

CHAPTER I

INTRODUCTION

1.1 Background

Infrastructure development in Indonesia is being intensively implemented. One of them is the National Strategic Project for Toll Roads. This program has received top priority for its supervision. Because it is included in the vision and mission of President Joko Widodo (Wirabrata, 2019). In addition, the definition of development is also part of the work system that must be carried out by the central government, regional or strategic business entities, which aims to increase equitable growth, for the welfare of the region and society (Government Regulation Number 3 of 2016). This is also supported by the nomenclature of toll roads regarding the form of development for the public interest (Law Number 2 of 2012).

Therefore, the implementation of development has become an obligation for the State, but using green economic practices. This is done to comply with the UNEP (*United Nations Environment Programme*) statement through *building points* and in accordance with regulations. Similarly, in discussions at the Summit (Summit) and the United Nations (United Nations), SDG's development techniques will be used multidimensionally so that physical and non-physical investments can be included (Alisjahbana & Murningtyas, 2018). Furthermore, on the other hand, the government's desire also explains that the era of President Joko Widodo really wants to create a multiplier effect (Improving the State Economy), from the long-term value of the IMD World Competitiveness Index. Thus,

Indonesia has increased its competitiveness to the international level (Ministry of PUPR, 2023).

Although the development of toll road infrastructure is part of the common benefit in accordance with laws and regulations and international agreements, it turns out that the compensation mechanism for land acquisition to owners is the main cause of the obstacle (Sudirman, 2014). Inadequate data from BPN (National Land Agency), Regional Secretaries, as well as understanding of the origin of land and its replacement are problematic factors (Hayati, 2011). In addition, the government's operational costs also often experience obstacles. Thus, the toll road construction process is always delayed (Marunung, 2012). For example, in Demak Regency. The 10-hectare Waqf Land belonging to the Sunan Kalidjogo Kadilangu Foundation is currently experiencing a polemic. The problem is that there has been a termination of communication by the local government on the basis of a court decision related to the control of the Foundation's assets (Putra, 2021). Meanwhile, on the other hand, there is a lack of understanding from the Indonesian Land Waqf Agency (BWI) regarding the appointment of nadzir. This is evidenced by the Certificate (SK) of the Regional Office of the Ministry of Religion (Kemenag) which states the Sunan Kalijaga Kadilangu Foundation as the recipient, not the Sunan Kalidjogo Kadilangu Foundation. Thus, there are allegations of mal-administration in the process of compensation for Waqf Land (Utama, 2022).

The review related to why the heirs of Sunan Kalijaga could have such extensive waqf land is because there is historical evidence from the Semarang

Resident Letter, No. 11338/I dated December 22, 1880. In the past, this land was given as a form of gratitude from the Sultan of Demak (Raden Patah) for the construction of a mosque with the construction of a teacher's pole (*Soko Tatal*). The land area covers 33 sub-districts, starting from Sayung District in the south of Semarang City and east to Rembang. However, based on the interests of the Dutch before the independence of the State of Indonesia, now Sunan Kalijaga's legacy assets are only in the form of mosques, tombs, and some vacant agricultural land (State Archives, 1883).

In accordance with the laws of the country, people living in the area are legally obliged to comply with all regulatory provisions. Because this is the result of the constitution (Constitutional Court, 2010). Likewise, the Sunan Kalidjogo Kadilangu Foundation and the Sunan Kalijaga Kadilangu Foundation have implemented the provisions regarding the requirements for establishment through the decision of the Ministry of Law and Human Rights (Kemenkumham). This is evidenced by the existence of a notary deed of legal entity belonging to each foundation as a condition for its establishment (Regulation of the Minister of the Ministry of Law and Human Rights Number 5 of 2014). From the last legal adjustment, it is stated that a foundation is a legal entity whose assets are separated and intended for social, religious, and humanitarian purposes (Ais, 2006). In this way, the establishment of the Sunan Kalidjogo Kadilangu Foundation in 2017 has clearly met the requirements (Notary Deed Anne Ludvianti, 2017). Not only that, the amendment to the deed of the Sunan

Kalidjogo Kadilangu Foundation as an asset manager also makes him a holder (Notary Deed of Monica Suganda Putri, 2020).

Similarly, the Sunan Kalidjogo Kadilangu Foundation in 1999, when it was first formed, was a legal entity. However, as it developed, the Foundation finally experienced a pause in carrying out its duties because its management was no longer active. So in 2003, the Sunan Kalijaga Kadilangu Foundation re-emerged with a new status (sustainable) through the same deed (Notary Deed Lisawati, 2003). However, in accordance with the provisions of the Regulation of the Minister of Law and Human Rights in 2014, the Sunan Kalijaga Kadilangu Foundation has not adjusted. Of course, this still raises question marks.

The high egocentrism with the belief of each of Sunan Kalijaga's heirs about the truth makes the problem even bigger. This is because internally at the Sunan Kalijaga Kadilangu Foundation in 2003 there was no agreement on a common goal. The end of all this shows that one of the Trustees and the Management took their own steps to reactivate the Foundation, in order to immediately obtain the status of a legal entity. In fact, according to the implementation provisions, agreements within the Foundation, both approval and rejection, must be carried out through a joint meeting (Shahnaz, 2017). However, the process of re-establishing the Sunan Kalijaga Kadilangu Foundation in 2003 remained, but in a different year. That is 2020. This is evidenced by the existence of a notary deed as a form of new foundation (Notary Deed Habib Adjie, 2020).

