



DISCLOSURE OF PRINCIPALS-AGENT BEHAVIOR DUE TO ASYMMETRIC INFORMATION BASED ON LOCAL VALUES IN INSTITUTIONS VILLAGE FUND MANAGEMENT

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ABSTRACT

The purpose of this study is to uncover the main agent behavioral problem caused by asymmetric information. The focus of this research is on identifying and answering behavioral issues that occur between principals and agents in the village fund management institutions. The methodology design uses an interpretive paradigm approach by applying a principals-agent theory based on information, that is, tracing the relationship of informant behavior in symbolic interactions that are interpreted by the cultural values of Sumbawa. Qualitative research and in-depth interviews were conducted with several competent speakers on village fund management institutions and Sumbawa cultural experts. The research shows that there is asymmetric information about the use of village resources by agents who make themselves opportunistic and weaken the trust of the principals (village community) in him. The solution to the problem is a sabalong desa behavioral approach (improvement of the village) in the sense of mutual value and mutual trust in the value system of congratulations (towards security) and the value of justice and balance in the sabalong Samalewa value system uses relationships between village communities and village leaders institutionally. The conclusion of the study is that asymmetric information makes the agent behavior opportunistic and weakens the confidence of the principals, through mutual value (mutual trust) and mutual worth (mutual respect), in the value system of the salamat (towards safety) and value be overcome by justice and the value of balance of values sabalong samalewa (balanced and harmonious) to strengthen the institutional management of village funds.

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1. INTRODUCTION

There are relatively many studies worldwide that reinforce the importance of village institutions, especially in developing countries that are undertaking major reforms, in particular with regard to the formation of institutional models that significantly change social and economic systems in rural areas (Li, 2015), Plaxedes and Mafongoya (2017)), Meador et al. (2017), Habtetsion et al. (2002). Few studies have weakened the role of village institutions such as research (Leslie et al., 2013). This explains that the weaknesses of village institutions in developing countries have problems with social protection systems that are not yet based on rural communities, in line with research (Shen & Tsai, 2016) that the form of village institutions hampers the adjustment process in rural economy management. The brief description emphasizes the importance of the role of institutions in improving the well being of rural communities, as research (Giyarsih, 2010) explains that institutions are behaviors that are always appreciated by rural communities, as the institutions and organizations Village government policies are the leading service unit for the community and a milestone will be the most important for the success of all programs. Therefore, strengthening the village is a necessity that can not be postponed to accelerate the realization of the common good as a goal of regional autonomy (Surahman, 2013).

In the past, rural conditions differed sociologically and culturally from cities, as they had a distant distance between cities (Antlov 2004: 142). The advent of Laws No. 6/2014 on villages in Indonesia has enabled entities to be moved due to their ancestry in villages (recognition) by recognizing local values that already exist in villages, thereby strengthening the role of village institutions. The ordinance strengthens the paradigm shift in village regulation, which forms the basis for the management of the village fund administration, as stated in Permendes No. 19 2017, regarding the priority of using village funds, which eventually become a national policy. As a result of this policy, the central government invested large sums in villages worth about one billion rupiah per village.

Over time, the policy has left behind problems, in particular the cause resulting from the mutual agreement on the management of the village funds, which was carried out with the consent of the holder of the fund, in this case the chief responsible person (village community) and the authorized representative (village leader), who were institutional owners of expertise in institutional management. Management. The form of the problem is an imbalance of the information obtained between the principals and the agent about the management of these funds.

According to Jensen and Meckling (1976) it was explained that in agency theory there is a contract between the principals as the owner of the capital and the representative as the managing management. Agency problems arise due to the information asymmetry between the two parties (principals and agent). Asymmetric information is a condition in which the agent knows more about completing a task and that information in turn has the advantage over the principals. These findings are amplified by research findings (Manzilati, 2010, Khalil, Rickwood, and Muride (2000)) which indicate that asymmetric information arises in the principals-agent relationship due to moral hazard and adverse selection. or prime satisfaction, while detrimental selection is the principal's inability to understand and know the true nature of the agent.

This investigation was carried out in Kugin Village, North Moyo Sub district, Sumbawa, one of the Lesser One Villages in Eastern Indonesia (KTI), and it was found that there was a risk problem in the village fund management institutions due to the detrimental selection by the principals due to Restrictions have been caused by information about agents who run a village fund management that ultimately leads to moral hazard in the form of agents that are usually self contained and non transparent in the village fund management institutions.

