

A Model for State Budget Policy in the Indonesian Parliament

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The purpose of this study is to create and develop a model for the preparation of state budget policy in the Indonesian Parliament. The research method uses a qualitative approach with Interactive Model Data Analysis (Miles, Matthew B et al., 2014). The study revealed: a. Internal factors in the Indonesian Parliament Commission; (1) Understanding of the members of the Commission in the process of making financial memorandum which is used as material for discussion of the faction and the Indonesian Parliament budgetary body; (2) Board members' commitment to the budget in favour of the community; (3) Lack of harmony between the coalition of political parties supporting the government and the coalition of non-governmental political parties (opposition); (4) It does not involve community participation in the net of aspirations about perceived needs and the problems faced to get a solution through the policy of determining the state budget. b. External factors from the government, the private sector and the community, (1) The government in this case the Ministry of Finance is very familiar with the principles of performance-based budgeting, but has not been followed evenly by the existing ministries / institutions. This relates to changes in the mindset of the traditional model that has been going on for a very long time and then changes with this new model; (2) Private, through the association of entrepreneurs as economic agents, provides input to be taken into consideration as the main strategic issues in the global economy and the things that follow; (3) The community, both through Non-Governmental Organizations (NGO) and as constituents, is less involved for the members of the council to carry out an aspiration net, and there are no forums that are periodically utilized for the community in channelling their aspirations to the council.

Key words: *Process, Compilation, Policy, State Budget.*

Introduction

The emergence of the concept of New Public Management (NPM) directly affects the general concept of the state budget. One influence is the change in the budget system, from the traditional budget model to a budget that is more performance oriented. The New Era of Public Management has encouraged various countries to develop more systematic approaches to state budget planning. Politically, the NPM paradigm sees the budgeting function as incremental (distribution of benefits and burdens). Tjiptoherijanto and Manurung (2010), explained the budgeting function. According to the NPM perspective it must be oriented to the production of goods and services, as well as the regulation of both public sector outputs and their impacts (outcomes), rather than being oriented to inputs (money, personnel and capital goods). It would be more appreciated, if through the budgeting function, each government unit were able to generate its own income or revenue sharing, by charging fees (charging user fees). As Keban (2008) Keban (2001) said, the NPM paradigm also changes financial management; the budget is no longer seen as describing only financial aspects but also political aspects.

Along with the shift in management functions related to budgeting (financial management), several public sector budgeting techniques have emerged. They include Performance Budgeting Techniques, Zero Based Budgeting (ZBB), and Planning, Programming, and Budgeting Systems (PPBS). In the context of public sector financial management policies in Indonesia, a PPBS was developed. Relevant to this context is the opinion of Bhanu (2007). Openness and transparency are indispensable principles and must exist in public financial management, as prerequisites for accountability to the public. Therefore, budget allocation must be oriented to organizational performance (performance-base budgeting).

Performance-based budgeting (PBB) is the preparation of the budget by relating funding and expected outputs, including efficiency, in achieving results and outputs (refer to Article 7 paragraph (1) PP No. 21 of 2004). It requires performance indicators, cost standards, and performance evaluations of each program and type of activity (refer to Article 7 paragraph (2)). The expected conditions of its implementation include: (1) increasing the effectiveness of budget allocations, through the design of programs/activities aimed at achieving the specified results and outputs; (2) increasing expenditure efficiency by determining unit output costs; and (3) thereby increasing credibility and accountability.

The Indonesian Parliament in carrying out its duties is equipped with three functions, namely: legislative, budgetary and supervisory functions. The research of Coulson (2003), which discusses the budget policy process, found that bad tendencies between the legislature and the bureaucracy in the midst of the battle determine policy. That is, every policy product issued by any level of government must eventually be returned to the public, to assess whether it

meets their needs or not. The results of Wildavsky and Caiden's (2004) research also strengthen the political dimension in the budget preparation process. They find the interests that exist in the budget vary in numerous ways and emphasize the political dimension. Alt and Lassen's research (2005) revealed that the Indonesian Parliament and the government bureaucracy, work more to fight for their own interests. The results of this study indicate that the elites and officials only fight for interests and material benefits, while their political work does not defend the budget enjoyed by the public. The legislature is unable to carry out its functions in formulating pro-public policies, and the performance of the Parliament reflects this. Indonesian Parliament performance data in the 2014-2016 session year has not shown significant results in accordance with expected targets. The Parliament's work is not from challenges and obstacles, including:

- 1) Ratification of Prolegnas 2014-2019 which is delayed until the second trial period of the 2014-2015 trial period.
- 2) Preparation/stipulation of Prolegnas, academic manuscript requirements and Draft Law do not appear to be available in real terms, because after Prolegnas is determined, the Indonesian Parliament Commission does not necessarily submit the academic manuscript and the Draft Bill to the Legislature for harmonization, rounding, and consolidation of conception.
- 3) The work priorities of Members of Parliament (MPs) who have not been focused on completing the legislative targets.
- 4) Completion of the stages of drafting and submitting a bill from the government or the House of Representatives for joint discussion, is not going well.
- 5) The legislative body which has a significant role in the preparation of the bill that becomes the Indonesian Parliament Proposed Draft Bill in the 2009-2014 period, in the 2014-2019 period no longer has the duty of preparing the bill; it affects the acceleration of the number of bills whose preparation is the MPs' responsibility.
- 6) The formation of Indonesian parliamentary expertise, in accordance with the mandate of the Legislature Laws, is still in process.
- 7) The factions that cannot work optimally, and the tendency to be a tool of political parties and groups, in addition to sluggishness in both performance and efforts to respond quickly to the existence of proposed legislation in Parliament.
- 8) Determination and formulation of the state budget is often set back, due to the politics of both the factions and commissions within Parliament, and the government's interests in discussing and determining the state budget.

The state budget is an instrument owned by the government to influence the economic cycle. Musgrave (1959) revealed that the state budget plays a three-fold role; namely distribution, distribution and stabilization. Indonesia's success throughout the 2008 global financial crisis, and positive growth in 2009 despite global contraction, cannot be separated from the ability

of the then government over the state budget, specifically in influencing purchasing power (consumption) to keep growing. The state budget 2017 Bill was submitted by President Joko Widodo at the Indonesian Parliament Plenary Meeting on August 14, 2017. In accordance with the budget cycle, the state budget discussion is carried out through the following stages:

- a) Preliminary Discussion and Government Work Plan for the next year's Draft State Budget in mid-May to mid-July. Documents submitted by the Government for discussion are the Main Fiscal Policy and Macroeconomic Framework; the Government Work Plan document that contains budget priorities.
- b) Discussion of the Draft Bill on the State Budget for the following fiscal year is carried out from mid-August to the end of October.
- c) Discussion of the Report on Realization of Semester I and Prognosis of Semester II for the current year's National Budget in July.
- d) Discussion of the current year's State Budget Amendment, the time of which is adjusted to the Government's proposal.
- e) Discussion and Approval of the Draft Bill on Accountability for the Implementation of the previous year's State Budget. The Accountability Document for the Implementation of the National Budget contains the Central Government's Financial Statements. They consist of Financial Statements, Balance Sheets, Cash Flow Reports, Notes to Financial Statements, and Loss/Profit Reports.

Based on the budget cycle, documents submitted by the government can be grouped as follows: (a) Pre Budget Document (Fiscal Policy Principles); (b) Executive Budget; (c) Enacted Budget (Financial Memorandum and State Budget Law); (d) Citizen Budget (summary of the budget in the mass media and website); (e) In Year Report (periodic budget realization report); (f) Mid Year Review (mid-term report); (g) End Year Report (Central Government Financial Report); and (h) Audit Report (Report from Indonesian Supreme Audit Institution). The Government has implemented a Performance-Based Budget and a Medium Term Expenditure Framework. The Framework is a policy-based budgeting approach, with decision-making powers that have budget implications for more than one fiscal year. For the discussion of the 2017 State Budget Draft State Budget, the government has also prepared a budget allocation for state ministries/institutions for the next three years, namely 2015-2017 (Nugraha, 2016).

The formulation of the research problem is based on a background description, namely: What is the model for the formulation of state budget policy in the Indonesian Parliament? This study aims to compile the existing model of state budget policy formulation in the Indonesian Parliament, based on the data collected, and develop a recommendation model based on analysis of the existing model. Research about public sector budgets, particularly as to the

politics of preparing the public sector's budget, will enrich theories in the field of state finance. This will specifically help to answer questions about the achievement of goals about the planning and implementation of state finances; namely about the analysis of: (a) allocation; (b) distribution; (c) stabilization; and (d) growth. Practically the results of this study are expected to be useful for state financial planners, and policy makers in managing state finances. They can refer to the principles of participatory, transparency and accountability in state financial planning. Thus, practitioners can avoid corruption cases that have often been occurring, lately, in the practice of managing state finances.

Research Methods

The approach in this study is qualitative, to understand the political process of budgetary policy-making holistically, by describing words and language, and analyzing inductively through comparisons with relevant theories (Sugiyono, 2005). Qualitative research used in this study aims to describe, explore in detail and then describe the reality of the political process that occurs when the Indonesian Parliament prepares budget policies involving the government, parliamentary commissions, and also external institutions. This study aimed to describe the nature of a socio-political phenomenon taking place at the time of the budget policy formulation process. The phenomenon was viewed in terms of its institutional aspects as well as its management aspects in accordance with the principles of good financial governance. In this qualitative study, the researcher was positioned as a human instrument. Participatory observation data collection techniques were used to observed the atmosphere of meetings, in particular the budget policy-making meeting (State Budget), and in-depth interviews (in-depth interviews). This precipitated the investigation of the political process that occurs in the preparation of budget policy, the role of each actor, as well as the factors that hinder it. Sugiyono (2014) states that, as human instruments, qualitative researchers get the focus of research, choose information as a source of data, collect data, assess data quality, analyze data, interpret data and make conclusions on their findings.

