Title:

Partisan cooperation in multi-level political systems: Evidence from healthcare reform in Indonesia

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Abstract

Political parties facilitate cooperation across levels of government. Most theories of partisan cooperation in intergovernmental relations hold that parties provide institutional links between local and national policy-makers. This paper argues that there is another way in which co-partisanship can foster cooperation. In multilevel political systems, voters seldom understand the specific responsibilities of various levels of government. As a consequence, incumbents are unsure that voters will reward them for their policy efforts. Cooperation with co-partisans at other levels of government reduces such attributional uncertainty because politicians at both levels can coordinate on credit-claiming initiatives. Partisan harmony can thus foster cooperation even in unconsolidated party systems. Analysis of health policy cooperation in Indonesian local government provides robust empirical support for this argument.

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In multilevel political systems, policy coordination across levels of government is crucial for effective governance. The literature has long acknowledged that the partisanship of political elites is a powerful predictor of policy cooperation, as local politicians are more likely to cooperate with co-partisan national leaders. Conventional wisdom suggests that the link between co-partisanship and policy cooperation is due to vertical integration in party networks. Strong political parties facilitate cooperation because they provide national politicians with carrots and sticks to discipline their co-partisans in local government. However, this view cannot account for partisan cooperation in unconsolidated party systems, in which local-level politicians enjoy substantial independence vis-à-vis their national counterparts, preventing elites from disciplining co-partisans at different levels of government. In this paper, I show that partisanship can foster intergovernmental cooperation even when political parties are weak, and I develop a theory that explains under what conditions co-partisans are likely to cooperate in unconsolidated multilevel democracies.

Building on research on voting behavior in federalist countries, I argue that the dispersion of authority over multiple and overlapping jurisdictions hinders the ability of voters to hold elected officials accountable for their performance (C. D. Anderson, 2006; Arceneaux, 2006; León, 2012). This reduces incentives for local-level officials to cooperate and improve policy implementation: as politicians are not sure they will be able to claim credit for their efforts, the appeal of cooperation as an electoral strategy diminishes. Partisan harmony, or the degree to which elected officials at different levels of government are from the same political party, fosters cooperative behavior precisely because it reduces such attributional uncertainty. When different levels of government are
controlled by partisan rivals, voters attribute responsibility to each level based on their partisan orientations (Brown, 2010; Malhotra & Kuo, 2008). By contrast, when the same party controls both levels of government, attributional uncertainty is reduced, and cooperation becomes electorally attractive. On one hand, coordination improves policy implementation, which boosts evaluations of both incumbent politicians. On the other hand, leaders can cooperate in communication and campaign activities to claim credit for good government. My first contribution to the literature on political parties in multilevel political systems is thus to offer a novel account of why partisan harmony fosters policy cooperation.

The second contribution of this paper is to show that partisanship can be consequential even in unconsolidated party systems. The case of health politics in Indonesian local government is particularly interesting at this regard. With the ratification of decentralization reforms in 1999, Indonesian provinces were granted new budget allocation powers and new responsibilities in the provision of social services (Seymour & Turner, 2002). While some of them have used such prerogatives to increase the scope of local health insurance programs, several others have not (Dwickasono, Nurman, & Prasetya, 2012). Such subnational variation is puzzling because it is not explained by preeminent theories that focus on the role of programmatic political parties and citizen-politician linkages (Huber & Stephens, 2012; Kitschelt, 2000; Kitschelt & Wilkinson, 2007). Data collected in various Indonesian regions suggest that provinces with high levels of health insurance coverage have cooperated closely with the districts in their jurisdictions. Under these cooperative arrangements, various levels of government agree to increase health policy spending and to coordinate on matters such as the definition of
the beneficiaries and policy implementation. I show in this paper that the emergence of such agreements has been facilitated by high degrees of intra-provincial partisan harmony.

The mechanism I posit is a unique in the literature on federalism and multilevel governance. The idea that political parties are key determinants of cooperation across levels of government is not new, and many have observed that policy cooperation is more likely if subnational government leaders are co-partisans of the national executive (Filippov, Ordeshook, & Shvetsova, 2004; Riker, 1964; Rodden, 2006; Wibbels, 2005). However, these theories of partisan harmony and cooperation cannot offer convincing explanations in emerging democracies with weak parties. According to a first group of explanations, political parties matter because they provide an institutional connection between national and local policy makers. When parties have strong vertical links, national leaders are able to discipline co-partisans at lower levels of government through channels such as the allocation of federal funds and endorsements to their political careers (Filippov et al., 2004; Riker, 1964). This theory fits the Indonesian case poorly, because the Indonesian party system is not as consolidated as those observed in advanced federalist systems. In Indonesian local politics, personalistic appeals are often more important than party affiliations (Buehler, 2009), political parties are weakly institutionalized (Choi, 2011), illicit financing of political campaigns is widespread (Mietzner, 2008), coalitions are formed regardless of ideological considerations (Pratikno, 2009), local cadres are fairly autonomous vis-à-vis national offices (Tomsa, 2006), and party endorsements are sold to the highest bidder (Buehler & Tan, 2007).
A second group of theories focuses on electoral incentives for elected officials (Rodden, 2006; Wibbels, 2005). Work on American politics has long shown that subnational politicians benefit from the electoral success of their co-partisans at the national level because of partisan externalities, or “coattails” (Campbell, 1986; Tufte, 1975). When coattails are present, the electoral fortunes of local-level politicians and their higher-level co-partisans are closely tied: partisan harmony can thus foster cooperation even when parties are weak. The application of coattail explanations to the Indonesian case, however, is problematic. First, while partisan externalities might be at work in other federal systems, there is evidence suggesting that their dynamics may be substantially different from the American case. In countries with weaker party systems, the magnitude of national coattails may be smaller (Rodden & Wibbels, 2011), and in young democracies it may even absent (Samuels, 2000, 2003). Second, work on coattails is much more focused on quantifying their extent than on investigating their role in intergovernmental cooperation. With one remarkable exception (Wibbels, 2005), the literature does not jointly test alternative causal mechanisms in the relationship between partisan harmony and policy cooperation. As a result, we do not know if, and to what extent, electoral externalities shape cooperative behavior independently from party network effects. Finally, recent work using sophisticated research designs suggests that coattail effects may have been significantly overestimated in previous empirical work (Broockman, 2009; Meredith, 2013). These recent findings indicate that electoral externalities alone may be too modest in magnitude to account for consequential divergences in policy outcomes such as those observed in Indonesia.
I illustrate my argument using an original dataset of 31 Indonesian provinces observed over a period of five years (2005 to 2009). To study intergovernmental cooperation, I track the implementation of formal agreements in which provincial and district governments commit to the joint implementation of province-wide health insurance schemes. I show that such agreements are more likely to emerge in provinces with higher degrees of partisan harmony. Furthermore, the effect of partisan harmony declines in provinces in which attributional uncertainty is lower: when voters have better access to information, partisan harmony is substantially less important for intergovernmental cooperation. These findings suggest that the causal mechanism that links high degrees of partisan harmony to cooperative behavior is more plausibly associated with attributional uncertainty than with the effect of party networks or electoral externalities.