In this study, the parties involved in the relationship between the principals and the authorized representative in the village fund management organization. *Firstly*, Kugin village community, were first identified as the owners of the village funds and service recipients in the management of the village funds. *Secondly*, village leaders act as agents or village leaders mandated to manage the village funds under the rules of the village fund management and the *three* village institutions, Those who facilitate the relationship between directors and agents in the management of village funds.

This research seeks to solve the problems that arise in the above relationships due to information asymmetries in village fund management institutions, by using the Sumbawa approach to local wisdom, to study the behavior of Sabalong Desa (improvement of villages) in the order of Value of the salamet (towards safety) and sabalong samalewa (fair, harmonious and balanced) as a framework for solving problems arising from the relationship. The role of value management is directly involved in the direction of the principals and the agent in the institutional practice of managing village funds. However, its character provides an overview and a behavioral form that contains advice on how the agent (village leader) and the principal (village community) as actors are to behave ideally, mainly in the institutional management of village funds.

Based on the above description, the focus of the study is to seek answers to behavioral problems that arise between leaders and agents as a result of imperfection of information in village management institutions by using the value of local wisdom of Sumbawa as a problem solving framework with a secure graft system (in Towards safety) and summarizes the values of Sabalong Samalewa (harmonious, fair and balanced) in Sabalong village actions.

2. LITERATURE REVIEW

Research (Boonperm, Jirawan et al., 2013) shows that the central government in Bangkok, Thailand, has limited information on village funds, and there is information that village funds are disproportionately flowing to the rural poor, who support this study Information between the agents is unbalanced (village leader) as an extension of the central government at the village level compared to the principal (village community) in understanding the institutional guidelines of the village fund management, so that emerging opportunistic behavior and the weakening of the trust of the village community through the investigations of Sumiati (2015 The governance of village fund institutions is not optimal, as the problems that will arise at the time the activities are carried out will not be taken into account and researchers will always be aware of this In accordance with this investigation, since the function of the administrative agent (village chief) was not carried out optimally. In a study by Suparman et al. (2014) also described that the village fund program had problems with the distribution of funds and had not yet fully led to the socioeconomic development of rural communities and was in line with research. The study was essentially the same with regard to the information on the results of this study that asymmetric information occurred at the level of the distribution of the village fund, since the topic of socialization was still relevant to the village community



(principal), and the problem of opportunistic behavior that weakened people's trust in the agents as a result of its impact on society's village community.

Studies (Hakim et al., 2004) show that there are conflicts in the relationships between institutions in the village, and that the implementation of the new law is not optimal due to the poor quality of village level implementation tools, given the appropriate training and education Training for Apparatus is Needed at Village Level Another study (Nasrul W, 2013) also reinforces this research that the role of indigenous local institutions in village development is still present in all stages of rural development, where the role of roles is actually planning and coordination phase. Compared to some earlier studies considered by researchers to be relevant to this study, the strength of this research lies *primarily* in the problem of public authorities, especially in the context of institutional governance of village funds based on the value of local wisdom which is carefully examined in the local institutions according to the knowledge of researchers Research like this is still rare. *Secondly*, using a combination of theories and concepts of institutional economics and principal agent theory, where institutional economic theory transforms the culture and value of local wisdom into an economic force that serves as the basis for understanding meaning and understanding Value of behavior with regard to the implementation of the institutional governance of village funds serves.

3. RESEARCH METHOD

Interpretive Paradigm of Symbolic Interaction Approach

Based on preliminary investigations and the search for problems to be solved, this study chose a qualitative research methodology (Ulin et al., 2002) as a problem-solving step with the symbolic approach to interaction in the interpretive paradigm, which attempts to understand the realities associated with village fund management institutions, such as in-depth information and oriented to the process that runs on a snowball (snowball) on the informants.

This research attempts to penetrate the domain of the interpretive paradigm, since it contains the main perspective, from which a series of proposals will later emerge that explain the actual reality of the institutional management of village funds. As part of the understanding of the (perceived) researcher or the position of the researcher in relation to the worldview, the problem is to find a framework for solving problems through the approximation of local wisdom values, a settlement instrument that appears in the management of village resources and is reasonably accepted (Adiprigandani, 2005): 2).

