determined not only by budget allocation or resource availability but also by the quality of bureaucratic governance. Bureaucracy serves as the primary actor in implementing public policies and plays an important role in planning, executing, and evaluating development programs (Quadri, 2023; Wu et al., 2017). In this context, public accountability is a fundamental principle that ensures policies and the use of public budgets can be transparently justified to the community (Sedarmayanti, 2017).

Public accountability refers to the government’s obligation to provide explanations, demonstrate responsibility, and ensure adequate public access to information regarding government performance (Markiz et al., 2017)

This principle is part of good governance, which emphasizes transparency, participation, and accountability as key pillars of effective and ethical public administration (UNDP, 2018). In practice, accountability extends beyond administrative procedures and includes moral and political dimensions that reflect public trust in government institutions.

Although public accountability principles have been incorporated into various regulations and policies, their implementation at the local level continues to face numerous bureaucratic challenges. One major obstacle is a bureaucratic structure that tends to be hierarchical, procedural, and slow in decision-making. This phenomenon is known as red tape, referring to excessive administrative procedures that hinder the effectiveness of public services. In addition, weak interagency coordination, overlapping authorities, and limited bureaucratic integrity have further reduced the quality of local governance.

In many cases, bureaucracy remains compliance-oriented rather than results-oriented, thereby reducing the effectiveness of development programs (World Bank, 2021). This condition not only slows policy implementation but also creates inefficiencies in public budget utilization and increases transaction costs in public services. These bureaucratic barriers ultimately affect community socioeconomic conditions. Slow licensing processes, delayed distribution of assistance, and limited policy transparency can increase economic costs for communities and business actors (Rus et al., 2024). The Micro, Small, and Medium Enterprises (MSMEs) sector, as a backbone of regional economies, is among the groups most affected by limited access to efficient public services (OECD, 2020).

Furthermore, weak bureaucratic accountability may reduce public trust in local governments. When communities lack sufficient access to development information, public participation in policy oversight becomes limited. This situation may create opportunities for abuse of authority, ultimately undermining the quality of regional development as a whole (Dwiyanto, 2015). From a development economics perspective, bureaucratic quality is a determining factor influencing the investment climate, resource allocation efficiency, and regional competitiveness. Inefficient bureaucracy increases governance costs, which may reduce investment attractiveness and slow regional economic growth (World Bank, 2021).

Several studies have examined the relationship between bureaucracy, accountability, and regional development. Dwiyanto (2015) analyzed bureaucratic reform in Indonesia, highlighting structural and cultural barriers that hinder public service effectiveness. Sedarmayanti (2017) examined the implementation of good governance principles in local government, emphasizing the importance of transparency and accountability in improving bureaucratic performance. Bovens (2007) developed a comprehensive conceptual framework for understanding accountability in public administration by distinguishing various accountability mechanisms and their effectiveness. Klitgaard (1991) examined corruption and bureaucratic dysfunction in developing countries, identifying red tape as a significant contributor to institutional inefficiency. The World Bank (2021) has documented the relationship between governance quality and economic development outcomes through governance indicators and business environment assessments, demonstrating that bureaucratic quality influences investment climate and economic growth. Lane (2000) examined new public management reforms and their implications for accountability in modern governance, while Osborne and Gaebler (1992) advocated for results-oriented government as an alternative to traditional bureaucratic models.

Although these studies provide valuable insights into bureaucratic challenges, most have focused either on structural aspects of bureaucracy or accountability mechanisms separately, without comprehensively examining the causal relationship linking bureaucratic barriers, public accountability, regional development performance, and community economic outcomes within an integrated framework (Gartzou-Katsouyanni, 2024; Wahid et al., 2017). Furthermore, limited research has systematically analyzed how specific bureaucratic obstacles, particularly red tape and compliance-oriented cultures, simultaneously affect transparency, performance accountability, and economic competitiveness at the regional level in the Indonesian context (Kamara & Rabie, 2021; Stevenson, 2019). The downstream effects of bureaucratic inefficiency on MSME competitiveness and regional investment attractiveness have also received limited attention in existing literature (Ghimire, 2024; Nyarku, 2017).

This study addressed this research gap by developing an integrated conceptual framework to examine the causal relationships among bureaucratic constraints, public accountability, regional development performance, and community economic conditions. The analysis integrated three theoretical perspectives—Weberian bureaucratic theory, good governance theory, and institutional economic theory—to provide a comprehensive understanding of how bureaucratic barriers affect governance quality and economic outcomes at the local level.