The remainder of the paper proceeds as follows. The next section reviews the literature, and section three outlines the foundations of an attributional theory of partisan harmony and policy cooperation. Section four introduces recent developments in local politics in Indonesia, focusing on the emergence of local health insurance schemes. The following two sections present the research design and the empirical findings. A final section concludes.

**Partisan cooperation in multilevel systems**

Foundational work on federalism argues that federal institutional arrangements, by bringing the government closer to the people and by generating a process of competition among subnational units, foster desirable outcomes such as more efficient public goods provision, superior economic performance, smaller government, and enhanced
accountability and representation at the local level (Oates, 1972; Tiebout, 1956). Such optimistic projections, however, have been rarely borne out by real-world developments, as federalism and decentralization reforms have often been coupled with economic mismanagement, government failures, and the exacerbation of inequalities and communal tensions. Such a mismatch between theoretical expectations and reality has prompted a redefinition of the theoretical tenets of the fiscal federalism literature (Weingast, 1995), and it has sparked scholarly interest for the relationship between various forms of federalist institutions, such as fiscal and representational arrangements, and specific outcomes (Wibbels, 2006). The role of political parties and partisan alignments across different levels of government, in particular, has been investigated in this literature from two main perspectives.

The preeminent approach looks at party networks, and in particular at relations between national and local-level party members, to account for patterns of intergovernmental policy coordination. A central claim of this scholarship, which traces its roots in early studies of federalism in the United States (Riker, 1964; Wheare, 1953), is that a strong, vertically integrated party system is necessary for the functioning of federalist systems. As power is distributed across multiple jurisdictions, each with potentially distinct policy preferences, conflicts often arise between policy-makers at different levels of government. However, when hierarchical, vertically integrated parties are present,

1 Throughout the paper, I use the term “local” to denote various kinds of subnational jurisdictions such as states, provinces, regions, districts, regencies, municipalities, and so forth.
national-level politicians can discipline subnational co-partisans using tools such as intergovernmental transfers (Ansolabehere & Snyder, 2006) and various forms of support to their political careers (Filippov et al., 2004, pp. 190-196). Riker observed that the structure of the party system is a key determinant of the degree of centralization of federal systems, and that the extent of partisan “disharmony” is closely related to conflict between levels of government (Riker, 1964, p. 130). This early finding has been supported by recent empirical research, which has studied issues such as the determinants of internal party links (Van Houten, 2009), the dimensions of vertical integration (Thorlakson, 2013), and the interplay between party organization and partisanship configurations (Bolleyer, 2011). In young democracies with low levels of institutionalization, however, parties may be mere vehicles for patronage politics, party affiliations can be extremely volatile, and policy platforms may be virtually identical (Van de Walle, 2003). In such institutional settings, national-level politicians are typically unable to discipline their local co-partisans.

A second line of research, instead of looking at the ability of parties to discipline their members, focuses more closely on electoral incentives (Rodden, 2003, 2006; Wibbels, 2005). Electoral explanations build on early work on American politics showing the existence of national “coattails”, or partisan externalities, in local electoral competitions (Campbell, 1986; Peltzman, 1987; Tufte, 1975). In subnational elections, voters often associate local candidates with national politicians of the same party label, so the prospects of local candidates are tied to the electoral fortunes of their co-partisans at the national level. Partisan harmony thus fosters cooperation even in the absence of a consolidated party system, because policy cooperation is a self-interested choice for
politicians at both levels of government (Wibbels, 2005, p. 39). If local politicians cooperate with national co-partisans, the implementation of national policies arguably improves substantially, which in turn boosts evaluations of national politicians and the magnitude of coattails.

The nexus between electoral externalities and cooperation across jurisdictions, however, remains unclear (Wibbels, 2006, p. 176). First, the importance of coattails in electoral competitions is still a matter of debate in the literature. Work on congressional elections indicates that coattail effects are rarely decisive for election outcomes, even under favorable conditions such as elections for open house seats (Flemming, 1995). More recently, empirical research has applied sophisticated identification strategies such as regression discontinuity and instrumental variable designs to suggest that the effect of partisan externalities has been overestimated in analyses using conventional quantitative techniques (Broockman, 2009; Meredith, 2013). Second, the role of coattails in countries other than the United States is not fully understood. Existing studies suggest that coattail effects may exist in other federal systems such as Canada (Gélineau & Bélanger, 2005), Germany (Kedar, 2006; Lohmann, Brady, & Rivers, 1997), and Argentina (Remmer & Gélineau, 2003). However, the magnitude of electoral externalities can vary significantly across cases (Rodden & Wibbels, 2011). Furthermore, empirical research is mostly limited to a small subset of federal countries with consolidated party systems. This is an important limitation of the literature, because these case studies cannot identify if electoral incentives shape policy cooperation independently from party discipline or
ideology. In the few instances in which coattails have been studied in unconsolidated party systems, empirical evidence suggests that they are negligible. For example, in his study of congressional electoral politics in Brazil, Samuels finds that national coattails are absent, a result he attributes to the weakness of Brazilian political parties (Samuels, 2000, p. 242). If coattail effects are weak or non-existent in young democracies, explanations based on electoral externalities alone are insufficient to account for the capacity of political parties to catalyze intergovernmental cooperation in such institutional settings.

**An attributional theory of partisan cooperation**

My account draws on the literature on responsibility attribution in shaping voting choices (Iyengar, 1989; Lau & Sears, 1981). Political choices are the product of a cognitive process in which voters establish causal links between a range of social and political phenomena and the performance of incumbent politicians. Such causal attributions, as observed by Gomez and Wilson, “are at the heart of all political opinion, especially given that the charge of democratic citizenries is to hold governments accountable for social and political outcomes” (Gomez & Wilson, 2006, p. 130). A critical aspect of this feature