This study was developed by first finding a research question based on preliminary research, namely the agency issues that arise between the principals and the agents due to incomplete information (asymmetric information in the practice of village fund management institutions based on local wisdom values and problems with the wrong decision cause disadvantageous selection and the occurrence of moral hazard in the institutional management of village funds.

In answering this research question, it is more about knowing the individual behavior of the village community, and the researcher uses an approach that makes it possible to answer with various methods, including interviews and symbolic interactions with the research question. In explaining the concept of symbolic interaction, Blumer refers to the distinctiveness of actions or interactions between people (Ahmadi, 2005).

The researcher also examined in more detail the interactions between individual villagers involved in village management institutions in the village of Kucin Sumbawa, both individuals directly or indirectly involved in the interactions between the parties, both principals and agents. The interaction in question is about how the village community behaves when it comes to the village chief's policies, which are specific to the establishment of the village fund administration.

Data Collection Method

Data collection in this study was conducted in two ways, the first unstructured survey technique, in which the relationship between the behavior of the village leader man and the village community of Kucin in the village fund management facility was thoroughly investigated. The researcher conducted an interview with cultural experts from Sumbawa to obtain a true explanation of the values of Kerik Salamat and the value system of Sabalong Samalewa, as inherent in the Sumbawa community slogan that was carried out with sincerity in their daily lives. The main informants in this study were the Village leader, the Village Secretary, the Village Consultative Body (BPD) chairperson, the Sumbawa cultural experts, and the village community. Second, the field observation technique is an attempt to place the researcher in the position of the investigated party and to engage in behavioral relationships between the principals (village community) and the agent (village leader) in the village fund management facility.

Test Data Validity

The validity test of the data in this study was performed by interpreting the same phenomenon from the input of the emic data received from the informant, by the way the researcher uses the research results as a basis for the formation of a public opinion or a general opinion Knowledge (Udehn; 2001).

Reliability of the Data

In evaluating the results of the study, the reliability of finding data, namely obtaining information from other informants about the actual behavior of an informant, or the view that the view supports each other or, in other words, the ability of the

interceder, is one To ask other observers to check the behavior of an informant can reduce the possibility of errors when reading the collected data.

Data Analysis Techniques

The data analysis performed in this study involves the process of interpreting the behavioral data of informants in the field as follows:

Does the data analysis

The analyzed data can come from many sources, including interviewing, observing, and analyzing the content of written material in the form of a short note analysis that relates to the behavioral conditions of local informants. The following steps are performed in the data analysis:

a. Transcribe

In this process, the researcher copied the recorded conversations between informants and researchers to become data transcripts in the form of symbols that appeared in interviews with informants and informants.

b. Build the atmosphere of familiarity with data (to become familiar with the data)

Once the first transcript of the data has been reviewed and retested carefully, listen to it and adapt it to the generated transcript to find new knowledge and meaning for the text presented in the study.

c. Coding (coding)

It is expected that categories can be created in this process while highlighting selected data according to the research focus, since in qualitative research the coding process is performed to find patterns in data or various ways of finding relationships in the data found.

d. Data analysis

Data analysis uses the main premise (Blumer, (1969)), namely: (1) Humans act on the basis of meanings that mean something to them. (2) The meaning comes from the social interaction of humans with others. (3) These meanings are perfected when the process of social interaction takes place.

4. RESULT AND DISCUSSION

The addition of cultural values to the asymmetric information settlement system caused by the principals (village communities) and agents (village leader) in the institutional practice of the village fund management taking into account the opinions of experts or institutional economists, namely Thomstein Veblen (1857-1929), Wesley Mitchell (1874-1948), John Commons (1862-1945) and Clarence Ayres (1891-1972) worked together for the neglect of very important human roles in the economic system.

Gunnar Myrdal, who was awarded the Nobel Prize in Economics in 1974, noted that the world-wide learned and applied economic theory is based on neoclassical schools that are not suitable for developing countries but for developing countries because of their social, economic and cultural problems.

In institutional economic theory, cultural values are also considered to be the basis of economic strength, since in institutional economic history some similarities between historical understanding and institutional economics can be established (Milonakis and Fine, 2009: 159-162). First, concern about economic institutions that are less effective in solving the economic and social problems that are developing in society.