With all the problems related to the Foundation, it finally came to the realm of the Surabaya District Court. The Sunan Kalidjogo Kadilangu Foundation

has made a report regarding the status of the Sunan Kalijaga Kadilangu Foundation. This is allegedly due to the issuance of Habib Adjie's notary deed Number 8 of 2020 (Wijaya, 2022). It did not stop there, a series of cases also approached the Demak Regency government. This is because regarding the issue of compensation for waqf land through land certificates that have been handed over, it turns out that it is not in accordance with the agreement (Saifudin, 2021). Supposedly, related problems can provide definite responsibility. Because, at the beginning of a dispute, a dispute will occur if individuals, private legal entities, or the community (Government) cannot resolve it properly (Sarjita et al., 2011).

The report of the Sunan Kalidjogo Kadilangu Foundation to the Central Java Police Crime Branch actually makes this case even more complicated. How could it not, the Sunan Kalidjogo Kadilangu Foundation is now accused of stealing land certificate books. In fact, this issue even invited members of the House of Representatives of the Republic of Indonesia from the PDI-P (Indonesian Democratic Party) faction to reconcile it. The reason is, in an official report, the National Land Agency (BPN) of the Demak Regency Regional Office (BPN Demak Regional Office) admitted that the Sunan Kalidjogo Kadilangu Foundation is a valid certificate holder and will provide compensation. However, on the other hand, the disbursement of 22 waqf plots worth IDR 30 billion was actually given to the Sunan Kalijaga Kadilangu Foundation (Rahmad, 2023).

As a result of all that, in the end, the heirs of Sunan Kalijaga at the Sunan Kalidjogo Kadilangu Foundation were detained. The defendants amounted to 5 people through an alleged report from the Central Java regional police

(Nurhidayanto, 2023). Through the Demak District Court, they were sentenced to 1 month and 2 months in prison, respectively. The Sunan Kalijaga Kadilangu Foundation responded with disappointment. The reason is that the decision of the Demak District Court judge did not show an attitude of justice (Utama, 2023). The statement also received a response from the legal counsel of the Sunan Kalidjogo Kadilangu Foundation. According to him, the results of the trial have shown that there are accusations without evidence. This is because the case with a loss value of Rp. 48 billion is not proven at all. In fact, the disbursement of toll road compensation money has been received by the Sunan Kalijaga Kadilangu Foundation (Rizqi, 2023). In addition, the legal team of the Sunan Kalidjogo Kadilangu Foundation also stated that this legal process requires joint supervision. The reason is, the facts in the trial have not been revealed much. An appeal has now been filed. The hope is that something that is not brave enough to be expressed in court can be a counterattack as a form of courage, as well as justice for the trial (KompasTV, 2023). However, in the meantime, the party from the Sunan Kalidjogo Kadilangu Foundation with five (5) defendants was again detained due to an appeal decision from the prosecutor's office.

According to Soehino in Epicurus (1980), the state is the result of human actions. Individuals as members of society will create independence from reality. Therefore, in creating the essence of a good state, good governance actions are also needed. This is useful so that there is no change in views on the meaning of the State itself (Andriyan, 2021). The nature of the law as a regulator is also the main reason. Because when viewed from its substance, the law is designed to save

humans, both physically and existentially (Yuhelson, 2017). Thus, the dispute process related to the issue between Sunan Kalijaga's heirs and the government must obtain the complete truth.

Furthermore, the government's policy towards the heirs of Sunan Kalijaga regarding the acquisition of rights must be immediately improved. This is useful so that disputes do not drag on and cause misinterpretation. How could it not, the Deputy Minister of Agrarian Affairs even gave a toll road compensation certificate to the Sunan Kalijaga Foundation. The basis is the BWI Decree which changed the name of the Sunan Kalijaga Kadilangu Foundation to only the Sunan Kalijaga Foundation (Demak Regency, 2023). So if you look at this case from a certain aspect, there is definitely an allegation of political content and abuse of authority as well as misinterpretation. Thus, the influence of public policy from the government is needed because it contains the results of decisions to solve the consequences of problems (Abdoellah & Rusfiana, 2016). Thus, the concept of national unity based on nationalism for the common good of the community can be implemented without experiencing a degradation of trust (Lemhannas, 2020).

1.2 Problem formulation

Based on the existing background, the formulation of the problem can be drawn as follows;

1. What are the dynamics that occur in the conflict between the Sunan Kalijaga Foundation in Kadilangu in the process of land acquisition in the construction of the Semarang-Demak Toll Road?

2. How does the role of conflicts of interest between institutions form institutional disharmony in the Sunan Kalijaga waqf land dispute in Kadilangu in the construction of the Semarang-Demak Toll Road?

1.3 Research Objectives

The objectives of this research include the following;

1. To analyze the dynamics that occurred in the conflict between the Sunan Kalijaga Foundation in Kadilangu in the process of land acquisition in the construction of the Semarang-Demak Toll Road; and
2. To analyze the role of conflicts of interest between institutions to form institutional disharmony in the Sunan Kalijaga waqf land dispute in Kadilangu in the construction of the Semarang-Demak Toll Road.