Therefore, researchers must interact with data sources. Researchers must really know the conditions in the field and get to know people who offer the data (research informants). Thus, this research is an interpretative analysis study, where interpretation of information obtained from data sources provided to researchers is conducted and the results are set out comprehensively and in-depth, in the form of research reports.

Focus Research

In connection with the problem and the research goals to be achieved, there are several foci of this research:

1. The political process that takes place in the process of preparing budget policies, specifically the preparation of state budget policies, examined through: (a) preliminary talks and Government Work Plans for the Draft State Budget; (b) discussion of the Bill on the State Budget; (c) discussion of the Semester I Realization Report and Semester II Prognosis for the current year's state budget; (d) discussion of changes to the current year's State Budget; (e) discussion and approval of the draft law on accountability for the implementation of the previous year's state budget.
2. The role and relation of each actor in the process of formulating the state budget policy in the Indonesian Parliament, as seen from the role of the government, the Indonesian Parliament budget committee, and the community through Non-Government Organizations (NGO) and the media.
3. Factors that support and hinder the process of formulating state budget policies in the Indonesian Parliament; examined through (a) internal factors in the Parliament Commission, and (b) external factors from the government, private sector and the community.
4. The state budget policy formulation model in the Indonesian Parliament, illustrated through the existing model and the recommended model, based on an analysis of the strengths and weaknesses of the existing model.

Data Source

The data source of this research consisted of informants, events and documents described in the description below.

Informant

Informants were specifically chosen are those who have knowledge and information on the results to be obtained. Informants know the phenomenon that is the object of research, to help researchers explore the information needed in qualitative research (Miles and Huberman, 1992). The first informants were selected by purposive sampling, determined by the researchers themselves in accordance with the study's goals. Purposive sampling was used in determining key informants. The determination of other informants was done by snowball sampling, based on instructions from key informants and consideration of the "wealth" of their information. The sources of informant data in this study are: (1) the Chairperson of the Commission, Chair of the Faction, and members of the Parliament Commission in charge of budget matters; (2) staff from ministries representing the Government in budget discussions, in this case the Ministry of Finance and other relevant ministries; (3) staff working at the Parliament Commission Secretariat on Budget and staff at the Indonesian Regional Parliament Secretariat Office; and (4) members of Non-Government Organizations (NGOs) that are always related to budget discussions, selected by an

exploration of as much information as possible, to help researchers collect research data. Key informants were the Chairperson of the Commission, Chairpersons of the Faction, and Expert Staff of the Minister of Finance. Spradley (1979) provides guidance on informant research as follows: (1) what informants know about their behaviour; (2) what concepts informants use to classify their experiences; (3) how the informant defines the concept; (4) how informants explain their experiences; (5) how the researcher translates the informant's knowledge into a description understood by the researcher. As explained by Lincoln and Guba (quoted by Moleong, 2000): "the goal of obtaining as much variation as possible can only be achieved if the selection of sample units is made if the previous units have been netted and analyzed; each subsequent unit can be chosen to broaden the information that has been obtained in advance so that it can be disputed or filled with information gaps that are found".

Events

Other data sources are events in the research context, which are relevant to the problem under study. The events referred to were the parliamentary or 'DPR' Budget Commission meetings, and consultations between the Ministry of Finance and the DPR Commission (Government Financial Officer Association).

Documents

Sources of documents related to research include: Reports on the results of the Budget Commission session; 2017 State Budget draft; DPR Budget Commission work plan; etc.

Data Collection

The techniques used in collecting data in research are as described below.

1. Observation. Researchers conducted field observations in budget meetings, both internal meetings of the Commission, and meetings with government representatives, to find out the factual conditions of the political process in the discussion of the State Budget. Observations can be made in participatory observation, because the researcher is also a member of the Parliament and plays an active role in every budget discussion meeting.
2. Interview. An in-depth interview technique (in-depth interview) was used to complete the data felt to be incomplete when conducted with selected informants. The researcher explored and asked informants about the important factors in the political process of formulating the National Budget policy, the role of the actors in each process, and supporting and inhibiting factors .
3. Documentation Techniques. To complete the data collection process, researchers also used written documentation studies obtained from MPs, both at the Commission level and those

available to the Government; in this case the Ministry of Finance. Audio visual materials can be retrieved in the form of photography.

Research Locations and Sites

This research is oriented to studies in the Indonesian Parliament, specifically the process of formulating the 2017 State Budget policy, because of three strategic reasons: First, the role and position of the member of parliament which is becoming stronger as a policy maker. Second, the development of the political process in the Indonesian Parliament which is dominated by the interests of commissions, factions, political parties and the government. Third, developments in public policy-making tend not to understand the people's aspirations. For this reason, the research location is the Republic of Indonesia Office in Jakarta. Specifically, the research locations were the office of the Chair of the Commission, the Office of the Faction, the Office of the Expert Staff of the Minister of Finance, the Secretariat room of the Parliamentary Commission, the room of the MPs, and their data room (Budiarjo, 1998); (Budiarjo, 1988); (Budiarjo, 2009).