Commons makes institutional economic traditions on a more systematic basis of theory (Hodgson, 2003). According to Commons, institutional economics is a form of the behavioral model (behaviorist) (Milonakis and Fine, 2009: 179). In this case, the commons emphasizes the will aspect of human activity. In general, economics has particular considerations in defining economics as a behavioral science that requires the analysis of cause, effect or purpose and synthesis in systems or principles that are integrated. Veblen built a bridge between the institutional structure of the community and human behavior (Hodgson, 2001: 150).

(Berry and Dasen, 1999 in Dayaksini) Culture occurs when a person encounters another person and creates a code of conduct. Spradley (1997: 5) also explains that culture arises because it can interpret experiences and give birth to social behavior. The Theory of Economic Progress (1962) subtitles the book itself as a study of the foundations of economic development and cultural change, which form the economic foundations of ancient institutions and are at the center of Ayres' thought (Milonakis and Fine, 2009: 188). The neglect of the cultural side as a rule of life is everywhere. Unique cultural features are lost, as swallowed up by the earth and replaced by new cultures carried by technology media.

Economists see the value of information as something related to the context of optimal choice issues. A consumer makes a decision to maximize the expected benefit or minimize the expected cost. The value of information is an "additional" expected benefit that results from the development of possible choices to be made by using additional information (Varian, 1999: 1).

The emergence of information problems is often linked to the issue of incentives among those responsible. In this study, the researcher wants to further highlight the process of running information in ongoing behavioral interactions. The



main position is the village community and the village chief as an agent. In the case in which the head of the village plans or implements the will of the village community as principals, this must be examined in detail.

That is, in such a case, the village chief is in the position of an agent, performing "tasks" designated by the village community as the principals. The imbalance in bargaining power between the village community and the village chief will also affect the risk appetite problem.

Asymmetric information causes opportunistic behavior

Opportunism is also a theoretical explanation of the authority that every party involved in the relationship is motivated by economic self-interest and opportunistic behavior (Luo and Donthu, 2007). Economists see the value of information as something related to the context of optimal choice issues. A consumer makes a decision to maximize the expected benefit or minimize the expected cost. The value of information is an "additional" expected benefit that results from the development of possible choices to be made by using additional information (Varian, 1999: 1).

The emergence of information problems is often linked to the issue of incentives among those responsible. As explained in this study, it was separately distinguished that the village community is the main person, as village funds come from public funds or from the funds of the villagers themselves, who delegate their institutional management as delegates to the village leader. In this study, the researchers wanted to further and further demonstrate the process of information flow and the interaction of the behavior of the parties involved.

The opinion of the experts agrees with the results of this study that the village leader has led institutional activities to allocate resources that benefit his "self", distorting and detrimental to the outcome of the village funds in the form of rural community services is. An opportunistic symbol that pops up in the village leaderman who is unintentionally the village chief as an agent unwilling to accept suggestions and criticisms from his fellow agents or suggestions from the director. The phrase "angry with us dean" ("we are angry") indicates that the village chief is quite disappointed and angry and that the word "we" can actually be interpreted as "I", highlighting one's own personal emotions, The criticism of the village leaderman's behavior is spicy on the results of work from village funds.

As part of the institutional management of village funds, it has therefore shown an opportunistic behavior of the village chief, since the power in the determination of village funds in the hands of the village chief lies. As a result, a conflict of interest arises between the village chief and the village community. The behavior of the village institutions shows that there is opportunistic behavior of the village chief as a decision-maker at the village level.

Not to mention the elements of other village institutions, such as the Village Consultative Body (BPD), no regulations were passed that would overrule the information that developed in the village community about the TPK program, which had received its technical blessing, and those developed by them, could not reasonably suppress orders from the village chief. What happened, however, was that the BPD did not fully understand its primary function of guarding the work from village funds, while the BPD was actually a representative of the village community who was constantly monitoring or supervising the activities of the village leader and village staff.

The phrase "(from my observation it is assumed that nothing is more different than possible") of the chairman of the BPD shows that it is difficult for him as a representative of the village community (principals), from the work of both the planning and the evaluation because there is none at all in the role of BPD in these activities, even if all work activities in a budgetary period are in the management of village funds or if the report on the use of village funds is presented to the Regency, the legal obligation with the contained therein BPD signature. The meaning of the statement confirms that BPD may not perform the work exclusively by TPK, even if they do so technically, but ideally the BPD should have a monitoring or surveillance instrument which becomes the technical basis for the work being carried out.