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2 Wibbels’ work on economic reform in developing countries is the only piece of research I am aware of that jointly tests different causal mechanisms linking partisan harmony and intergovernmental cooperation. Wibbels shows that, in a country such as Argentina, in which electoral coattails are modest, policy cooperation can occur through central compulsion, although with substantial challenges and limitations (Wibbels, 2005, pp. 123-161).
of democratic accountability is that responsibility attribution is cognitively demanding: at a minimum, it requires citizens to be informed about current events and have a basic understanding of complex relations between political, economic and social factors. Indeed, empirical research has shown that voters often fail to attribute credit and blame correctly, as they significantly influenced by individual-level constraints such as the cost of acquiring information (Aidt, 2000), cognitive limits (Paldam & Nannestad, 2000), ideology and partisanship (C. J. Anderson, Mendes, & Tverdova, 2004; Rudolph, 2003; Tilley & Hobolt, 2011), and political sophistication (Gomez & Wilson, 2001, 2006). The centrality of causal attribution in voting behavior is consequential for the adoption of complex multilevel policies such as healthcare reform. In a seminal article, Geddes (1991) conceptualizes policy-makers as having two main strategies to secure reelection. The first, and most common, is patronage, in which targeted benefits are provided to nurture clientelistic relations with a small segment of the electorate. The second is to implement reforms that benefit a larger portion of the citizenry. This second choice increases electoral support for the incumbent, as she acquires a reputation as a reformer; however, it is also a costly strategy, because patronage is harder to sustain after reform implementation. Geddes argues that reform takes place on two conditions. First, there needs to be a certain demand for reform, and voters must be willing to reward reformers by voting for them. Second, government and opposition camps must have comparable access to patronage resources. Otherwise, patronage politics is always a dominant strategy for the incumbent. Yet the literature on responsibility attribution introduced above reminds us that there is another crucial requisite that needs to be met for reform to be electorally appealing: voters need to be able to correctly attribute the beneficial effects
of reform to the incumbent’s efforts. In other words, even when reform is salient and politics competitive, incumbents may have low incentives to abandon patronage because they are uncertain that they will be able to successfully claim credit for reform.

In multilevel political systems, where power is dispersed over multiple and overlapping jurisdictions, attributing responsibilities can be a particularly daunting task for voters. Following seminal research by Powell and Whitten (1993), voting behavior scholars have shown that institutions can influence the process of responsibility attribution substantially. Among such contextual factors, federalist institutions can hinder the ability of voters to make causal attributions: cross-national studies (C. D. Anderson, 2006) and research on specific multilevel systems such as Spain (León, 2012), Canada (Arceneaux, 2006; Cutler, 2004, 2008), and the European Union (Tilley & Hobolt, 2011), find that holding the government accountable for its performance is more difficult when policy responsibilities are shared by multiple levels of government. These findings are important for the theory proposed here because they suggest that decentralized countries present additional challenges for democratic accountability and the adoption of reformist policies. As multilevel governance exacerbates the uncertainty over responsibility attribution described above, acquiring a reputation as a “reformer” is more difficult, and the electoral incentives for reform adoption may thus be substantially weaker.

Against this backdrop of attributional uncertainty in multilevel politics, how can intergovernmental cooperation help local-level incumbents to claim credit for reform? A configuration of “vertically divided” government, in which elected officials at different levels of government are partisan rivals, provides low incentives for intergovernmental cooperation. When politicians at different levels of government are from different parties,
existing research finds that voters tend to assign credit or blame according to their partisan orientations (Brown, 2010; Malhotra & Kuo, 2008). Low partisan harmony across levels of government will thus only increase uncertainty over responsibility attribution and further narrow the prospects for reform adoption.³ By contrast, in presence of high levels of partisan harmony, such divisive dynamics are muted. First, cooperation is more advantageous because local politicians may be benefiting from the partisan externalities described in the previous section. Second, co-partisans can coordinate communication efforts to claim credit for the beneficial effects of policy reform and multilevel policy coordination: this synergy between co-partisans at different levels of government, although not a guarantee that credit claiming will be successful, increases the chances that reform adoption will be electorally rewarding. Cooperation between co-partisans thus decreases the level of uncertainty over credit claiming for reform.⁴

³ I am assuming here a belief among elected officials that voters rely, at least to some extent, on partisan cues. As partisan identification is related to perceived programmatic differences among political parties (Aldrich, 2011, pp. 176-184), this assumption may be problematic for unconsolidated democracies. However, partisan affiliations may exist even in the absence of partisan policy differences in key areas such as economic and social policy. For example, partisan preferences may be related to identity politics factors such as ethnicity and religion.

⁴ This treatment of the relationship between partisan harmony and cooperation assumes that policy implementation will lead to rewards when attributional uncertainty is low. To be sure, this case may be specific to popular policies such as healthcare reform in low and
The theory of partisan cooperation outlined above assumes that policy-makers are uncertain about the voters’ ability to reward them for reform efforts. One key implication of my argument is that partisan harmony should only facilitate intergovernmental cooperation when electorates face attributional uncertainty. Without uncertainty, there is little incentive for parties to cooperate for policy or credit claiming in unconsolidated party systems. Abramowitz and coauthors found that voters who are more exposed to political news are more likely to attribute responsibility for their own personal conditions to the government (Abramowitz, Lanoue, & Ramesh, 1988). Building on these early findings, Gomez and Wilson show in a series of papers that only politically sophisticated voters make causal attributions between their own economic wellbeing and systemic, political factors (Gomez & Wilson, 2001, 2003, 2006). The logic here is similar: partisan harmony should be a particularly important driver of policy cooperation when voters are insufficiently informed about politics, as these are the conditions under which causal attribution is most challenging. Instead, when voters are more educated and have easy access to information about political events, they are in a better position to confer credit and blame: for incumbents at the local level it is easier to claim credit for reform, and the need to cooperate with higher levels of government is less urgent.\footnote{Some may contend that electoral externalities are also associated with low levels of political sophistication. Indeed, early work on the psychology of coattails views them as resulting from cognitive shortcuts used by poorly educated voters to decide under}
the main hypothesis developed in this paper is that *the effect of partisan harmony in facilitating policy cooperation is larger under conditions of higher attributional uncertainty.*

**Empirical setting**

After the breakdown of President Suharto’s authoritarian regime during the Asian financial crisis of 1997-98, Indonesia embarked on an ambitious project of institutional reform. The decentralization of the Indonesian state, in particular, was hailed as a radical discontinuity with the New Order regime, under which provinces and districts were controlled from Jakarta through centrally appointed, and mostly Javanese, bureaucrats. As Indonesia was rattled by economic inequalities (Akita, 2002), ethnic violence (Bertrand, 2004; Davidson, 2009; Tajima, 2014), a resurgence of secessionist sentiments (Aspinall & Berger, 2001), and a full-fledged separatist conflict in Aceh, an appeasement to autonomist demands was considered as necessary to hold the country together (Mietzner, 2007). Today, Indonesia is a highly decentralized country featuring three main levels of government, namely national, provincial (29 ordinary provinces and 5 special autonomy provinces), and district government (about 500 units, classified into cognitive constraints (Mondak, 1993; Mondak & McCurley, 1994). However, the microfoundations of coattail voting are still surprisingly poorly understood (Hogan, 2005, pp. 587-588). Some more recent conceptualizations suggest that partisan externalities are not heuristics, but an aspect of retrospective, performance-based voting by which rational voters hold elected politicians accountable (Rodden, 2006, pp. 125-126; Zudenkova, 2011).
municipalities and regencies). Voters select the leaders for each administrative level through direct elections, and the various levels of government share prerogatives and responsibilities in a number of policy areas.