Data Validity Test

The validity of the data (trustworthiness) collected in this study is seen from the criteria of the degree of trust (credibility), transferability, dependability, and confirmability. The application of these four criteria is explained, one-by-one in the description below:

- 1) **Credibility.** To fulfil the degree of trust in the data and research results, the researcher will take several actions, namely: prolonged engagement, persistent observation, triangulation, discussion with colleagues (peer debriefing), tracking the suitability of research results (reverential adequacy checks), and re-evaluate research findings (member checks).
 - a) Extension of participation (prolonged engagement). Researchers aim to gain the trust of research subjects, and avoid the distortion caused by researchers being in the field.
 - b) Persistent observation (persistent observation). Researchers intended to find the characteristics and elements that stand out from each observed focus, for the next researcher to focus on the characteristics or elements.
 - c) Discussing with peers (peer debriefing). Researchers sharing knowledge with colleagues, both fellow doctoral students and research colleagues in the MPs' Budget Commission.
 - d) Track the suitability of research results (reverential adequacy checks). Researchers checking all field notes (field notes), as well as existing documentation data, so it can be ascertained that there is a match between the research data with the propositions that are built.

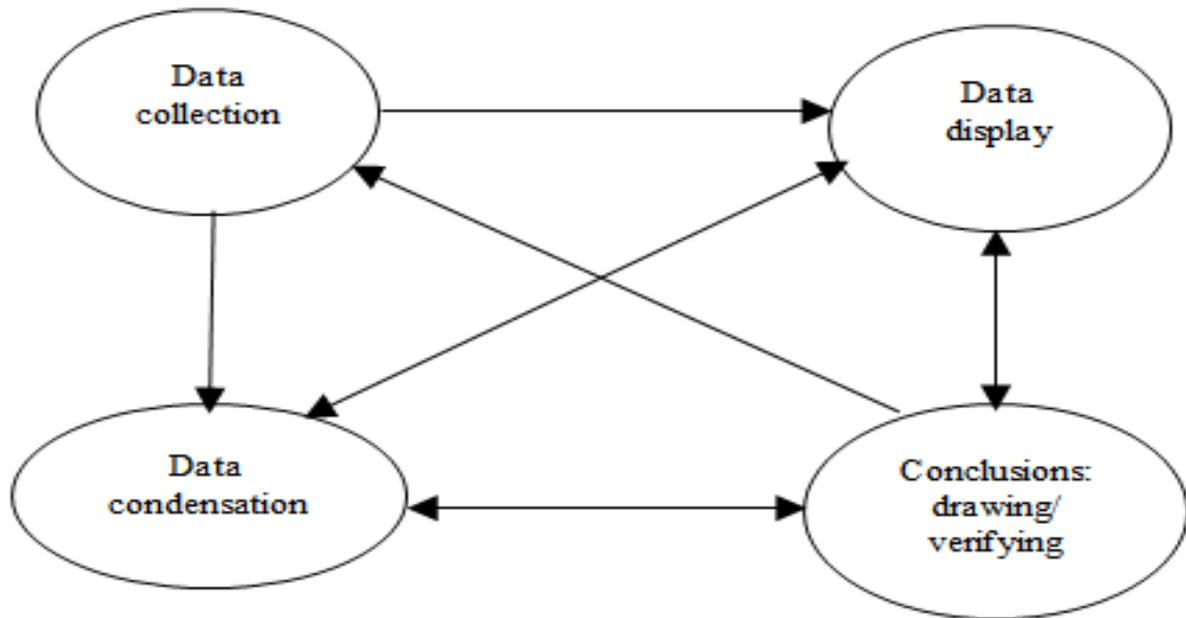
- 2) Dependability. This criterion is used to assess whether the research process has a good quality or not. The main auditors of this research are the Promoter and Co-Promoter, namely: Prof. Dr. Abdul Hakim, M.Sc., Dr. Mardiyono, MPA., And Dr. Bambang Santoso Haryono, MS. The other auditors are members of the Dissertation Examination Team.
- 3) Certainty (Confirmability). This criterion is used to assess the quality of research results, with an emphasis on tracking data and information, as well as interpretations supported by material available in audit trail tracking. To satisfy this criteria, researchers will prepare field notes, analysis results, and also the results of discussions in Focus Group Discussions (FGD). In addition there is also a commission hearing event to confirm the results of the research with the Promoter Team.
- 4) Transferability. To meet these criteria, the researcher tries to present the results of this study, by enriching scientific discourse and comparing it either with similar research or those relevant to the focus of this research.

Data Analysis

Analysis is the process of compiling data so that it can be interpreted. Compiling data means classifying it into patterns, themes or categories. Qualitative analysis in a study is used when research data raised from the field are of a qualitative nature. In this study the authors used qualitative analysis. Analysis used the Data Analysis Model from Miles, et al. (2014), the so-called Interactive Data Analysis Model, which includes: data condensation, data display, and conclusion or verification (conclusion: drawing / verifying). An explanation of the three components is presented below.