In view of the reality, it is clear that the information of the BPD and the village community is incomplete, which affects the occurrence of opportunistic behavior of the village chiefs, in particular in decisions on village fund programs, in which village communities and the BPD as elements representing the interests of village communities, involved. This means that each time work commenced at the hamlet-level development planning meeting (Musrenbang) and the final decision at the village of Musrenbang, escorting is still required, but in fact the field is not.

The above description shows that in reality it is not always a representative of the village community like the BPD who has the same interests as the village community. This can be seen very clearly in the process of distributing village funds, especially in decisions or guidelines for the allocation of village funds. The proposed activities proposed in the village funds should reflect the problems and needs of the community as the BPD reviews the area and captures the aspirations of the village community.

The importance of the value of Sabalong Desa overcomes opportunistic behaviour

The head of the village, as an agent, has allocated resources that bring benefits to his "self", distorting and detrimental the outcome of the village funds in the form of rural community services. For example, in the management of village fund institutions, it has shown opportunistic behavior by the head of the village as the power of finding the village funds is in his hands, leading to a conflict of interest between the village leader and the village community.

This research refers to local institutions in the institutional practice of village fund management, ie to set culture as economic power or fundamental economic foundation, since culture is the result, meaning and work of the community, which is guided by intention (the will of the soul) by This study found that the local cultural values, which were previously maintained and maintained as a research location, especially for the Sumbawa population in the Kukin village, are used by researchers as a framework for solving problems that may arise in village community relations and in village management practices occur the village.

The roots of the Sumbawa culture in founding Sabalong Samalewa are based on the Islamic religion, which strongly influences the character and culture of the Sumbawa people. Islamic teachings associated with the ancestral culture produced the attitude of Tau Samawa (Sumbawa people). The initial basis of the Sumbawa culture is Syara (religion) and Syara (religion), which is based on Kitabullah (the book of God). This is reflected in the practice and institutional processes of the village fund management, because the punishment is the pulse of the life of Sumbawa. In this section, the researcher explores the cultural value of Sumbawa, which represents the rooting of the Sumbawa community's motto, namely, Sabalong Samalewa and the value of Kerik Selamat, an analytical tool in the management of village fund institutions.

This attitude is a measure of the behavior and principles of life that are believed to make life in the world and in the hereafter happy. The principles of life are contained in the phrase "adat bersendikan syara, syara bersendikan kitabullah". Where the sentence is the noble values of the Sumbawa people that are absolute, which means that they should not conflict with the teachings of Islam. Attitudes and values are the principles according to which researchers wish to consider the practice of institutional management of village funds.

In addition, it was emphasized that the Sumbawa culture provided space for the statement that Adat wore Syara, Syara buried the Kitabullah in three aspects: Adat, Shari'a and Kitabullah (Rayes,2002). These three aspects can not be separated because adat is a habit practiced by past humans. This happened before Islam came to Sumbawa. While Sharia and Kitabullah are the guidelines of Muslims in the conduct of their lives, they also become the guidelines of the Sumbawa people in their actions. So that the real Adat is a principle that can not be changed. Customs regulations that violate Sharia law must not be used or given up, so Sharia law must be dominant. In this case, the researcher tries to find meaning in the village of Sabalong by referring to the value principle applied in the practice of institutional management of village funds.

Opportunistic behavior in the economy results from information imperfection. In the institutional practice of the management of village funds, there is an inherent relationship between the principals and the agent, namely the village leader, who acts as the institutional representative, while the village community is the principals. In this context, asymmetric informational problems arise that occur in the form of the village chief's behavior, who wants to gain himself, does not want to be criticized, and when he experiences mistakes in the work, he will be mad at anyone who calls him because of the intonation of the term "my angry" is a self-destructive behavior that loudly (Luo et al., 2007) becomes a motivation for gaining power.

The behavior of Sabalong Desa (Improvement of the Village) is an attitude made up of the values of Sabalong Samalewa and the value of Kerik Selamat and the value as a meaningful apology in the Sumbawa community. The value of Selamat Kerik (Salvation) (Zuhri, Lahmuddin: 2014) consists of the mutual values and the mutual value and value of Sabalong Samalewa (Sudiyarti, Nining (2009)), which consists of the value of justice, the Harmonized Value and the equilibrium value. The main role of the "self" village leaders, expressed in the form of attitudes and behavior, is needed to remind one another of kindness and to avoid abusive and banal acts in the institutional process of the management of village funds. The Sabalong behavior of this village can serve as a decision aid for the village leaders.