1.4 Benefits

1.4.1 Theoretical Benefits

The researcher hopes to gain new knowledge from the government in responding to and solving problems through Public Policy. In addition, the resolution of internal conflicts among Sunan Kalijaga's heirs due to family disharmony is a separate concern regarding what efforts can be made so that the problem can be resolved again. Thus, the researcher will find the results of an evaluation related to the case between the heirs of Sunan Kalijaga and the local government of Demak Regency.

1.4.2 Practical Benefits

Practical benefits in research as it should be used;

1. For the Government

The researcher hopes to contribute in the form of ideas on the right decision as a policy step for the Demak Regency Government as a third party or regional authority holder related to the internal problems of the heirs of Sunan Kalijaga. Thus, the settlement of cases related to disputes between the government and several heirs of Sunan Kalijaga who are in the Sunan Kalidjogo Foundation can provide clear information.

2. For Researchers

Through this research, it is hoped that we will be able to form a new mindset to be able to find solutions to these problems, both among the internal heirs of Sunan Kalijaga and the government as policy makers.

3. For the Community

With this research, it is hoped that the public can assess the dispute over land compensation for the Semarang-Demak toll road belonging to Sunan Kalijaga's heirs without incorrect information. Because this case concerns the big name of Sunan Kalijaga and his lineage. Not only that, new knowledge and insights gained regarding government policies in resolving cases have become the main focus of researchers so that similar cases are not found. Or if a similar case occurs, the community can overcome or prevent it through the study of government science.

1.5 Literature Review

1.5.1 Previous Research

- A. M. Ali Syamsuddin Amin (2017), "Communication as a Cause and Solution to Social Conflict"

This study discusses the importance of communication as a way to provide solutions and causes in resolving social conflicts. Obviously, communication solutions have a lot to do with personal and group ambitions. Therefore, there is bias among the public, and it causes inconsistencies that result in misunderstandings, misinterpretations, and miscommunication, both vertically and horizontally. From this study, it can be concluded that good communication must be consistent and based on high social norms, so as not to cause inconsistencies and lead to vertical and horizontal conflicts.

The similarity between previous research and the one to be written is the need for consistent communication involving social norms, as well as culture. This is because the research to be written discusses the existence of internal conflicts (dualism) among the foundation holders in Kadilangu, from the heirs of Sunan Kalijaga. Here, the role of the government as a neutral party is urgently needed, it must provide good communication related to internal conflicts, so as not to cause inconsistent communication that will lead to vertical and horizontal social conflicts.

The difference lies in previous studies that used the literature study method. Meanwhile, this new research will use qualitative methods with an ethnographic approach. The purpose and focus of this new research is to examine the internal conflicts within the foundation belonging to the descendants of Sunan Kalijaga's heirs that result in dualism. Meanwhile, in

previous studies, the focus and goal of conflict resolution was only on communication in general (society).

- B. Rita Rahmawati & Dian E Idris Gentini (2008), "Local Knowledge of Kasepuhan Indigenous Peoples: Adaptation, Conflict and Socio-Ecological Dynamics"

This study discusses the local strengthening of indigenous peoples led by Kasepuhan, who are more aware of the environmental situation and how to take advantage of it. An important point that can be drawn from this study is that local parties understand the systematics of social environmental management better than outsiders, which can provide benefits to people's lives. Therefore, the delivery of development or problem solving must be focused on leadership or local communities who better understand and control.

Previous research has explained that kasepuhan is a local community leader who is more aware of the social structure that produces environmental benefits. This is also in line with new research, where there is a role of indigenous leaders as internal parties, who are more aware of problems or needs that must be met so as to provide benefits. In this case, the presence of an outside party that will provide benefits or solutions to solve the problem must first focus on internal opinions. Considering that the internal parties understand and control more.

The difference between previous research and new research to be conducted lies in the focus of the research in question. Previous research

has focused on kasepuhan as a social leader who can provide benefits to society. Meanwhile, the new research focuses on internal traditional leaders (families) of Sunan Kalijaga heirs to solve problems so as to provide benefits, especially internally and externally.

C. Agus Subagyo, Dr. Yudi Rusfiana S.IP, M.Si (2018), "Synergy of the TNI-Polri and Regional Governments in Handling Social Conflicts"

In this study, the study explains the role of the Indonesian Army and the National Police, which are often emphasized in resolving disputes in the community. From this, the Indonesian Army, the National Police, and the Regional Government synergize together to provide an overview to the community in preventing, detecting, countering, and changing the way of thinking of the people who still think that handling social disputes is only the task of the National Police and the TNI. From the results of this study, it can be concluded that the Indonesian Army, the National Police, and the Regional Government can also be used as mediators in solving problems. However, this does not forget the role of the relevant community. This is because the community also has an active role in solving problems because they are the first closest people in their social environment.

The similarity between previous research and current research is that there are social disputes whose resolution is always only played by the TNI AD and POLRI, as well as the Regional Government. Dispute resolution held by the government (agency) always involves sectoral ego thinking that is widely played. From this, problems or inequality arise due to the problem

of vertical relationships. In this case, the community as the direct holder of the environment, or those who know the condition have more right to solve the problem without any outside elements. This also applies to new research where Sunan Kalijaga's internal heirs better understand how to solve their own problems without involving regional agencies that always complicate the problem because of the government's sectoral ego. Thus, understanding related to internal conflict resolution can be implemented and provide understanding to the wider community.