- a) Condensation of data. It is carried out through the selection of data relevant to the focus of the study, simplifying the data, abstracting and or changing the data recorded in the field notes of the researcher, as well as data obtained from documents and performed observations. The condensed data is then summarized and coded according to the focus of the study, to produce the categories and themes used because of the analysis and drawing of conclusions.
- b) Data Presentation. Condensed data is sorted and set aside according to groups of data. It is then categorised for display in harmony with the framework used, including temporary conclusions obtained at the condensation.
- c) Draw Conclusions. This is the compilation of an in-depth description of the presented data categories, to lead to a conclusion that can answer the research problem. This process takes place during the research, through interactions with both the condensation process and the data display process. Interactive models in data analysis are shown in Figure 1 below.

Figure 1. Components of Data Analysis: Interactive Model



Source: Miles and Huberman in Sugiono (2014)

Result and Discussion

Empirical Model of State Budget Policy Formulation (Existing Model)

Budget discussions in the Indonesian Parliament related to problems are carried out through discussion of Work Plans and Budgets and Ministries prepared by Ministries / Institutions in the DPR. The discussion was conducted by two Parliamentary commissions, namely Commission I and Commission II in accordance with the issues discussed. For example, related to national boundaries and the welfare of the people in the region itself is the context of budgeting and legislative processes in the MPs. Commission I, will discuss boundaries including weapons and security personnel stationed there (Coordinating Ministry for Politics, Law and Security), and their relations with the border state (Ministry of Foreign Affairs). Whereas related to welfare issues (public services) in community areas were discussed in Commission II with its partners with the Ministry of Home Affairs and the National Border Management Agency (NBMA) (Halim, 2001); (Halim, 2004). Problems related to Commission I, the need for the number of Indonesian National Army personnels, the need for tools to support Indonesian National Army personnels in carrying out their duties, such as patrol vehicles, communication tools and others are discussed in the Work Plan and Budget-Ministries and Institutions. In this case, MPs can convey public aspirations and findings on the ground obtained when work visit are in discussion.

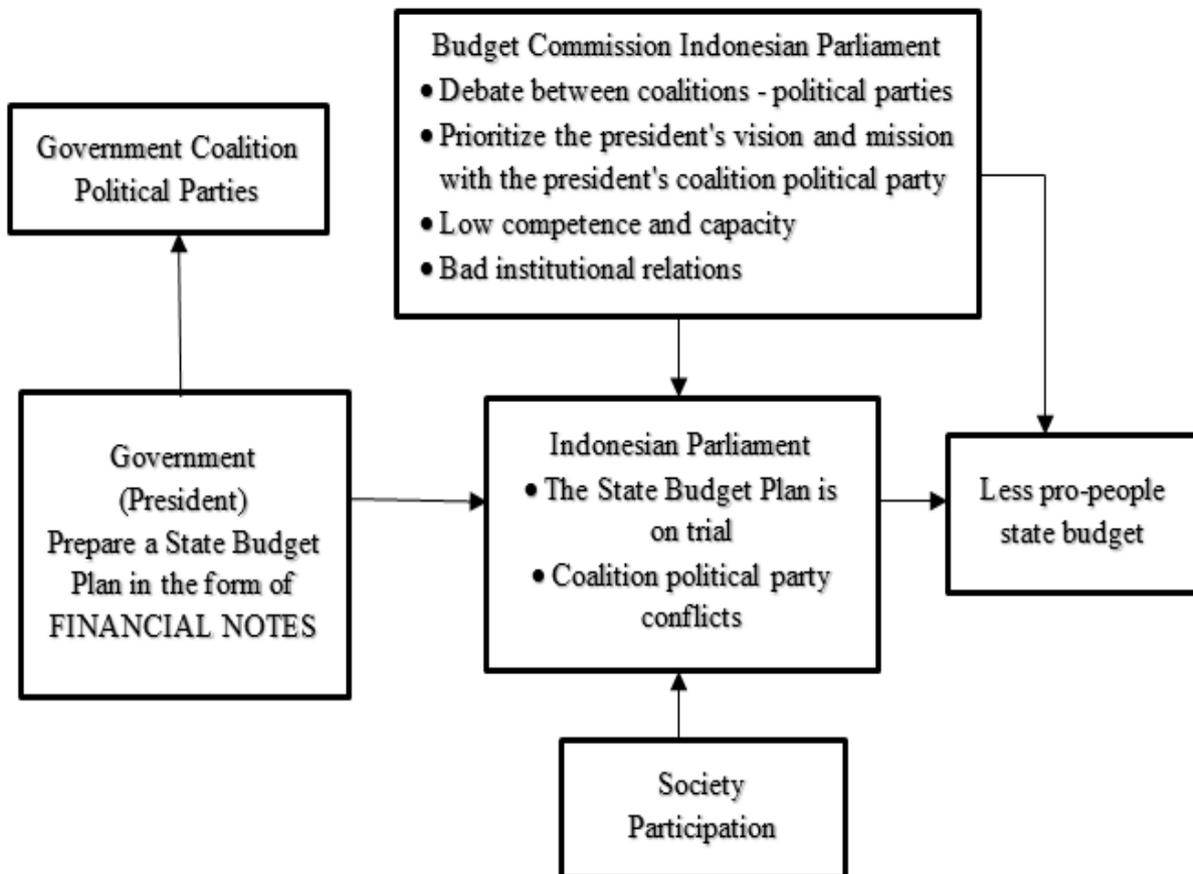
In general, Commission I has placed the issue on one work priority. In particular, Commission I encouraged sectoral improvements in the welfare of the soldiers and security