In the context of the emergence of opportunistic behaviors that the head of the village has carried out as an agent in the management of village funds in connection with the use of village funds, the head of the village institutionally clouded the Syara-based customs authorities, "because Sumbawa hates opportunism in this case To reduce the self esteem of the villager (village community), the principle of mutual value must be carried out by submitting the Syara 'bersendikan kitabullah from the village chief, since satangi values are included in Syara' (religious) guidelines to avoid behavior that is too opportunistic motivation leads to freedom of choice (Luo and Donthu, 2007).

Sabalong Samalewa is a reflection of the values inherent in the lives of the people of Sumbawa, namely, the custom of Syara, Syara, based on the Kitabullah. Behind it, the concept of cultural values of the Sumbawa people hides balance and harmony between humans and their God, humans and others and humans and the environment. These three values, which become the standard in the Sumbawa community, are a powerful means of self-control of all aberrant behaviors. These values are based on the Samawa-Sabalong-Samalewa soul that holds the lives of the Sumbawa people (Sudiyarti, Nining: 2009: 47).

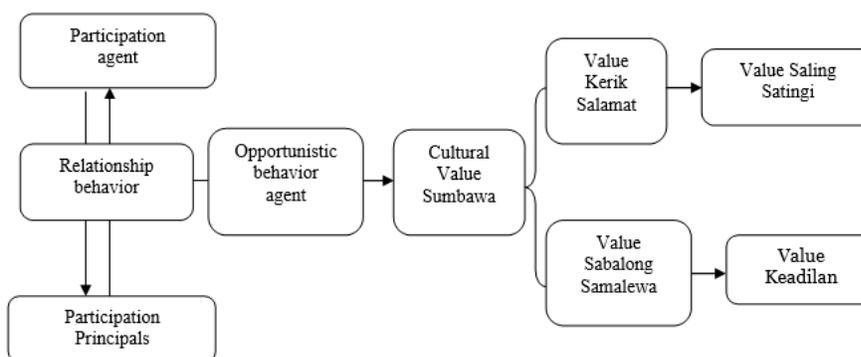
In the context of the problem, the occurrence of opportunistic behaviors has created an unfair feeling for the village community as a contracting authority, as the use of village funds in practice shows that the village leader, as an agent, has received much information on village funds (Bech (2008: 1) main and agent relations encounter asymmetric information, in which case the agent knows more about completing a task and in turn has the benefit of that information to the principals so that in the context of this investigation the village community does not receive any information about them that use village



funds and can not even criticize the village chief, because he tends as an agent to accept input with negative feelings or refuses to accept input (opportunistic), then he raises injustice for the principals (village community).

In connection with this phenomenon, behavior contradicts the value of justice in the Sumbawa community, namely, fair kinship as a joint effort to achieve a just and prosperous society that is evenly distributed. The observation of the importance of the value of justice in the value system of Sabalong Samalewa emphasizes that the incompleteness of the information provided by the agents, in this case the village chief (agent) of the village community (principals), can be described as unfair, since he has the The principle of justice is not met, ie the village chief as an agent has a disincentive for the priority and not objectively for the use of village funds in the institutional management of village funds, because in the institutional economy the Sumbawa community is also very closely linked to the Ketauhidan values which means that there is a human responsibility (Sumbawa community) for God that relates to the way resource management is managed (Zuhri, Lahmuddin: 2014: 154). The economic activities of the Sumbawa people who always hope for God's blessing, as well as the Sumbawa community, are always overseen by Allah SWT as the sole ruler of the universe. Guiding Godhead's values in the field of economics provides a moral and philosophical foundation for the economic life of the Sumbawa community in overcoming opportunistic behavior.

Figure 1. Proposed handling of asymmetric problems Information about opportunistic behaviorIn the use of village funds in the sense of Sabalong Desa



Asymmetric information questions: weakening the beliefs of village communities

Mastery of information is a problem in itself. That is, at the level of reality that often (always) occurs accurately is (not) information perfection (asymmetric information). Asymmetric information can be interpreted as a situation in which an agent knows something while the principals does not. In addition, the imbalance in bargaining power between the village community and the village chief has consequences for the risk appetite problem and the logic of decision-making. The emergence of information problems is often linked to the issue of incentives among those responsible.