Differences in previous research can be seen in the object of the study. Previous research focused on the research object of the wider community. Meanwhile, the new research focuses on the internal environment of Sunan Kalijaga's heirs with a foundation. The previous research objectives were more directed at the general public. Meanwhile, new research will be directed to the internal scope that masters and understands the environmental field, as well as knowing the problems in detail. Therefore, the Indonesian Army, the National Police, and local governments must be able to participate in defending the right side. As stakeholders, they should be able to provide policies to resolve issues related to disputes that occur.

From the three results of the research above, if we compare the differences with the research that has just been conducted, it can be seen from the focus of the research object, namely the existence of a dispute between foundations owned by Sunan Kalijaga's heirs due to the termination of communication by the Demak Regency government. The focus of the research is in the Demak Regency area,

especially in Kadilangu Village. There are several administrators and supervisors of the foundation who previously had the same cultural tradition. However, when the construction of the Semarang-Demak toll road took place, it resulted in internal disputes. Coupled with the government's involvement in deciding cases.

This new research can also be a recommendation because it examines the issue of internal family disputes regarding the legality of the Foundation related to the construction of the Semarang-Demak toll road. So, this research can be said to be exclusive. The support for the exclusivity of the research was also based on a dispute involving the heirs of Sunan Kalijaga and the Demak Regency government which resulted in his arrest. The role that the government should play as a mediator is to clarify, not complicate the problem. In addition, the spread of Sunan Kalijaga's name due to waqf land conflicts has made the wider community interested. Because he was a famous wali known to the public as the Wali Tanah Jawa who spread Islam in the Kingdom of the archipelago to the Sultanates of Demak, Pajang, Mataram Islam, and Cirebon which still exist and are respected today. From the genealogy, it has also been revealed that the heirs of Sunan Kalijaga are the great family of the Prophet Muhammad SAW.

1.6 Theoretical Foundations

1.6.1 Conflict of Interest Theory

Conflict of interest is one of the important concepts in the study of governance related to integrity, accountability, and objectivity in the decision-making process. In general, a conflict of interest is understood as a situation when the personal, group, or other interests of a decision-maker have the potential to

affect the implementation of duties and responsibilities that should be carried out for the benefit of the party he represents. In this context, conflict of interest is not always synonymous with unlawful acts or corruption, but is a condition that has the potential to cause irregularities if not managed through good supervision and governance mechanisms.

One of the most widely used definitions is put forward by Michael Davis who states that conflict of interest is a situation when one's interests tend to interfere with the implementation of professional judgments that should be carried out on behalf of the interests of others (Davis, 1982). This definition emphasizes that the main problem of conflict of interest does not lie in the existence of personal interests themselves, but in the potential of these interests in affecting a person's independence and objectivity when carrying out professional and public obligations.

This view was then expanded by Dennis F. Thompson who explained that conflicts of interest in the public sector occur when personal interests have a tendency to affect the implementation of public duties that are the responsibility of an official. According to Thompson (1993), conflicts of interest do not always have to be proven to have resulted in decisions that are detrimental to the community, but it is enough to show that there are conditions that can reduce public trust in the independence of a state administrator. Therefore, conflicts of interest are more appropriately seen as a risk in the administration of government that requires preventive efforts rather than just legal problems that arise after an abuse of authority.

This view is in line with the guidelines developed by the Organisation for Economic Co-operation and Development (OECD) which defines conflict of interest as a conflict between public obligations and the personal interests of a public official, where his or her personal interests have the possibility of influencing the independent exercise of duties and responsibilities (OECD, 2003). This definition shows that the existence of a personal interest does not automatically give rise to a violation, but becomes a problem when those interests influence, or potentially influence, decisions that should be made based on the public interest.

More deeply, Anne Peters views conflicts of interest as a cross-cutting phenomenon in the governance system. Conflicts of interest can occur at all levels of government, from the local to global levels, both in public institutions, corporations, and international organizations. According to Peters (2012), the increasing attention to conflicts of interest is driven by the awareness that these conditions can distort the decision-making process, produce inappropriate policies, and weaken the effectiveness of public institutions and the market. Thus, conflicts of interest are no longer understood solely as individual ethical issues, but have developed into institutional issues that are closely related to the quality of governance.

The development of the governance paradigm places conflict of interest as one of the main challenges in the implementation of modern governance. In contrast to the concept of government which emphasizes the authority of the state, governance emphasizes the process of managing public affairs through interaction

between the government, the private sector, and civil society. The interaction involving many actors has led to an increasing variety of interests that must be accommodated in the process of formulating and implementing public policies. In such a situation, the potential for conflicts of interest to arise becomes greater because each actor brings different goals, values, and interests.

According to Peters (2012), conflict of interest is a problem inherent in all levels of governance, ranging from local, national, to global governments. These conflicts can arise in the process of policy formulation, administrative decision-making, the implementation of public services, and the management of international organizations. The main problem does not lie in the existence of various competing interests, but when the decision-maker is no longer able to carry out his obligations objectively because he is influenced by certain interests. In these conditions, the quality of public decisions becomes vulnerable to distortion so that it no longer reflects the interests of the community at large.