The provision of social services is a prime example of how local government in Indonesia has actively exercised its new powers, to the extent that some scholars of Indonesian politics consider the emergence of more comprehensive welfare programs a key feature of democratization in Indonesian districts and provinces (Aspinall, 2014; Aspinall & Warburton, 2013). The rapid expansion of regional social programs, and of health insurance schemes in particular, was greatly facilitated by the introduction in 2005 of

6 The Indonesian terms for municipality and regency are *kota* and *kabupaten*, respectively. Recently, the National Assembly passed legislation (Law 6/2014) to strengthen the role of village government, thus adding an additional layer to the governance structure.

7 Law 22/1999 established that provinces and districts have full autonomy to govern according to the interests of local constituencies. Unfortunately, this directive does not clearly enumerate the powers attributed to the various kinds of local government, and it is thus problematic to provide a precise indication of the responsibilities of districts vis-à-vis provinces (Seymour & Turner, 2002). However, Law 32/2004 clarifies that provincial and district governments share “obligatory” functions in a number of areas, including health policy. As for fiscal relations, Law 25/1999 provides for a system of fiscal transfers in which most of local government budget is funded through equalizing transfers from the center, and fiscal powers at the local level are limited.
Direct local elections for district heads and provincial governors, known in Indonesia as *pilkada*. Direct elections for local executives established a new, immediate relationship between voters and their representatives, and created new incentives for candidates to public office to promise, and later implement, pro-poor social policy programs.\(^8\)

Before this key institutional change, however, important developments in health policy had already been taking place in local government. In the early 2000s, a small number of districts in Central Java, Bali and West Sumatra started pioneering policies that significantly expanded the scope of social safety nets, even in the absence of a legal basis to do so.\(^9\) Perhaps the most well known example of such experimentations is the case of Jembrana Regency in Bali, where local authorities implemented in 2002 an innovative program to grant free healthcare to all of its residents (Rosser & Wilson, 2012). Local health insurance and free healthcare programs, known collectively as *Jamkesda* (*Jaminan Kesehatan Daerah*).

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8 I am not suggesting here that health policy reform and similar social programs have been a salient factor in most local electoral competitions. Local politics in Indonesia is often dominated by identity politics and patronage networks, and demand for healthcare services remains low in several localities (Winters, Karim, & Martawardaya, 2014). Yet undoubtedly, healthcare reform has featured prominently in many local direct elections, and it has been crucial in advancing the political careers of many local politicians (Aspinall, 2014, pp. 12-13).

9 The factors driving this activism in health policy are unclear. In qualitative interviews, informed respondents often mention that “political will” and the quality of local leadership were decisive.
Kesehatan Daerah, or Regional Health Insurance) proliferated in subsequent years, following a policy diffusion process that reached most Indonesian provinces: a survey conducted in June 2007 found that 96 districts (out of a total of 459) reported implementing or planning various forms of Jamkesda programs (Gani et al., 2008).

The activism of district leaders was instrumental in putting the issue of the expansion of health insurance programs on the national agenda. In the mid-2000s, national authorities took significant steps to establish a comprehensive health insurance system that would cover most Indonesian poor households. Askeskin, later renamed Jamkesmas (Jaminan Kesehatan Masyarakat, or Health Insurance for the People), was a program launched in 2005 to expand access to healthcare to an initial membership of 60 million poor Indonesians and informal workers (Sparrow, Suryahadi, & Widyanti, 2013). While Jamkesmas had beneficial effects in expanding access to healthcare, it was flawed in two important respects (World Bank, 2012). First, in many districts, Jamkesmas quotas were insufficient. Some districts were allocated quotas much larger than the size of their low-income population, and some others received less than what they needed to insure all poor households. Second, Jamkesmas did not include near-poor citizens and the non-

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10 The reason for this discrepancy is that poverty rates were only one of the two main criteria used to determine Jamkesmas quotas in 2008, the other being “fiscal capacity”: districts with a stronger revenue structure (for example, those with non-tax revenues from natural resources) were allocated smaller quotas, under the assumption that local government would cover the excluded poor. Information collected in multiple interviews
poor, leaving an estimated 60% of the Indonesian population without health insurance provided by national schemes (Departemen Kesehatan R. I., 2008). For these reasons, the role of local government has remained pivotal even in the wake of major policy initiatives at the national level. Subnational authorities have been crucial in addressing, or failing to address, deep-seated inequalities in access to healthcare and new imbalances produced by policy-feedback effects from Jamkesmas implementation.

As Jamkesmas was becoming fully operational, the limits of district-level insurance schemes started to emerge. On one hand, local Jamkesda schemes were mired in implementation problems ranging from financial deficiencies to corruption, poor targeting, lack of coordination among service providers, delays, and insufficient socialization. For example, out of the 96 districts identified in the aforementioned study of July 2007, only 26 were found in subsequent field visits to have a running Jamkesda program (Gani et al., 2008). On the other hand, the contingent nature of health insurance reform in most districts was increasingly being exposed. As health insurance plans were often initiated by executive decisions of the district head, without involving the local legislative council, such reforms were sometimes as short-lived as the tenure of the incumbent local leader.  

Information collected in an interview with faculty with officials at the Team for the Acceleration of Poverty Reduction (TNP2K), carried out in January 2014 in Jakarta.

Again, the case of Jembrana illustrates this point: as serious financial irregularities in Jamkesda implementation surfaced, the regent’s reelection bid failed, and his successor eventually dismantled the program. Information collected in an interview with faculty
To tackle the weaknesses of Jamkesda schemes, some provincial governments started cooperating with districts in providing health insurance programs. Although cooperative agreements varied substantially in their provisions, they also displayed some key commonalities. First, these pacts were formal agreements initiated by provincial authorities, with a legal basis that typically included legislation (*peraturan daerah*, or local regulation) ratified by provincial legislative councils. This aspect was crucial in consolidating reform efforts, and in reducing the risk of reform rollback often observed in district-level Jamkesda. Second, they stipulated cost sharing arrangements to finance the expansion of health insurance programs, as provincial governments agreed to pay a share of the health insurance costs incurred by districts. These provisions were instrumental in overcoming the lack of financial resources in some districts and sub-provincial inequalities in access to healthcare. Third, cooperation agreements provided for a unified system with an integrated list of beneficiaries of healthcare services, which greatly reduced the potential for fraud and the occurrence of spillovers of free healthcare services to non-members. In short, where multilevel cooperative agreements of this kind emerged, district and province governments cooperated in financing and implementing health insurance schemes. Typically, provincial government provided a substantial share of the financial resources needed for the programs and access to hospitals run by the province, while district governments were in charge of managing implementation in local clinics and identifying the beneficiaries of the programs.