Coupled with asymmetric information on the use of village resources in this study, the problems in the behavior of village institutional instruments in relation to the participation and participation of rural communities in projects or activities financed from village funds are shown. Theoretically, economic information dispenses with the assumption that the actors have perfect information about the quality of an article (Beckert, 2003: 9). The approach used to analyze principals-agent problems in both the moral-hazard model and the hidden information model for the rapid development of economic theory is the information economy approach (Varian, 1992: 440).

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In the institutional context of the village fund management, the control of information on the use of village funds are controlled more by agents (village leaders) (Berg (2007: 1)) that the information is not symmetrical (asymmetric information). In this case, the agent knows more about the settlement as a task and, in turn, has the advantage of this information compared to the principals. A variety of findings on the existence of benefits, which the commissioner possesses, confirms that the commissioner (village leader) can use the village funds very freely and uses weaknesses and the lack of information, which the principals (village community) receives accordingly with the will any technical implementation of the work that uses village funds on the pretext that everything comes from an agreement with the builder (village community), although the symbol of implementation is in fact based on the results of a collective agreement or contract u and only at the paper level.

Bach added that principals and agents have contradictory goals in the second assumption. If agents and principals do not have different goals and have symmetric information (the same information), the contract can not be faced with major issues to delegate tasks without having to worry about completing the task, meaning that the story is complete is. In the context of primary relationships (village

communities) and agents (village leaders), the results of these symbols are apparent from the interaction of behavior between individual agents seeking to gain support from the space agency (village community), which is expected to protect their interests and interests. The interests of the agent covering information This request was unknown to the majority of principals. This incomplete information is the cause of the occurrence of principals' agent problems. In line with the findings of this study, the on-site commissioner for the TPK (Implementation Team) is rather quick and spontaneous. The reason for this is that the activity was generally completed in the Village Development Planning Meeting (Musrenbangdes). It does not have to be resocialized with the Principals, although the Village Community (Principals) has forgotten a program held in the village, so that's what the village community can do, only the activity takes over. This phenomenon illustrates how little information owns village communities that are armed only with general meetings.

This loss of information phenomenon has enabled the agents to implement a village fund program immediately, as there are so many options on paper that the village leader man, representing the village community, acts as a controlling instrument, a coordinating instrument in the use of village funds. The process of managing village funds is an institutional tool for the village, and the implementation of rural development programs financed from the village community's own resources becomes clear. The village fund management in village institutions is an important activity, as it relates to the determination of allocations for each village and the local activities in the village, ideally carried out as such.

The problem of asymmetric information can also lead to a disadvantageous selection if the information costs are uneven because the principals (owners) are unable to investigate the agents selected by the principals (village chiefs) and all the possibilities involved. An opinion (Miller, 2005: 1) confirms that negative selection occurs because those responsible (village communities) and plenipotentiaries (village leaders) can not tell the difference between them. This is consistent with the findings of this study. If the principal's heart is given full support to become an agent, even though the principals has actually been divided into difficult decision-making decisions, it becomes clear what happens in this relationship that in the institutional practice the management of village funds leads to information imbalances. This finally became a question mark in the village community over the performance of the village fund management carried out by the agency on an institutional basis.

The importance of the value of Sabalong Desa overcomes the weakness of the Village Community Trust.

Controlling unbalanced information can be understood as a situation in which one agent knows something, while the other party is not aggravated by an imbalance in the bargaining power between the village community and the village chief, which affects the risk appetite problem) In accordance with the information the role of local cultural values is very important for the solution of the occurring problems.

The behavior of Sabalong Desa (Improvement of the Village) is an attitude made up of the values of Sabalong Samalewa and the value of Kerik Salamat (for salvation) and this value as a form of meaningful submission to the Sumbawa community. The Salamat (toward salvation) Kerik value (Zuhri, Lahmuddin: 2014) consists of mutual values and mutual value and the value of Sabalong Samalewa (Sudiarti, Nining (2009)), consisting of the value of justice, the approximation value, and the equilibrium value. "Village minds, expressed in the form of attitudes and behavior, are needed to remind each other of the good and to avoid abusive and banal acts in the institutional process of village resource management." The village's sabalong behavior can be used as a tool for decision makers serve Conduct between principals and agent or, in this study, the relationship between the village leader man and the village community, which in turn has the village chief as information owner or, in other words, the control of information related to the use of village funds, the village leader has given the Syara- Customs tarnished institutionally, because in this matter, the Sumbawa customs and culture were consistent with religious orders manifesting in mutual values (mutual trust) in the order of value of congratulations (to salvation).