Peters (2012) also distinguishes between conflicting interests and conflicts of interest. According to him, the existence of various conflicting interests in society is a natural condition in a democratic system. In fact, the political process is basically an arena to bring together and balance these various interests. A new conflict of interest arises when an official or institution that has an obligation to act in the public interest actually faces other interests that affect the independence of his judgment. Thus, not all conflicts of interest can be categorized as conflicts of interest.

This view is strengthened by Rose-Ackerman (1999) who explains that weak conflict of interest management will open up opportunities for corruption, abuse of authority, collusion, and state capture practices. When private interests gain greater influence than public interests, the resulting policies tend to benefit certain groups rather than society as a whole. Therefore, conflicts of interest are one of the important indicators in assessing the quality of governance and the integrity of public institutions.

The OECD (2003) also emphasized that conflict of interest management is an integral part of the principle of good governance. Good governance is not only determined by the effectiveness of policies, but also by the ability of public institutions to maintain integrity, transparency, accountability, and public trust. The more effective the conflict of interest management mechanism, the greater the public trust in the process of implementing the government.

Conflicts of interest are understood as part of governance dynamics involving the interaction of various actors in the land acquisition process for the construction of the Semarang-Demak Toll Road. The government, the Sunan Kalijaga Kadilangu Foundation, the community, and various other stakeholders have different goals and interests so that the decision-making process becomes an arena for negotiation of these various interests. Therefore, conflict of interest theory is used to analyze how these interests affect the governance process, decision-making, and conflict resolution that occurs.

1.6.1.1 Principal-Agent Relationship (Fiduciary Relationship)

Peters explained that conflicts of interest can only be understood through principal-agent or fiduciary relationships. In this relationship, an agent acquires the authority to act on behalf of another party (principal) and has a legal and moral obligation to prioritize the interests of the party he represents (Peters, 2012). In other words, a conflict of interest does not arise in every form of conflict of interest, but only occurs when a person who has the mandate to represent the interests of others faces other interests that can affect the objective performance of his duties.

According to Peters (2012), the principal-agent relationship is based on the existence of a fiduciary duty, which is the obligation to act honestly, loyally, and prioritize the interests of the party who gives the mandate. In the public sector, the community acts as principal, while public officials act as agents who are given the authority to manage the interests of the community through various public policies. Therefore, every decision taken by public officials must be directed to meet the interests of the community, not the interests of individuals or certain groups.

The principal-agent theory also explains that conflicts of interest arise due to differences in interests between principals and agents. Jensen and Meckling (1976) explain that agents often have more information than the parties they represent (information asymmetry), so they have the opportunity to act according to their own interests. This condition is known as an agency problem, which is a state when the agent does not fully act according to the principal's intended goals.

In the context of government, this problem can be manifested in the form of abuse of authority, non-objective decision-making, or partiality towards certain groups.

Peters (2012) added that fiduciary relationships are not only found in the corporate sector, but also apply in governments, international organizations, and other public institutions. The similarity of the characteristics of the relationship lies in the obligation to maintain the trust given by the parties represented. Therefore, conflicts of interest are seen as a threat to the relationship of trust because it can reduce the independence of decision-makers and weaken the legitimacy of public institutions.

1.6.1.2 Typology of Conflict of Interest

Conflicts of interest are a complex phenomenon because they do not only appear in one form, but can develop through various conditions that affect the independence of a decision-maker. Therefore, understanding the typology of conflicts of interest is important to identify the sources, forms, and characteristics of conflicts that occur in the administration of government. Anne Peters explained that conflicts of interest are basically born from fiduciary relationships, so the typology of conflict of interest can be understood based on the form of interest relationships that affect the implementation of an agent's obligations to the parties he represents (Peters, 2012).

According to Peters (2012), there are several main typologies of conflicts of interest that are the basis for analyzing various governance issues. The typology is explained as follows;

1. Conflict between due interests and undue interests

The first typology is the most common form of conflict of interest. This conflict occurs when a decision-maker has an obligation to prioritize the public interest (due interests), but at the same time has personal interests, family interests, economic, political interests, and the interests of certain groups (undue interests) that have the potential to affect the objectivity of the decisions taken (Peters, 2012). In the public sector, such conditions often arise when public officials face situations where their personal interests can benefit from decisions made on behalf of the state.

The OECD (2003) explained that personal interests are not always in the form of financial gains, but can also be in the form of family relationships, political affiliations, business relationships, or the interests of certain organizations that have the potential to affect the independence of public officials. Therefore, the main focus of conflict of interest management is not solely to eliminate personal interests, but to ensure that those interests do not affect the performance of public duties.

2. Conflict due to multiple roles conflict

The second typology arises when a person performs more than one role (multiple roles), each of which carries different responsibilities and interests. Peters (2012) explained that individuals can occupy various positions simultaneously, for example as public officials, members of social organizations, foundation administrators, academics, and business actors. This condition does not always cause problems, but can develop

into a conflict of interest if one role affects independence in carrying out the other.