Based on these conditions, this study aimed to analyze bureaucratic constraints on public accountability in regional development and their implications for community economic conditions. The findings provide several practical benefits. This study offers a comprehensive conceptual framework that explains the causal relationship between bureaucratic barriers, public accountability, regional development performance, and community welfare, enabling policymakers to identify intervention areas for reform. The identification of specific bureaucratic obstacles—structural, procedural, and cultural—provides practical guidance for local governments in prioritizing reform initiatives. Furthermore, the policy implications derived from this analysis offer actionable recommendations for bureaucratic structural reform, accountability system transformation, digital governance implementation, and strengthened multilevel oversight mechanisms. The integration of institutional economic perspectives also highlights how bureaucratic reform can reduce transaction costs and enhance regional economic competitiveness, providing a rationale for investing in governance quality as a driver of sustainable regional development and community welfare.

METHOD

Types and Approaches to Research

This study employed a descriptive qualitative approach using a literature review (library research) to examine the conceptual relationships among bureaucratic barriers, public accountability, and their implications for community economic conditions based on relevant theoretical and empirical sources. The analysis focused on interpreting concepts, theories, and previous research findings to understand the relationship among the studied variables (Creswell, 2018).

Data Source

The data used in this study are secondary data, obtained from: (1) National and international scientific journals; (2) Academic reference books related to bureaucracy and public accountability: (3) Reports of international institutions such as the World Bank and OECD; and (4) Government policy documents related to bureaucratic reform and regional development

Data Collection Techniques

The data collection technique is carried out through documentation studies, namely by reviewing, reviewing, and analyzing various literature relevant to the research topic. The data collected are focused on concepts, theories, and empirical findings related to: (a) Bureaucratic barriers in public services; (b) Implementation of public accountability; (c) The impact of bureaucracy on regional economic development

Data Analysis Techniques

Data analysis is carried out using thematic analysis, which is an analysis technique that identifies patterns, themes, and conceptual relationships from various literature studied. The stages of analysis include: (1) Data reduction, namely selecting and filtering relevant literature; (2) Data categorization, namely grouping data based on themes (bureaucracy, accountability, economy); (3) Data interpretation, namely critically analyzing the relationship between concepts; (4) Drawing conceptual conclusions, namely formulating the pattern of relationships between research variables

Data Validity and Validity

To maintain the validity of the analysis results, this study uses the source triangulation technique, which is comparing various literature from journals, books, and reports of international institutions. In addition, a credibility theory check approach is also used, which is to ensure that the researcher's interpretation is in accordance with the existing academic consensus

The Relationship of Conceptual Frameworks to Methodology

The conceptual framework built in this study is not only descriptive, but also analytical, because it explains the causal relationship between bureaucratic variables, public accountability, and community economics. Therefore, the descriptive qualitative method was chosen because it is able to provide an in-depth understanding of the complexity of the relationship between these variables without excessive statistical reduction.

RESULTS AND DISCUSSION

Bureaucratic Obstacles in Regional Development

The results of the study show that bureaucratic obstacles in regional development are multidimensional, including structural, procedural, and cultural aspects that reinforce each other. Structurally, the bureaucracy in many local governments is still hierarchical and fragmentary, which causes the decision-making process to be slow and unresponsive to the dynamics of community needs. This condition is in line with Weberian's criticism that a rational-legal bureaucracy that is too rigid can lose flexibility in the implementation of public policies. In practice, such layered structures create an administrative bottleneck that extends the policy flow from planning to implementation. This phenomenon reinforces the concept of red tape proposed by Klitgaard (1991), which is a situation when excessive formal procedures actually reduce the efficiency of public organizations.

Procedurally, the bureaucracy is still dominated by administrative compliance orientation (rule compliance) rather than results-based governance. This causes bureaucratic performance to be measured more by compliance with procedures than by the real impact of policies on society. The World Bank (2021) emphasizes that this kind of orientation is one of the main causes of the low effectiveness of public services in developing countries.

Bureaucratic Barriers and Decline in Public Accountability

Bureaucratic barriers have a direct correlation with low public accountability in regional development. When the bureaucratic process is closed, slow, and not integrated, the transparency of public information becomes limited. This creates an information gap between the government and the public, which ultimately weakens the public oversight mechanism. In the perspective of UNDP (2018), public accountability consists of three main dimensions: financial accountability, performance, and law. The results show that bureaucratic barriers are most significant affecting performance accountability, where many development programs cannot be clearly measured in terms of achievement and impact.

Furthermore, Sedarmayanti (2017) emphasized that accountability is not only related to administrative reporting, but also concerns the moral legitimacy of the government in the eyes of the public. When the bureaucracy fails to provide transparent and timely information, public trust will decrease significantly. This phenomenon strengthens the theory of good governance which states that transparency and accountability are the main prerequisites in creating effective and public trust governance (UNDP, 2018; World Bank, 2021).