forces serving at the border. If Commission I discusses the area in relation to security, the issue of community welfare is discussed in Commission II. Commission II in discussing the problems of regional community welfare, made easy because of the existence of the Working Committee and its Ministry/Institution partners are the Ministry of Home Affairs and National Border Management Agency (NBMA). National Border Management Agency (NBMA) as a coordinating body for other Ministries/Agencies involved in the development of community welfare, in discussing budgets and policies with Commission II always includes 18 Ministry/Institution in their coordination (Tweedie, 2008).

The disadvantage when the process of discussing related issues, including the budget in the House of Representatives Commission II, is not the focus of discussion on related issues. One of the factors is because the position of Head of National Border Management Agency (NBMA) is held by the Minister of Home Affairs of the Republic of Indonesia. This made during the working meeting with Commission II, often the dominant one discussed was related to the duties of the other Ministry of the Interior. Issues related to National Border Management Agency (NBMA) which have not been discussed are the first that there has been no Audit Report on the Results of BPK RI Semester 1 of 2011 for National Border Management Agency (NBMA) because was only formed in 2010 and second, related to the realization of the National Border Management Agency (NBMA) budget for 2011 to 18 November 2011 which is managed directly by the central National Border Management Agency (NBMA) and by area in the form of deconcentration.

In addition to the coalition of political parties, taxation policies also contribute to the discussion of the proposed state budget submitted by the government. This is very logical because one of the revenues for the state budget is from the tax sector. In the discussion and approval of changes to the state budget, the level of approval of the revenue budget on changes to the state budget largely determines the level of approval of the expenditure budget on changes to the state budget. Approval of the revenue and expenditure budget in the state budget and changes in the state budget cannot be separated from the role of political parties and coalitions that support the government (Ulia, 2000). The role of the coalition in the preparation, discussion and approval of the budget is also reflected in the formation of MPs equipment tasked with preparing the budget, which will then be submitted and brought in the Working Committee, then discussed by the President with MPs by taking into consideration the Regional Representative Board then the MPs can accept or reject the state budget bill. This is where the role of the coalition supporting the government is needed for budget approval which is then made into the state budget law and revised state budget. Based on the description above, it can be illustrated an escalating model of the process of preparing the state budget policy in the Indonesian Parliament as below:

Figur 2. Empirical Model of State Budget Policy Formulation



Source : Authors

Model Recommendations for Formulating State Budget Policies in the Indonesian Parliament

This research is about the formulation of public policy, to understand its meaning and substance. As said by Nugroho (2014), there are two causes of government failure to formulate superior and superior public policies. The first reason is a failure to understand the meaning and substance of public policy, not only by government practitioners but also by academics. Second, there may be no policy analysis before formulating public policy. According to Dunn (2003), policy (policy) is a collection of decisions taken by an actor or political group, in an effort to choose goals and ways to achieve those goals. In principle, those who make these policies have the power and authority to implement them (Nugroho, 2000).

1) Preparation of the Agenda

Agenda-setting is a very strategic phase in the reality of public policy. In this process there is room to interpret what is called a public problem. The public agenda needs to be calculated and clearly defined.

2) Policy Formulation

Problems that are already on the policy agenda are then discussed by policy makers. The problems were defined to find the best solution.

3) Adoption / Legitimacy of Policies

The purpose of legitimacy is to authorize the basic processes of government. Legitimacy can be managed through the manipulation of certain symbols, through which people learn to support the government.

4) Policy Evaluation / Evaluation

In general, policy evaluation involves estimation or policy evaluation which includes substance, implementation and impact. In this case, evaluation is seen as a functional activity.

In contrast to Isworo, James Anderson, as quoted by Subarsono (2005), defines the public policy process as follows: (1) Problem formulation; (2) Policy formulation; (3) Determination of policy (adoption); (4) Implementation (implementations); and (5) Evaluation.

Failure to formulate public policies can be fatal, because it will impair the public reputation of the relevant public institutions. In addition, failures in the formulation of policies will certainly impact the public who expect policies to overcome the problems they face. According to Nugroho (2014), the criteria for failure of public policy formulation include three aspects, namely: (a) they were unsuccessfully set; (b) they were successfully established, but through a sharp conflict process; and (c) they were successfully determined, but revoked shortly after.

Political parties began in Western Europe in the late eighteenth century or the early nineteenth century. For Indonesia, they have developed so rapidly. In connection with their emergence and development, Soltau opined that a state which was organized, acted as a political entity to be used by political parties to choose how to control the government and carry out their general policies (Soltau, 2007).