According to Thompson (1993), conflicts due to dual roles are often found in modern government because of the wider involvement of public officials in various social, economic, and political activities. If there is no mechanism for restrictions or declarations of interest (disclosure of interest), the relationship between these parties has the potential to reduce public trust in the decision-making process.

3. Conflict due to the existence of more than one party to be represented (multiple principals conflict)

The third typology occurs when an agent has an obligation to represent more than one principal who has different interests. According to Peters (2012), this condition is often found in modern governance because public officials often have to account for policies to the central government, local governments, communities, legislative institutions, and other interest groups. The difference in interest orientation between principals can put agents in a difficult position because not all interests can be fulfilled at the same time.

In the perspective of principal-agent theory, Jensen and Meckling (1976) explain that the more parties who give mandates to agents, the higher the potential for agency problems to arise. As a result, decision-makers have to make various forms of compromise that sometimes reduce the effectiveness and objectivity of public policies.

1.6.1.3 Regulation of Conflicts of Interest in the Public Sector

Conflict of interest is a condition that cannot always be avoided in the administration of government. Therefore, the main focus of modern governance is not to eliminate all forms of conflicts of interest, but to build a system that is able to prevent, identify, manage, and control potential conflicts so that they do not develop into abuses of authority. The OECD (2003) emphasizes that conflict of interest regulation is an integral part of public administration reform because it is directly related to integrity, accountability, transparency, and public trust in the government.

According to Peters (2012), the development of conflict of interest regulations is driven by the increasing complexity of relations between the state, the private sector, and civil society. The involvement of various actors in the process of implementing government has led to an increasing opportunity for personal and group interests to emerge in the decision-making process. Therefore, the state needs a set of rules that not only govern the prohibition of abuse of office, but also regulate preventive mechanisms before conflicts of interest result in decisions that are detrimental to the public interest.

OECD (2003) stated that an effective conflict of interest management system includes at least several main instruments, namely the obligation to disclose interest, the limitation of dual positions, the restriction on the receipt of gifts and facilities (gift policy), the mechanism of resignation from the decision-making process (recusal), the code of ethics of state administrators, internal supervision, and the provision of sanctions for violations. These instruments not

only function as a control mechanism, but also as an effort to build a culture of integrity in the government bureaucracy.

In the Indonesian context, the regulation of conflicts of interest is spread across various provisions of laws and regulations. The principle of clean government is reflected in Law Number 28 of 1999 concerning the Implementation of a Clean State and Free from Corruption, Collusion, and Nepotism, while the regulation regarding the integrity of the state civil apparatus is regulated in Law Number 20 of 2023 concerning the State Civil Apparatus. In addition, various ministries, institutions, and local governments have also established guidelines for handling conflicts of interest as part of the implementation of bureaucratic reform and good governance.

1.6.1.4 Conflicts of Interest in Decision Making Distortions

One of the main consequences of a conflict of interest is the emergence of distortions in the decision-making process. The distortion occurs when decisions that should be based on the public interest shift to decisions that are influenced by personal, group, or other interests outside the purpose of running the government. Peters (2012) emphasized that conflict of interest is one of the main causes of weakening the quality of governance because it can affect the objectivity, independence, and rationality of decision-makers.

According to Thompson (1993), conflicts of interest do not always result in wrong decisions, but their existence is enough to cast doubt on the integrity of the decision-making process. When the public believes that an official has a particular interest in a policy, the level of public confidence in the outcome of that

decision decreases, even though the resulting decision may be substantively in accordance with the provisions of the law.

Rose-Ackerman (1999) explained that conflicts of interest are also the entrance to the emergence of corrupt practices, collusion, and abuse of authority. The greater the influence of private interests on the policy-making process, the greater the likelihood that the policy will benefit a particular group rather than society as a whole. As a result, the quality of public policy has declined because it is no longer based on the principles of effectiveness, efficiency, and justice.

OECD (2003) added that conflicts of interest that are not managed properly will produce various negative impacts, including a decrease in the quality of public services, an increased risk of abuse of office, weak bureaucratic accountability, a decrease in government legitimacy, and a decrease in public trust in public institutions. Therefore, conflict of interest management is one of the main prerequisites in realizing good governance.

Based on the above theoretical description, conflict of interest is not only understood as a difference in interests between actors, but as a condition when certain interests have the potential to affect independence, objectivity, and integrity in the decision-making process (Peters, 2012; OECD, 2003). From a governance perspective, conflicts of interest are an institutional problem because they can affect inter-stakeholder relations, inter-institutional coordination, and the quality of the policies produced. Therefore, conflict theory not only explains the source of conflict, but also provides an analytical framework to understand how a

policy or public decision can be influenced by various interests interacting with each other.

Then in this study, the theory of conflict of interest is used as an analytical knife to answer the formulation of the problem regarding the form of institutional disharmony in the settlement of Sunan Kalijaga waqf land disputes in the Semarang-Demak Toll Road project. This theory is used to identify the various interests brought by the actors involved, such as the government, the Sunan Kalijaga Kadilangu Foundation, the National Land Agency, and other stakeholders, and to analyze how these interests affect inter-agency relationships in the dispute resolution process.