The Impact of Bureaucratic Obstacles on Regional Development Performance

Bureaucratic obstacles that lead to low public accountability have a direct impact on the decline in regional development performance. Development programs often experience delays in implementation, are not on target, and are not in accordance with the real needs of the community. In the perspective of Todaro and Smith (2015) development theory, development is not only measured by economic output, but also by institutional quality. Inefficient bureaucracy creates an institutional bottleneck that hinders regional economic transformation.

In addition, the OECD (2020) shows that the quality of public institutions has a direct influence on the effectiveness of public spending. When the bureaucracy is inefficient, development spending tends to be unproductive (unproductive expenditure), so that the multiplier effect on the regional economy is low. Thus, it can be concluded that bureaucratic obstacles not only have an administrative impact, but also reduce the effectiveness of development systemically.

Implications for the Community Economy

The most significant impact of bureaucratic obstacles can be seen in the economic condition of the community. The slow licensing process, high administrative transaction costs, and low policy certainty have led to an increase in the cost of doing business at the regional level. In the context of MSMEs, inefficient bureaucracy hinders business actors' access to government licensing, financing, and assistance programs. OECD (2020) emphasizes that MSMEs are very sensitive to the quality of public services, so slow bureaucracy directly reduces the competitiveness of this sector.

In addition, the World Bank (2021) explained that regulatory uncertainty and convoluted bureaucracy are one of the main factors for low investment interest in the region. Investors tend to choose regions with simple, transparent, and predictive administrative systems. In the perspective of institutional economics, this condition shows that bureaucracy is not only an administrative instrument, but also an economic variable that determines market efficiency. When the bureaucracy is ineffective, there is market distortion that hinders local economic growth.

Theoretical Synthesis: Bureaucracy, Accountability, and Economic Relations

The results of the analysis show a consistent causal relationship between bureaucratic barriers, public accountability, and community economy. Theoretically, the relationship can be explained through the integration of three main approaches:

1. The Weberian theory explains that an overly hierarchical bureaucratic structure leads to a decrease in flexibility and efficiency.
2. Good Governance Theory (UNDP, World Bank) asserts that low transparency and accountability will undermine public trust and policy effectiveness.
3. Institutional Economics Theory shows that the quality of bureaucratic institutions determines the level of transaction costs and regional economic growth.

Thus, it can be concluded that bureaucratic obstacles work as a structural variable that reduces public accountability, which then has an impact on low development performance and weakening of the community's economy.

Conceptual Discovery Model

Based on the results of the discussion, the conceptual relationship model of this research can be formulated as follows:

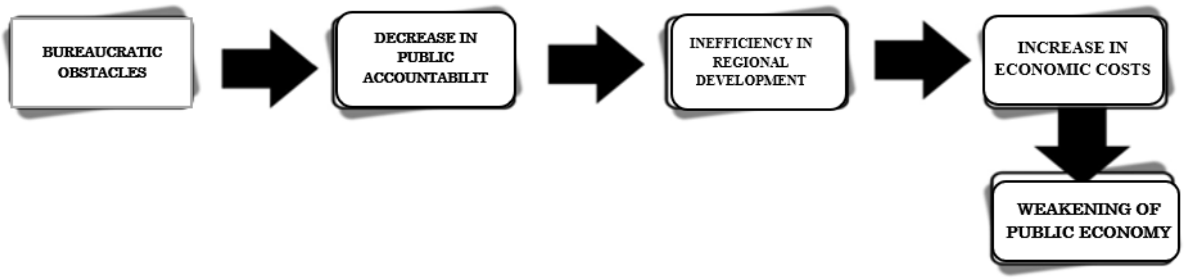

Figure 1. Conceptual Relationship Model of Bureaucratic Barriers, Public Accountability, and Community Economy

(Source: Authors' theoretical synthesis based on Weber, 1947; UNDP, 2018; North, 1990; and World Bank, 2021

This model shows that the improvement of the community's economy cannot be done partially, but must start from bureaucratic reforms oriented towards accountability and institutional efficiency.