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members at University of Indonesia, Faculty of Public Health. Depok, West Java, 31 January 2014.
Despite the benefits of integrated insurance schemes, major hurdles to province-district cooperation have emerged in two main areas. First, reaching a cost-sharing agreement has often been difficult because of controversies at the negotiation stage. For example, policy-makers in North Sumatra considered implementing an integrated health insurance scheme between 2010 and 2011. However, repeated meetings between district and province representatives failed to find a compromise on the share of costs that the province would have to cover, as district leaders demanded a 70% share and the province was only ready to concede a 30% share. Second, even when agreements are struck, free riding and credible commitment problems can jeopardize cooperation. For instance, although the province of East Java passed legislation for a province-wide health insurance scheme for the poor in 2008, the program was not implemented until 2011. In the first year of implementation, gross financial mismanagement surfaced in many districts, as 16 of them spent on reimbursement claims amounts largely exceeding those agreed with the province, with deficits ranging from two to five times the allotted budgets (TNP2K, 2014, pp. 56-57). In 2012, financial tensions between districts and province intensified to the point that six districts stopped paying their share of the Jamkesda costs altogether (Taufiq, 2012).

Research design

Health policy cooperation between Indonesian districts and provinces provides an ideal illustration of the argument outlined above for two main reasons. The first is that this case

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12 Interview with Head of Health Insurance Services, Department of Health, Province of North Sumatra. Medan, North Sumatra, 5 September 2013.
study allows several much-needed empirical contributions to the literature on partisan cooperation in multilevel political systems. As mentioned, the vast majority of the knowledge accumulated by this scholarship relies on empirical studies of a limited number of federal countries. However, there is a much larger pool of countries that are not federal, yet are highly decentralized and elect government leaders at two or more levels of government. Furthermore, the literature focuses on the interaction between the federal (national) level and the immediately inferior level of governance (provinces, states, etc.). Yet decentralization reforms in many countries have devolved a substantial amount of policy prerogatives to even more localized political units (regencies, municipalities, and so forth). To the best of my knowledge, this paper provides the first empirical investigation of the link between partisan harmony and policy cooperation at a lower level of governance. Finally, most of what we know about performance voting

\[\text{13} \text{ Indonesia is one of such countries, as local governments have more modest fiscal powers than in federal systems. In 2009, the last year of the panel dataset I am using, the median value of own tax revenues as a share of the total budget in Indonesian districts was below 5\%. However, while the ability of local administrations to levy taxes is constrained, they enjoy almost complete autonomy in budget allocation. Although this is an important difference from the federal institutional arrangements discussed in the literature on partisan cooperation, the Indonesian case is in this respect representative of a broader category of low and middle income countries that have devolved significant powers to local government through decentralization reforms.} \]

\[\text{14} \text{ An additional advantage of this research design is that it provides variation in province-} \]
originates from the analysis of economic policy, most prominently from the literature on economic voting. This paper provides an empirical example of causal attribution processes in a different policy domain, health policy, offering an opportunity to ascertain the importance of responsibility attribution and performance voting in a different but no less critical domain.15

Second, a comparative study of Indonesian provinces increases inferential leverage in several ways. First, the adoption of a subnational comparative research design allows controlling for a host of national-level factors that may be omitted in cross-national analysis (Snyder, 2001). Furthermore, “scaling down” the scope of comparative analysis fortifies causal inference by considering the substantial subnational variation observed in areas such as party strategies and party systems (Chhibber & Nooruddin, 2004), the quality of democracy (Gervasoni, 2010), and policy outcomes (Giraudy, 2007). Second, Indonesia displays remarkable diversity in a wide range of dimensions, including the outcome of interest and potentially related factors such as socioeconomic development: this allows a thorough investigation of possible causal patterns and an empirical analysis district relations, as it studies 31 provinces, each having its own relationship with the districts in its territory. This contrasts with existing work on center-province relations, in which only one federal government is analyzed.

15 At the same time, however, this research design does not allow to ascertain if the argument applies to other policy areas. In Indonesian local politics, health policy is often a highly salient issue: political dynamics maybe different for less salient policy areas, or in countries in which healthcare is not a key political issue.
over the full range of values of key variables. Finally, choosing Indonesia fortifies causal identification because of specific features of its party system. The literature typically studies political systems in which partisanship overlaps to a large extent with a left-right ideological cleavage. This poses a significant inferential threat because the ideological divide between the left and the right is closely related to policy preferences, and it could thus foster cooperation in ways independent from party networks or electoral incentives. By performing an empirical test with data from Indonesian local politics, the potentially confounding roles of party discipline and preferences over social policy are accounted for by design.

As the assumption that Indonesian political parties have virtually identical social policy platforms is key for this research design, it deserves further elaboration. To portray the Indonesian party system as devoid of ideological cleavages would be a mischaracterization, as scholars studying political parties in post-Suharto Indonesia have long identified a distinction between secularist and Islamic parties (Mujani & Liddle, 2009). This divide over the role of Islam in public life, however, has not led to differentiation in policy platforms. For example, Ufen argues that economic policy cleavages are hardly significant, and that secular and Islamic parties alike lack meaningful political platforms (Ufen, 2008, pp. 28-29). Tan further reports that Indonesian parties drafted their electoral programs in 2004 only because they were required to do so to register at the Electoral Commission (Tan, 2006, p. 99). The marginality of the secularist-Islamic cleavage for policy platforms is even clearer in local politics, where coalitions are formed regardless of ideological concerns (Pratikno, 2009). More generally, Indonesian politics lacks the left-right divide typical of consolidated part
systems, as the brutal, large-scale eradication of the political left in 1965-66 sharply shifted the center of politics to the right (Bourchier & Hadiz, 2003, p. 8).

Indonesia has also had a long history of weakly institutionalized political parties. In his authoritative study of Indonesian politics before the New Order, Feith saw party organization as “in general very poorly developed”, and political parties as plagued with very low levels of internal cohesion (Feith, 1962, p. 126). To be sure, Indonesian parties today do not appear as weak. For instance, in a recent book Mietzner argues that old models of Indonesian parties as poorly institutionalized vehicles for patronage politics are inadequate descriptions of the Indonesian party system today (Mietzner, 2013). Furthermore, the 2014 presidential elections featured a bitter conflict between two coalitions with some programmatic differences. However, such feeble trends towards greater party institutionalization have emerged only in recent years, and almost exclusively at the national level.\(^{16}\) Scholarly work on contemporary local politics suggests the predominance of clientelistic practices and widespread weaknesses in the structure and functioning of political parties, including shady financing practices (Mietzner, 2008), the prevalence of personalistic appeals and family dynasties (Buehler, 2009, 2013a), internal factionalism (Tomsa, 2006), the auctioning of party endorsements (Buehler & Tan, 2007), and generally low levels of institutionalization (Choi, 2011).\(^{17}\)

\(^{16}\) In very recent news, a report by the Electoral Commission found that alliances among parties for the upcoming local elections do not follow the partisan alignments observed in national politics ("National coalitions rendered irrelevant in local polls," 2015).