If they are studied by the Sumbawa culture, they can be described as greedy or "kalelak". The mastery of the information provided by agents (village leaders) in this case is in contrast to the Sumbawa culture, which is based on Islamic teachings. The desire to maintain its status while maintaining its power leads to conflicts between the principals (village community) and the plenipotentiary (village leader) itself, and that will take a long time. If we look at it from a small gap, that does not fit in with the culture of the Sumbawa people, who in every circumstance kept to fraternity and remember each other. The Sumbawa people must be able to stand up as Tawa Samawa and represent the noble values of the Sumbawa community, ie they traditionally carry Syara, Syara, who carries the holy scriptures of Allah. If someone wants good behavior, he will be good.

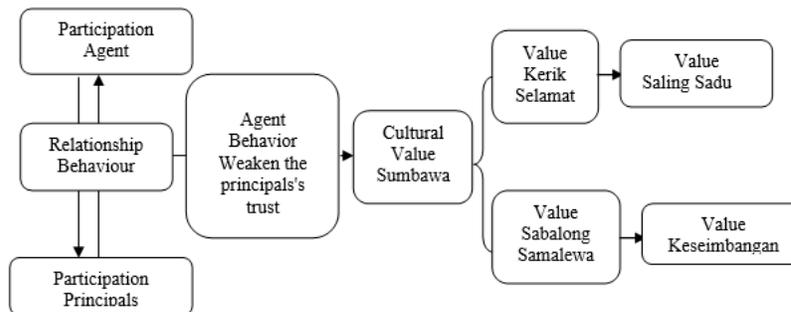
Sabalong Samalewa is a reflection of the values inherent in the lives of the people of Sumbawa, namely, the custom of Syara, Syara, based on the Kitabullah. Behind it, the concept of Sumbawa community culture hides balance and harmony between humans and their God, humans and others and humans and the environment. These three values, which become the standard in the Sumbawa community, are a powerful means of self-control of all aberrant behaviors. These values are based on the Samawa-Sabalong-Samalewa soul that holds the lives of the Sumbawa people (Sudiarti, Nining: 2009: 47).

In connection with the problem of the emergence of information imbalances, which has led to weak owners (village communities) trust agents (village leaders), which are highlighted in terms of the practice of using village funds, which shows that the village chief as an agent to the principals if you have full rights in the management of village funds, the use of village funds is ideally done in a transparent way, instead of wrapping up the mask of open rule, which is fundamentally pseudo in the knowledge of the village community.



In connection with this phenomenon, behavior is at odds with the equilibrium value in the Sumbawa community, namely, as well balanced affinity as a joint effort to achieve a just and prosperous society that is evenly distributed. Regarding the value of justice in the value system, Sabalong Samalewa emphasizes that incomplete information on the use of village funds by agents in this case can be described as "unfair" because the agent does not satisfy the appetite and interest of justice. The use of village funds in the institutional management of village funds, because in the institutional economy, the community of Sumbawa is also very closely connected with the values of Ketauhidan, which means that a human responsibility (community of Sumbawa) towards God in terms of the way Resource management exists (Zuhri, Lahmuddin: 2014: 154). The economic activities of the Sumbawa people, who always hope for God's blessing as a moral and philosophical foundation for the economic life of the Sumbawa people to overcome the behavior of the weak convictions of the village community.

Figure 2. Proposed system for solving asymmetric issues related to the agent's behavior to the behavior of the village community trust



5. CONCLUSION

It emerged that there was a problem of principals-agent behavior as the cause of asymmetric information in village administration institutions, which involved opportunistic behavior in the form of self determination and self interest, overcome by the Sumbawa approach to local wisdom through mutual values (mutual values) could believe) and the value of mutual satingi (mutual respect) in the order of the value of the salamats (toward security) and the value of justice and the value of balance in the value system of Sabalong Samalewa (balanced and harmonious) to the institutions strengthen the village fund.

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