CONCLUSION

Based on the overall analysis, it can be concluded that bureaucratic barriers in regional development represent a complex, systemic, and multidimensional institutional phenomenon arising from structural aspects (lengthy hierarchical structures and institutional fragmentation), procedural aspects (the dominance of red tape), and cultural aspects (weak performance orientation). These barriers significantly reduce public accountability across financial, performance, and legal dimensions due to limited transparency, restricted public access to information, and ineffective oversight mechanisms. Consequently, regional development performance declines, with programs experiencing implementation delays, inefficient budget allocation, and suboptimal outcomes. From an institutional economics perspective, this condition reflects inefficiencies that hinder sustainable development. The ultimate impact is evident in deteriorating community economic conditions, characterized by increased transaction costs, regulatory uncertainty, and declining local competitiveness, particularly among Micro, Small, and Medium Enterprises (MSMEs). This study confirms a consistent causal relationship in which bureaucratic barriers reduce public accountability, weaken regional development performance, and ultimately deteriorate community economic conditions. Therefore, accountability-based bureaucratic reform is a fundamental prerequisite for achieving effective, efficient, and sustainable regional development.

The policy implications require a systemic reform approach encompassing structural, procedural, cultural, and technological dimensions. First, bureaucratic structural reform through organizational rationalization is needed to reduce decision-making delays and strengthen outcome-oriented governance. Second, accountability systems must transform from input- and output-based approaches toward outcome-based governance supported by measurable performance indicators. Third, bureaucratic digital transformation through integrated e-government systems should be accelerated to reduce transaction costs, increase transparency, and strengthen data-driven governance. Fourth, multilevel supervision systems should be strengthened through the integration of internal oversight, legislative supervision, and public participation mechanisms. Fifth, institutional capacity building and cultural reform are essential to develop an adaptive, innovative, and service-oriented bureaucracy. Finally, strengthening regional economic ecosystems through improved public services—including simplified licensing procedures, regulatory certainty, and digital one-stop services—can enhance ease of doing business and investment attractiveness. Overall, bureaucratic reform should be understood as a comprehensive institutional transformation that strengthens public accountability while sustainably improving community economic welfare.

REFERENCES

Creswell, J. W. (2018). *Research design: Qualitative, quantitative, and mixed methods approaches* (5th ed.). Sage Publications.

Dwiyanto, A. (2015). *Reformasi birokrasi publik di Indonesia*. Gadjah Mada University Press.

Gartzou-Katsouyanni, K. (2024). Obstacles to local cooperation in fragmented, left-behind economies: An integrated framework. *Cambridge Journal of Regions, Economy and Society, 17*(2), 359–374.

Ghimire, B. R. (2024). Public policy and governance: Catalyzing local development and economic growth. *Journey for Sustainable Development and Peace Journal, 2*(2), 39–

53.
Kamara, R. D., & Rabie, B. (2021). The efficacy of policy and legal framework for cooperative governance and local economic development (LED) in small towns in a selected region in South Africa. *Zarządzanie Publiczne, 1*(53), 7–26.
Markiz, Y., Margono, S., Wirawan, I. D., & Ainur, R. (2017). The influences of leadership styles, organizational communication, and job satisfaction toward employees' job performance in doing construction jobs: A study on three construction companies in Jakarta. *Russian Journal of Agricultural and Socio-Economic Sciences, 65*(5), 168–180.
Nyarku, K. M. (2017). *Examining the effect of corruption and bureaucracy on SMEs growth in the Kumasi Metropolis of Ghana.*
OECD. (2020). *Government at a glance 2020*. OECD Publishing.
Quadri, M. O. (2023). Public policy and bureaucracy. In *Global Encyclopedia of Public Administration, Public Policy, and Governance* (pp. 10758–10764). Springer.
Rus, L., Moreno, C., Mohammad, S., Shahid, A., Ahmed, I., & Chowdhury, T. (2024). Failure analysis: Structural investigation methods and example of application. *Structural Engineering International, 34*(3), 461–468.
Sedarmayanti. (2017). *Good governance dan reformasi birokrasi*. Refika Aditama.
Stevenson, J. (2019). *Does incorporating participation and accountability improve development outcomes? Meta-analysis and framework synthesis*. Framework.
Todaro, M. P., & Smith, S. C. (2015). *Economic development* (12th ed.). Pearson.
UNDP. (2018). *Governance for sustainable development*. United Nations Development Programme.
Wahid, A., Ahmad, M. S., Talib, N. B. A., Shah, I. A., Tahir, M., Jan, F. A., & Saleem, M. Q. (2017). Barriers to empowerment: Assessment of community-led local development organizations in Pakistan. *Renewable and Sustainable Energy Reviews, 74*, 1361–1370.
World Bank. (2021). *Doing business report: Measuring business regulations*. World Bank.
World Bank. (2021). *Worldwide governance indicators*. World Bank.
Wu, X., Ramesh, M., Howlett, M., & Fritzen, S. A. (2017). *The public policy primer: Managing the policy process*. Routledge.