However, according to Surbakti (2003) political party institutions strengthen political parties twofold, both in the form of initiating behaviour and in attitudes or culture (the process by which the party becomes established in both integrated patterns of behaviour and attitudes or culture). This institutional process has internal-external and structural-cultural aspects. When these two dimensions intersect, a four-cell table will appear, depicting (1) the degree of systemism, a party as a cross between internal and structural aspects; (2) the degree of identity value (value infusion), a party as a result of crossing aspects of internal and cultural aspects; (3) the degree of autonomy of a party in decision-making (decisional autonomy), as a

result of crossing external and structural aspects; and (4) the degree of knowledge or public image (reification) of a political party, as a cross between external and cultural aspects.

From the description above it can be concluded that even though in developing countries, political parties have many weaknesses, political parties are still considered an important tool for building democracy. Furthermore, political parties are developing in all dimensions, being the main tools of the state. This is supported by aspirational political parties, and the party that wins the election can be sure that policies are in favour of the people, not merely groups.

In representative theory, there are usually two distinct categories. The first class is Political Representation and Functional Representation. The second class concerns the role of Members of Parliament (MPs) as carrying out the "mandate" of representation (representation); the concept that a person or group has the ability or obligation to speak and act on behalf of a larger group (Budihardjo, 1998).

Based on the findings and analysis of this study, the researcher proposes several policy recommendations (Meloeng, 1998). They are made by considering the level of possible applications, from the most practical to the most ideal. They are considered controversial. The following could be the first (OECD, 1990):

1. Increasing Public Access to Participate in the Process of Discussing the State Budget Law Plan in the Parliament.

a. Short-term Proposal :

- i. Optimizing the media and means of access to public information that already exist in MPs. Empowering the working support units of the parliament members, particularly the public relations function of the Parliament's Secretariat General and the Indonesian Parliament Information and Documentation Management Officer. These can give and guarantee access to public information, especially as to the discussion of the state budget plan in the Parliament. They need to be empowered.
- ii. Building information systems in organizing data and discussion documents on the State Budget Plan. Data and documents that have been organized, as well as being used by Parliament members, can also be directly published. Parliament owns numerous public media tools, especially the Indonesian Parliament and Indonesian Parliament Information and Documentation Management Officer institution websites.

b. Medium-term Proposal :

Developing the personal media of Parliament's members as an alternative media and means of access to public information related to the discussion of the Draft State Budget. This would support the availability of access to public information, especially as related to the Draft State

Budget. Parliamentary members can also develop personal media, which can be printed, online, and / or in the form of social media (Thaib, 2000).

c. Long-term Proposal :

- i. Review the proposed follow-up mechanism for popular aspirations, accommodated by MPs from the results of work visits during the Recess. Especially in this case Commission I of the Indonesian Parliament, specific visits could be made to the regions, to gather information and absorb the aspirations of the people who live there. The results of the working visit took the form of community aspirations which could then be used as material in the Coordination Meeting, in discussing problems in the area, including discussing the budget with the government.
- ii. Assessing which space other than Musrenbang (community discussion) allows the community to take part in the discussion of the State Budget Plan in the Parliament. The determination of the Draft State Budget, to become the State Budget determined by the State Budget Law, can be seen in the context of the legislative process, namely the discussion of the Bill. It is necessary to review budget proposals, to give space for the community to advise regarding the discussion of the State Budget Plan, such as what is discussed there in relation to other bills from MPs.

2. Increasing the HR Capacity in Parliament through Public Information Services and Supporting the Functions of the Parliament.

a. Short-term Proposal

- i. Strengthen the front line of the public information service, in MPs, namely the information service officers of the Information and Documentation Management Office.

b. Medium-term Proposal

- i. Increase the capacity of MPs to understanding the process of making and discussing the State Budget.

c. Long-term Proposal

- i. Facilitating a capacity building program for the Parliament Budget Board and its supporting system, including the secretariat or personnel who support the work of the MPs' budget. This would enable them to analyze the documentation of budget data that supports the performance of the parliament, as it fights for the aspirations of the people and carries out its representation functions, especially in the process of discussing the State Budget Plan.
- ii. Schedule the formation of a parliamentary budget office. Its format would work as a support system, strengthening the capacity of DPR members in carrying out the budgeting function.

Reviewing Regulations relating to the Parliamentary Budgeting Function

a. Medium-term Proposal

- i. Review the substance of Indonesian Parliament Regulation Number 1 of 2010 concerning Openness of Public Information in the Indonesian Parliament, especially Article 4 paragraph (1), Article 5, and Article 6 paragraph (1). This is important in allowing the discretion held by the MPs' leader and the Parliament Secretariat General to not focus on making it difficult to access and provide public information services in the Parliament.

b. Long-term Proposal

- i. Reviewing the budgeting function. This the right of Parliament. The mechanism for proposing, discussing, and determining the State Budget by the Government together with the Parliament as stipulated in Article 23 of the 1945 Constitution and Article 15 paragraph 3 of Law No. 17 of 2003 concerning State Finance, could be improved.
- ii. Review Law No. 27 of 2009 concerning improving the function of representation and synergy between the work of the Indonesian Parliament, and the Regional Parliament and Regional Representative Board, in relation to the Musrenbang mechanism and the state budget plan discussion process.