Furthermore, this study views that institutional disharmony is not solely caused by differences in legal interpretations or administrative procedures, but is also influenced by conflicts of interest that develop in the decision-making process. Thus, the theory of conflict of interest is used to explain the extent to which conflicts of interest between institutions affect coordination, communication, objectivity of decision-making, and the effectiveness of waqf land dispute resolution in the Semarang-Demak Toll Road construction project.

Through this approach, this research is expected to not only be able to describe the forms of institutional disharmony that occur, but also explain the causal relationship between conflicts of interest and dispute resolution dynamics. Thus, conflict theory becomes a conceptual foundation that bridges the analysis of inter-institutional relations, governance processes, and the quality of public policy implementation in the context of land acquisition for the public interest.

This study adopts Conflict of Interest Theory as the primary analytical lens to examine the institutional dynamics underlying the resolution of the Sunan Kalijaga waqf land dispute in the Semarang–Demak Toll Road Project. The theory facilitates an analysis of the competing interests among institutional actors, the principal–agent relationship in public governance, the influence of conflicts of interest on inter-institutional coordination and governance, and the extent to which such conflicts shape decision-making processes throughout the dispute resolution. Through this analytical framework, the study seeks to explain how competing institutional interests contribute to governance challenges and institutional disharmony in the implementation of land acquisition for public infrastructure development.

1.6.3 Troubleshooting Flow

The Semarang-Demak Toll Road Project has generated institutional conflicts concerning the acquisition of the Sunan Kalijaga waqf land, involving multiple stakeholders with different authorities, responsibilities, and interests. Rather than viewing the dispute solely as a legal issue, this study approaches it from a governance perspective, arguing that institutional disharmony is shaped by competing interests that influence interactions among public institutions and other stakeholders. Such institutional dynamics may affect coordination, communication, and the overall decision-making process throughout the dispute resolution.

To examine these dynamics, this study adopts Conflict of Interest Theory proposed by Peters (2012) as its primary analytical framework. The theory

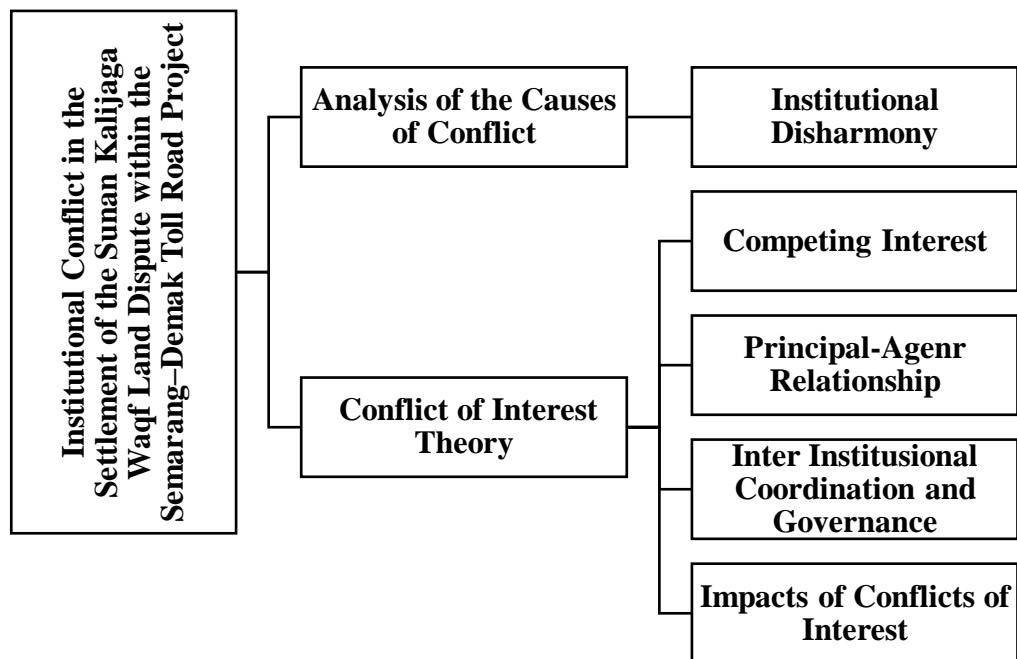
conceptualizes conflicts of interest as conditions in which competing interests have the potential to compromise independence, objectivity, and integrity in public decision-making. Consequently, the study analyzes institutional disharmony by examining four interrelated analytical dimensions;

1. Competing interests among institutional actors,
2. The principal–agent relationship in public governance,
3. The influence of conflicts of interest on inter-institutional coordination and governance, and
4. The impact of conflicts of interest on decision-making during the resolution of the Sunan Kalijaga waqf land dispute.

Through these analytical dimensions, the study seeks to explain how conflicts of interest contribute to institutional disharmony and influence governance processes in the implementation of land acquisition for public infrastructure development. Accordingly, Conflict of Interest Theory serves not merely as a conceptual perspective but as the principal analytical lens for understanding the relationship between institutional interests, governance practices, and decision-making in resolving the Sunan Kalijaga waqf land dispute within the Semarang–Demak Toll Road Project.

As for the research, there is a problem solving flow as follows;

Chart 1.1 Troubleshooting Chart



Sumber: Olah pribadi (2026)

1.7 Research Methods

1.7.1 Research Focus and Type

The research method used in this study is a qualitative approach. Research with a qualitative approach is a method to explore and understand the meanings attached by individuals or groups to social or humanitarian issues. The focus of the qualitative research approach is based on the processes that occur in research, in this case researchers play an important role in research to understand social phenomena that occur during the research process in depth (Creswell, 2019).