\(^{17}\) Note that, as mentioned in the theory section, voters may identify with political parties
An exhaustive test of the theory proposed in this paper requires microlevel data to measure how voters respond to partisan cues about social policy initiatives at various levels of government. This would allow to identify the specific attributional mechanism I posit, and to assess its strength vis-à-vis alternative causal paths. Unfortunately, such a dataset is not available. Here, I analyze data at a higher level of aggregation that nevertheless allows me to identify the most important observable implications of my argument. I have assembled an original dataset with panel data from 31 Indonesian provinces observed over a period of five years, namely from 2005 to 2009. The choice of this time frame is dictated by the contingencies of local electoral cycles in Indonesia and by data availability: before 2005, local leaders were not directly elected, and partisanship affiliation data is not available; after 2009, a second round of local direct elections started in 2010, but data for 2010 elections is only available for a limited number of districts. Furthermore, important institutional changes were under way in 2010, as the national government began discussing plans for a more inclusive national health insurance program that would replace local health insurance schemes.

18 A table with descriptive statistics is included in the appendix.

19 An alternative research design may look at variation across districts rather than across
The indicator that tracks the emergence of cooperative agreements between provincial and district government is a dummy variable that assumes the value of 1 for province-years in which an agreement for jointly run health insurance program exists, and of 0 otherwise. Data to code this variable were acquired over months of fieldwork in Indonesia, mainly through the consultation of published and unpublished policy reports and through semi-structured interviews with informed respondents. The few provinces for which no information about intergovernmental cooperation was available were coded as 0. For operationalization purposes, agreements are defined as having three constitutive provinces to track the emergence of multilevel cooperation. As districts may able to refuse to cooperate with provincial policies, there could be intra-province variation in cooperative behavior. This scenario, although theoretically possible, is in practice very rare, since agreements are typically only ratified when districts show almost unanimous support for their implementation. I therefore use provinces as the unit of analysis, even if some potentially interesting variation may be neglected with this approach.

The author has surveyed informed respondents in international donor organizations (World Bank, USAID, AUSAID), national-level government institutions (Ministry of Health, Center for the Financing of Health Insurance, Team for the Acceleration of Poverty Reduction), leading Indonesian academic institutions (Faculty of Public Health at University of Indonesia, Center for Policy and Finance Management for Health Insurance at Gadjah Mada University), and departments of health in provincial or district governments located in the provinces of North Sumatra, Bengkulu, Jambi, Jakarta, Yogyakarta, West Java, Bali, East Borneo, South Sulawesi, and Gorontalo.
features: they are formal (the legal basis is typically a regulation by provincial legislative bodies), they entail some form of financial assistance from provincial to district governments, and they identify beneficiaries individually, through an integrated list. These criteria ensure that other forms of more discretionary, contingent and unilateral policies (for instance, the allocation of funds to assist non-identified indigent citizens) are not coded as intergovernmental cooperation. The first health insurance agreements emerged in 2007, when four provinces agreed to run an integrated health insurance program. The number of provinces cooperating rose to seven in 2008 and thirteen in 2009.

The main independent variable of interest, partisan harmony, is generated from results for the first wave of local direct election in Indonesia (2005-2008), and it indicates the share of district heads that are co-partisans of the province’s governor. As no single, integrated repository of data on local electoral outcomes exists in Indonesia (the Electoral Commission only started tracking data on local elections in 2011), the coding relies on two secondary data sources. Data on district-level elections was acquired at the Pusat Informasi Kompas, an archive in Jakarta where information on early implementations of local direct elections in Indonesia is stored; data for provincial elections was coded from an unpublished report by an independent political consulting firm in Jakarta. As most local leaders are elected with support from a coalition of parties, I code districts as “co-partisan” of the governors if one of the main parties supporting the local leader is in

21 All data were coded from published electoral maps based on official electoral results obtained directly from the 31 provincial branches of the Electoral Commission.
the governor’s winning coalition. This is a broad definition of co-partisanship, as it treats as co-partisans politicians from different parties belonging to the same electoral coalition. However, determining the precise party affiliation for each of the nearly 500 local leaders is impossible, since the law on local elections does not require disclosing the partisanship of candidates for public office. Although in principle partisan harmony is a time-varying covariate, as elections may take place every year, the indicator used in regression analysis is constant over the observed years due to uncertainty about the timing of district-level elections.\textsuperscript{22}

Turning to attributional uncertainty, I am unable to measure voters’ political sophistication directly, and I therefore recur to proxy indicators of access to information in the electorate. More precisely, I follow Olken (2009) in using television reception as an exogenous determinant of television watching. The 2011 implementation of the Potensi Desa (PODES) survey tracks the presence, in each Indonesian village, of local and national public television networks signals. Although this indicator is not as ideal as a direct measure of political sophistication, it is a suitable proxy indicator, as existing surveys suggest that television is the most important source of information about local politics for Indonesian citizens (Sharma, Serpe, & Suryandari, 2010, p. 18). I aggregate

\textsuperscript{22} About 60\% of local direct elections took place for the first time by the end of 2006. By the end of 2008, the first cycle of local elections was completed. The two major political parties in this first wave were Golkar, the party most closely associated with the New Order authoritarian regime, and PDI-P, the winner of the first democratic elections in 1999. These two parties won in about 35\% and 24\% of the districts, respectively.
this measure to generate province-level indicators of the share of villages reporting access to local, national public and national private television networks.

I use this dataset to perform regression analysis on two sets of models. First, I test the hypothesis that partisan harmony facilitates intergovernmental cooperation with a simple logistic regression model in which the probability of intergovernmental cooperation is a function of partisan harmony and a battery of control variables. Second, I extend this basic model to test multiplicative interactions between partisan harmony and attributional uncertainty, operationalized as described above. All estimated models include fixed effects for years, and reported standard errors are robust to data clustering within provinces.

\[^{23}\text{In all models, I include the number of districts in each province, province population, population density, logged GDP per capita, poverty rate, and morbidity rate (data are aggregation of district-level variables from various publications by the Indonesian Central Office of Statistics, available from the INDO-DAPOER Indonesia Database for Policy and Economic Research). I also use data from the Indonesian Ministry of Finance to build two measures of fiscal capacity, namely total revenues per capita and the share of provincial revenues coming from transfers from the central government. This accounts for the hypothesis that local-level spending may be influenced by available fiscal resources and by the presence (or absence) of locally generated revenues (Rodden \\& Wibbels, 2002).}\]

\[^{24}\text{I do not estimate fixed effects for provinces given the limited number of time intervals in the panel and the non-linearity of the model.} \]
Identifying the causal effect of partisan harmony on intergovernmental cooperation is challenging due the confounding role of the quality of democratic institutions at the local level, which is plausibly linked both to policy outcomes and electoral politics. On one hand, provinces in which government is more transparent and accountable may be more likely to cooperate to provide services that benefit a large number of people. Intergovernmental cooperation may thus be epiphenomenal to “good governance” practices and local policy legacies in health policy.25 On the other hand, provinces with better local politics tend to be more electorally competitive, and thus to show lower levels of partisan harmony. The identification strategy I follow in this paper relies on observational data I have collected to condition on these confounders. To measure the impact of policy legacy, I have built an indicator capturing the share of the population having health insurance in 2007, the year in which the first district-province agreements took place.26 To account for the role of local governance and democratic institutions, I measure the competitiveness of local politics with the number of candidates and the share of vote obtained from the winning candidate in gubernatorial elections.

likelihood estimator may be inconsistent and biased (Greene, 2004).