Recommendations for Further Study

In addition to the recommendations above, this study also raises several important issues that suggest recommendations. However, due to limitations in both methodology and substance complexity, these issues cannot be thoroughly explored in this study. Therefore, it is hoped that further studies will be able to explore more deeply and clearly the following matters:

- a) Proposal for the formation of a Parliamentary Budget Office (PBO).
- b) Proposal for synchronizing the Work Visit and Recess of Parliament's members with the implementation of the Development Planning Conference.
- c) Proposal to examine the strengths and weaknesses of operational support systems in the parliament, concerning the readiness of supporting human resources in the parliament, especially as related to the practice of Public Information Openness and the required capacity building program.

From the results of this study, it appears that discussion of the state budget until it is determined to be law, is still a gap when contextualised by the implementation of public information disclosure. Gaps also become clearer when examined in the context of the

Parliamentary members' representation function. The results of this study also show some indications of low public participation and concern for women and other marginalized groups. These relate to issues and challenges in accessing public information pertaining to the discussion of the State Budget Bill in Parliament. This problem becomes more complex when discussing public access to information (Wildaysky, 1975); (Wildaysky, 1979); (Wildaysky, 2003).

The findings of this study indicates the nature of discussion of the Draft State Budget Bill. When the discussion has entered the stage of parliamentary discussion, as to the state budget proposed by the Government, it closes and tends to be elitist. There seems to be a gap between the policy framework, conceptual framework and its implementation. This disparity occurs, among others, because there are still obstacles to the community accessing the Draft State Budget. There is no public participation forum in the deliberation of the Draft State Budget bill. Yet perceptions differ between public officials, as to limitations on public information, especially as they relate to discussion of the Draft State Budget. They also differ as to the follow-up mechanism for MPs absorbing popular aspirations through work visits during the parliamentary recess.

There has been analysis of the problems of discussing the state budget plan in parliament. The initial study, as well as the proposed policy recommendations, remain important as one of the initial inputs for the parliament to improve both its representation and its performance in carrying out the budgetary function. There must be an awareness from the parliament that the quality of its performance is inseparable from the input of the community and existing elements of society. Further, the parliament does indeed need such input to ensure that its work in the field is also relevant and meets the aspirations of the community.

The limitations of this research can be followed up by further in-depth and conical research. It is hoped that later studies will explore deeper and more clearly the following matters; (a) proposals for the establishment of a Parliamentary Budget Office (PBO); (b) proposals for synchronizing the Work Visit and Recess of the parliament with the implementation of the Development Planning Conference, especially through direct studies; (c) a proposal to examine the supporting system for parliamentary work concerning its HR readiness, especially in the practice of Public Information Openness.

From the description above, a major proposition can be formulated: "That if the preparation of the State Budget policy is supported by the competence and commitment of board members and their factions, from a pro-people political party coalition supported by understanding the correct role and harmonious synergy between the actors and good predictions as to the factors that influence the budget, by providing space for public participation, the quality of the state budget can be realized".

In connection with the above matter, it is proposed that there be a recommendation model for policy formulation of the political process, in the articulation of the Outline of State Policy. An important policy recommendation is the need for discussion of the Draft State Budget by the Budget Board, plus a Financial Expert Team consisting of professionals. In addition, when the government is preparing the Draft State Budget there should be coordination between the Government Budget Board, the National Development Planning Agency, and stakeholders from the elements of society, to provide input on priority programs that need to be included in the budget allocation for the Draft State Budget.

Conclusion

The state budget policy formulation model in the Indonesian Parliament, is illustrated through the existing model and the recommended model, based on the results of an analysis of the strengths and weaknesses of the existing model. The formulation of the state budget policy is supported by the competence and commitment of board members and their factions from a pro-people political party coalition. It is also supported by both an understanding of the correct role and harmonious synergy between actors, and a good prediction of the factors that influence the budget, which then provide space for public participation (Truman, 1960). The State Budget can be realized. An important policy recommendation is the need for discussion of the Draft State Budget by the Budget Board plus a Financial Expert Team consisting of professionals. In addition, in the stage of preparation of the Draft State Budget by the government, there should be coordination between the Government Budget Board, Bappenas (a planning agency) and stakeholders from the various elements of society, to provide input on priority programs that need to be included in the budget allocation for the Draft State Budget.

Suggestion

1. A periodic forum to reduce tensions (conflicts of interest) between the pro-government political party coalition, and the coalition of political parties "opposing" the government. It should prioritize the interests of the state and poor citizens, so that a pro-people budget appears.
2. Increasing community participation in the planning process and discussion of budget plans decided into the State Budget through NGOs or other forums held periodically. This will enable the community to participate in monitoring and fighting for the interests of the people's welfare, as outlined in the pro-community budget.



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