As for the type of approach, this research uses a case study approach where the researcher carefully investigates an event, activity, process, or group of individuals that is limited by time and activity. Researchers collect complete information using various data collection procedures based on predetermined time (Creswell, 2019).

In addition, this approach is also supported by other approaches that allow researchers to present complete data to examine the socio-cultural in the extended family of Sunan Kalijaga heirs and elements of society, especially in Kadilangu, Demak Regency, including;

1. The sociological juridical approach in this study is used to understand the phenomenon not only from the normative aspect, but also from the social realities that develop in society. This approach emphasizes empirical-qualitative observation and analysis steps, so it is often referred to as *socio-legal research* (Muhaimin, 2020).
2. Historical Approach is used to understand the development of a phenomenon over time, including its background, changes, and underlying dynamics. Through this approach, the researcher examines the historical processes and contexts that shape a problem, so that a more comprehensive understanding of the current conditions can be obtained. This approach is carried out by tracing various relevant sources to see the development and transformation of the issue being researched (Marzuki, 2013).

1.7.2 Research Locations

This research was carried out in Demak Regency, with the main location in the Kadungu Village area. The selection of this location was based on its relevance to the object of the research, namely the waqf land dispute managed by the Sunan Kalijaga Foundation in Kadilangu, which has historical, cultural, and institutional value.

Then, to obtain comprehensive data, the researcher also collected data in several locations directly related to the research object, namely the following;

1. The Sunan Kalijaga Kadilangu Foundation, which is located in Kadilangu Village, Demak Regency, is the main source of data related to waqf land management and internal institutional dynamics.
2. The Demak District Court, which is located at Jalan Sultan Trenggono No. 23, Demak, as a location to obtain data related to the process and decision of cases related to disputes.
3. The Gedong Pangeran Widjil V Office, which was chosen as the main source because it has various data, archives, and historical records relevant to the object of research.

The selection of these locations is based on the consideration that each of them has a direct relationship with social, legal, and administrative aspects in the Sunan Kalijaga waqf land dispute, so that it is able to provide in-depth and relevant data for research.

1.7.3 Data Sources

The data sources in this study consist of primary data and secondary data. Primary data is the main data obtained through field observation to comprehensively understand the problem, especially related to the dynamics of disputes that occur in Kadilangu. Observations are carried out directly on social conditions, interactions between parties, and practices that develop in the environment of Sunan Kalijaga's heirs and related parties.

Meanwhile, secondary data is supporting data obtained through literature studies with a historical approach, namely by examining various relevant literature and documents. This data includes books, scientific journals, results of previous research, as well as historical and administrative documents related to the land management of the Sunan Kalijaga foundation in Kadilangu. This literature study is used to trace the development of legal status, legitimacy, and institutional dynamics over time.

1.7.4 Data Collection Techniques

Data collection techniques are one of the ways researchers collect and obtain data at the same time. The main goal is to obtain data in a credible and accountable manner. In this regard, the author combines observation and documentation techniques to obtain research data.

1. Observation is a data collection technique that is carried out through direct observation, accompanied by recording the state or behavior of the target object (Fatoni, 2002). In an effort to capture the reality of the dispute that occurred in Kadilangu, Demak, the researcher conducted internal observations of Sunan Kalijaga's heirs to get results from both. Not only that, the researcher will also do it to the relevant government. Regarding the observation process, the time cannot be ascertained, but it is clear that it is more often done in the morning or evening.
2. To conduct observations, the researcher used motorcycles in operations to the homes of foundation stakeholders among Sunan Kalijaga's heirs, as well as in several related government agencies. On the available occasion,

the researcher can conduct direct interviews with Sunan Kalijaga's internal heirs. From this, researchers get more detailed information.

3. Literature studies are carried out by examining various sources of literature relevant to the object of research, especially in the excavation of legal decisions, laws and regulations, and official documents related to waqf land disputes. In addition, the literature study is also focused on tracing historical facts through literature and archives available within the Sunan Kalijaga Kadilangu Foundation, in order to understand the development of land status, management legitimacy, and institutional dynamics from time to time.
4. Documentation is a data collection technique by utilizing data in the form of books or notes (documents) for research purposes. With this technique, data collection is carried out through information sources in the form of written materials or recordings (Faesal, 2002).

1.7.5 Data Processing

Data processing techniques in qualitative research use inductive analysis, which is analyzing the data obtained (specifically or generally). The steps to be taken in this technique are as follows: data reduction, data presentation, and conclusion drawing or verification.

1. Data Reduction

Reduction aims to sharpen, select, focus, and organize the data obtained through interviews, observations, and documentation in such a way that

the final conclusions of the research can be drawn and can be verified (Subroto, 1999).

2. Displaying Data

Display (data presentation) is a stage used to present data that has been reduced in qualitative research through narrative texts. The goal is to facilitate understanding of the research data presented.

3. Conclusion

After going through the stage of data reduction and data presentation, the next step is to draw conclusions. Conclusions must be based on valid and consistent evidence when the research is conducted.