25 Indonesia has a long history of subnational inequalities in socioeconomic development and the provision of social services. See Akita & Lukman (1995), and Booth (2003).

26 Data from the Indonesian Ministry of Health (Departemen Kesehatan R. I., 2008, p. 318). This is, to my knowledge, the first year for which data on health insurance membership from various government and private schemes is available at the provincial level.
Finally, to explore the possibility that party networks may in fact play a role in fostering multilevel cooperation, I include in all models dummy variables that track the presence of specific political parties in the winning coalition of provincial governors. Throughout the paper, I have assumed that there are no substantial differences among Indonesian political parties with regard to their degree of institutionalization. The literature on Indonesian politics suggests that there are two parties that might constitute, to some limited extent, an exception to this premise. The first is Golkar, a party that is often considered to be the most institutionalized of Indonesian parties because it has been operational and electorally successful over several decades, both under authoritarianism and democratic rule (Tomsa, 2008). The second is PKS, the Prosperous Justice Party. Recent research suggests that this Islamic party may have developed a sufficiently strong organization to be able to discipline party members at the local level (Buehler, 2013b), and that it has been engaged in establishing a programmatic partnership with trade unions (Caraway, Ford, & Nugroho, forthcoming).

Analysis

Table 1 reports logistic regression results for a series of models that estimate the effect of partisan harmony on intergovernmental cooperation and its contingency on the degree of attributional uncertainty. Model 1 is a baseline model in which the emergence of cooperative agreements is a function of partisan harmony, a host of sociodemographic and fiscal control variables, and the indicators that measure the competitiveness of local politics and the composition of the governor’s winning coalition. The coefficient for partisan harmony is estimated at 5.856 and, although signed as expected, is not significant at conventional statistical levels. This suggests that partisan harmony does not
have a strong, unconditionally positive effect on multilevel cooperation in all the provinces included in the sample. The positive value of the coefficient, however, indicates that cooperative agreements are more likely to emerge in provinces with higher values of partisan harmony. For example, while a province with 19% of co-partisan districts has a predicted probability of reaching an agreement of 7.91%, the estimated probability for a province in which two-thirds of districts are co-partisans increases to 28.15%. Figure 1 plots the estimation results for Model 1 with two charts of predicted probabilities: the left panel uses the results of estimation with the whole sample reported in Table 1, and the panel on the right re-estimates the model by excluding the two years in which cooperation between provinces and districts is not observed. Both panels show a positive association between the degree of partisan harmony and the predicted probability of cooperation. However, while in the left panel predicted probabilities are below .50 for all values of partisan harmony, the chart on the right predicts that an agreement will take place (expected probability higher than .50) for values of partisan harmony higher than .68. As for the other covariates, the variables measuring the competitiveness of local politics are signed as expected: the likelihood of cooperation increases in provinces with more competitive local elections, although neither indicator (share of votes for the winner and number of candidates) is consistently significant across model specification. Finally, the estimation results show no evidence that the presence of either Golkar or PKS in the

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27 19% and 67% are the 25th and 75th percentile values, respectively, of the distribution of partisan harmony.
governor’s winning coalitions have a positive effect on the emergence of multilevel cooperative agreements.
<table>
<thead>
<tr>
<th>VARIABLES</th>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
<th>Model 5</th>
<th>Model 6</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partisan harmony</td>
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<td>51.04**</td>
<td>25.22*</td>
<td>35.35**</td>
<td>27.00*</td>
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<td>(3.327)</td>
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<td>(10.49)</td>
<td>(10.86)</td>
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<td>Partisan harmony (at least 50% of co-partisan districts)</td>
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<td></td>
<td>7.058**</td>
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<td>(2.591)</td>
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<td>Number of districts in the province</td>
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<td>0.796*</td>
<td>0.609</td>
<td>0.510</td>
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<td>-1.116**</td>
<td>-0.588*</td>
<td>-0.709*</td>
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<td></td>
<td>(0.156)</td>
<td>(0.165)</td>
<td>(0.351)</td>
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<td>(0.297)</td>
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<td>Average population density (people/km2)</td>
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<td>Average GDP per capita (logged)</td>
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<td>-41.03</td>
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<td>-62.91</td>
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<td></td>
<td>(11.52)</td>
<td>(16.24)</td>
<td>(46.60)</td>
<td>(44.97)</td>
<td>(51.46)</td>
<td>(57.28)</td>
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<td>Average revenues per capita (IDR millions)</td>
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<td>2.257</td>
<td>2.532</td>
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<td></td>
<td>(0.404)</td>
<td>(0.567)</td>
<td>(1.331)</td>
<td>(1.283)</td>
<td>(1.583)</td>
<td>(1.681)</td>
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<td>Average fiscal dependency</td>
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<td>-1.737</td>
<td>-1.473</td>
<td>1.223</td>
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<td></td>
<td>(7.210)</td>
<td>(7.919)</td>
<td>(8.906)</td>
<td>(5.639)</td>
<td>(5.181)</td>
<td>(8.284)</td>
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<td>Share of people with health insurance in 2007</td>
<td>-0.603</td>
<td>1.944</td>
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<td>2.051</td>
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<td>(4.814)</td>
<td>(2.868)</td>
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<td>Share of votes for elected governor</td>
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<td>-18.22</td>
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<td>(5.430)</td>
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<td>(22.42)</td>
<td>(22.61)</td>
<td>(26.22)</td>
<td>(23.12)</td>
</tr>
<tr>
<td>Number of candidates in provincial elections</td>
<td>0.701*</td>
<td>0.889**</td>
<td>1.178</td>
<td>2.020</td>
<td>1.457</td>
<td>0.963</td>
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<td></td>
<td>(0.324)</td>
<td>(0.344)</td>
<td>(0.790)</td>
<td>(1.113)</td>
<td>(0.887)</td>
<td>(0.966)</td>
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<tr>
<td>Golkar in governor's coalition</td>
<td>2.062</td>
<td>4.597*</td>
<td>7.507</td>
<td>12.54</td>
<td>11.31</td>
<td>8.867</td>
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<td>(1.379)</td>
<td>(1.789)</td>
<td>(4.483)</td>
<td>(6.561)</td>
<td>(6.973)</td>
<td>(7.086)</td>
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<td>PKS in governor's coalition</td>
<td>-0.219</td>
<td>-0.366</td>
<td>0.0162</td>
<td>1.601</td>
<td>0.970</td>
<td>-0.806</td>
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<td>(1.531)</td>
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<td>(3.196)</td>
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<td></td>
<td>57.94***</td>
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<td>(14.73)</td>
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<tr>
<td>Partisan harmony*Average TV network penetration</td>
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<td>(15.61)</td>
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<td>Partisan harmony*Average TV network penetration (local)</td>
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<td>-37.82*</td>
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<td>(16.42)</td>
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<td>Average TV network penetration (national public)</td>
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<td></td>
<td>-53.18**</td>
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<td>(18.17)</td>
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<td>Average TV network penetration (national private)</td>
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<td>42.18*</td>
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<td></td>
<td>(18.94)</td>
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<td>Partisan harmony*Average TV network penetration (national private)</td>
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<td>(10.57)</td>
<td>(10.64)</td>
<td>(40.33)</td>
<td>(14.49)</td>
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<td>Observations</td>
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<td>143</td>
<td>143</td>
<td>143</td>
<td>143</td>
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<tr>
<td>Long-likelihood</td>
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<td>-25.30</td>
<td>-14.40</td>
<td>-21.11</td>
<td>-18.61</td>
<td>-17.34</td>
</tr>
</tbody>
</table>

Cluster-robust standard errors in parentheses. All models include fixed effects for years, not reported. *** p<0.001, ** p<0.01, * p<0.05
Model 1 has a rather poor fit with the data when compared with the other models reported in Table 1, and it shows the lowest predictive value, as it classifies correctly only about two thirds of the cases of cooperation. In Model 2, I estimate a similar baseline model in which partisan harmony is operationalized with a dummy variable coded as 1 if the share of co-partisan districts in the province is 50% or higher, and 0 otherwise. The coefficient for this covariate is positive and significant at the .01 level. In provinces where half or more district leaders are co-partisan of the governor, the probability of observing multilevel cooperation is 30.19% higher. The much stronger results for the effect of partisan harmony reported in Model 2 suggest that the relationship between partisan harmony and cooperation may not be linear. Rather, there may be a critical threshold of co-partisan local leaders beyond which cooperation becomes more likely. When partisan
harmony is measured with the dichotomous variable used in Model 2, the fit with the data improves noticeably, and the share of cases of cooperation classified correctly increases to 77.27%.

The remaining models reported in Table 1 estimate multiplicative effects between partisan harmony and indicators of attributional uncertainty, measured by aggregated data on the penetration of local and national television networks. In Model 3, partisan harmony is interacted with a measure that tracks if at least one television network is accessible. The estimated coefficient of the interaction term is negative (-75.34), as expected, and significant at the .01 level. This indicates that attributional uncertainty is a crucial moderating factor in the relationship between partisan harmony and multilevel cooperation, as the marginal effect of partisan harmony declines in provinces where citizens have easier access to information on local politics. As hypothesized, the results suggest that partisan harmony is a significant determinant of cooperative behavior across levels of government only if attributional uncertainty is sufficiently high. For instance, consider the difference between two provinces, one with a low degree of television network penetration such as 25%, and one with a higher level of 65%. In the former case, the estimated marginal effect of partisan harmony on cooperation is very strong (estimated at 32.21), positive, and statistically significant at the .01 level. In the latter case, however, the magnitude of the marginal effect drops dramatically to 2.07, with a p-value of .647. Model 3 classifies correctly almost all cases (95.24%) in which multilevel cooperation is observed, which suggests a substantially better fit with the data than the

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28 The median value for this variable is 42%.
first two models. Models 4 to 6 estimate the same multiplicative model using data on each of the three television networks measured by the *PODES* survey, namely local, national public and national private television. All results are consistent with the argument, as the interaction terms are large, signed negatively, and statistically significant at least at the .05 level in all specifications. Figure 2 plots the estimation results for these three models, showing the estimated marginal effect of partisan harmony and 95% confidence intervals at different levels of accessibility of television networks. As the figure shows, the estimated marginal effect declines for higher values of television network penetration in all models, and it statistically significant only for sufficiently low values of the moderating variables. The charts display no dramatic differences across the three models in estimated multiplicative terms. However, results are stronger for the national public television network, as the interaction terms in Model 5 shows a larger coefficient and a smaller p-value compared with the other two models. This may be related to the traditionally strong role of public television in providing news to Indonesians, as news broadcasting was initially prohibited to commercial television (Hollander, d'Haenens, & Bardoel, 2009, pp. 40-41).
Conclusions

This article has demonstrated that political parties can be consequential in facilitating intergovernmental cooperation even when they are poorly institutionalized. As the prevailing focus on party networks and vertical integration is inadequate to account for this phenomenon, I study how partisan harmony is linked to electoral incentives to adopt reformist policies. In multilevel political systems, in which authority is dispersed across overlapping jurisdictions, incentives for cooperation on policy reform are often low because politicians are not sure that they will be rewarded electorally for their efforts. Political parties matter because, when politicians at different levels of government are co-partisans, such attributional uncertainty is reduced, and credit claiming for incumbent politicians becomes easier.
Political scientists have long studied the role of parties in multilevel political systems, arguing that partisan harmony is crucial for policy cooperation in vertically fragmented polities. This literature, however, has so far been unable to ascertain if the association between partisan alignments and intergovernmental cooperation is due to party networks or other factors. My analysis of multilevel politics in an unconsolidated party system allows me to identify and isolate the specific effect of electoral incentives. The analysis suggests that partisan harmony has a positive effect on policy cooperation even when parties are unable to discipline their own members, and that this link depends on electoral incentives related to the process through which voters attribute responsibility for government performance.

Further research is needed to test the microfoundations of this paper’s argument, and to ascertain the extent to which these findings are generalizable to other policy areas and countries. However, the analysis presented here has two main implications for the study of democratic accountability and social service provision in low and middle-income countries. The first is that the multilevel dimension of politics in decentralized countries should be investigated with greater attention. While most of the literature on social policy in the developing world has focused on self-contained political units like municipalities, regencies and electoral districts, the case of subnational welfare state development in Indonesia shows that this approach risks neglecting crucial determinants of policy outcomes. The nexus between political parties and social policy development should be studied over the full scale of intergovernmental interactions rather than being confined to the analysis of issues such as policy platforms, ideology and citizen-politician linkages. More broadly, the analysis performed in this article indicates that becoming more
programmatic and institutionalized may not be the only channel through which political parties can contribute to democratic consolidation.

Second, voting behavior dynamics should be investigated more thoroughly as determinants of the link between partisan harmony and policy cooperation patterns. The degree of information accessibility and political knowledge in the electorate may be especially crucial in determining when partisan alignments across levels of government shape policy outcomes. While research in this field on consolidated democratic polities has reached high levels of sophistication, our understanding of the same processes in institutional contexts typically associated with young democracies is still lacking in many respects. Future research may explore survey data and employ experimental research designs to test the microlevel dynamics postulated in this article, studying the complex web of relations between cognitive sophistication, responsibility attribution, social policy preferences and the use of multilevel partisan cues.

References


### Descriptive statistics

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<th>Mean</th>
<th>SD</th>
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<th>Max</th>
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