

THE EFFECTIVENESS OF FISCAL DECENTRALIZATION IN ALLEVIATING POVERTY FROM AN SHARIA ECONOMIC PERSPECTIVE IN KEBUMEN, INDONESIA

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Abstract: The research objective is to determine the effectiveness of fiscal independence in poverty alleviation based on economic principles, efficiency, effectiveness, independence, and the pattern of regional and central relations. This research uses a qualitative approach, secondary data from the 2019-2021 APBD, and interviews by looking at the economic formula, efficiency, and effectiveness, as well as the independence of regional financial management and analysis techniques with an Islamic economic approach. Kebumen's financial management has not been able to reduce the poverty rate because of its low self-support because it still needs a budget injection from the province/central. This paper needs further research on the Central Java province poverty alleviation assistance program, accommodates a larger sample, and involves a wider range of informants and comprehensive analysis. The APBD encourages the empowerment movement independently through assistance so that the poor group becomes independent in meeting their needs without depending on others. Financial management approach input-program process-outcome-evaluation-feedback. The focus of the measurement of the APBD describes the independence of the regional budget, which is believed to eradicate poverty as a household problem in the region, the economic approach, effectiveness, efficiency, independence, and the pattern of relations with an Islamic economic approach.

Keywords: fiscal decentralization; effectiveness; poverty; Islamic economy

Abstrak: Penelitian ini bertujuan untuk mengetahui efektivitas kemandirian fiskal dalam pengentasan kemiskinan berdasarkan prinsip ekonomi, efisiensi, efektivitas, kemandirian, dan pola hubungan daerah dan pusat. Penelitian ini menggunakan pendekatan kualitatif, data sekunder APBD 2019-2021, dan wawancara dengan melihat rumus ekonomi, efisiensi dan efektivitas, serta kemandirian pengelolaan keuangan daerah dan teknik analisisnya dengan pendekatan ekonomi syariah. Hasil penelitian menunjukkan bahwa pengelolaan keuangan Kebumen belum mampu menurunkan angka kemiskinan karena rendahnya swasembada karena masih memerlukan suntikan anggaran dari provinsi/pusat. Penelitian ini merekomendasikan bahwa APBD hendaknya mendorong gerakan pemberdayaan secara mandiri melalui pendampingan agar kelompok miskin menjadi mandiri dalam memenuhi kebutuhannya tanpa bergantung pada orang lain. Pengelolaan keuangan menggunakan pendekatan input-program, proses-hasil-evaluasi-umpan balik. Fokus pengukuran APBD menggambarkan kemandirian APBD yang diyakini dapat mengentaskan kemiskinan sebagai permasalahan rumah tangga di daerah, pendekatan ekonomi, efektivitas, efisiensi, kemandirian, dan pola hubungan dengan pendekatan ekonomi syariah.

Kata kunci: desentralisasi keuangan; efektivitas; kemiskinan; ekonomi Islam

Introduction

Fiscal decentralization has been running for 21 years providing services and improving the level of community welfare supported by regional autonomy regulations since Law no. 22 of 1999 and implemented fiscal decentralization starting in early

2001 in stages. Regional autonomy is a policy of giving independent authority to change the lives of local people for the better, the economic life of the poor being able to be independent in meeting their needs.¹

¹ Syamsul, "Desentralisasi Fiskal Dan Tingkat Kemiskinan

Regional autonomy is the right, authority, and obligation of the autonomous region to regulate, and manage its own government affairs, the interests of the local community according to regulations, thus local governments are given the freedom to regulate their regions, both income and regional expenditures from economic, social, cultural and financial balance arrangements,² government services and the fulfillment of community needs oriented to inner and outer welfare. The current regulation is Law no. 23 of 2014 in conjunction with Law no. 9 of 2015 concerning local government.³ Regional financial management is good category if carried out by local governments has a positive impact on reducing poverty, as in China changing the evaluation of fiscal policy from top down to bottom up so that the government really knows the basic needs of the community.⁴ Decentralization makes programs close to the welfare of the lower class.

The problem of this research is whether the Kebumen regional budget is able to reduce poverty through measuring regional financial management with economic principles, efficiency, effectiveness and regional independence from an Islamic economic perspective, where Islamic economics is overcoming poverty by working hard after receiving government assistance. Assessing the ability of regional finances to reduce poverty by looking at the effectiveness of regents in managing finances through calculating and analyzing how many revenue targets are set and how many regional recipients are realized and how much expenditure is spent, analyzing income inputs, expenditures, results, impacts and benefits of regional financial management for the wider community, especially weak or poor groups.⁵ The phenomenon of the high poverty rate in Central Java, especially in Kebumen Regency, is marked

by many beggars, unemployment, crime, social conflicts, struggles for aid and complaints from the public who are misdirected against social assistance.

Central Java's financial management is in a good category.⁶ Still, the poverty rate in the district is 10% and above, meaning that regional financial management has not been able to solve the problems of poverty, unemployment, and the like. Based on poverty data at Central Java BPS experienced an increase from 2019 to 2021, which was relatively high, the poverty rate was 16% to 17%, and the Kebumen district was the highest, with 17.83% the poor.

Development in Islamic economics focuses on the pillars of human beings moving to change their fate, as the word of Allah in the Surah ar-Ra'du verse 11 means that Allah will not change the future of a people unless they change it themselves.”⁷ But the reality is that the poor are lazy to move and depend on other parties.

Method

This research is qualitative, using a quantitative approach to collect data on revenue and income figures or financial statements of the Kebumen district and qualitative methods of collecting data through interviews, observations, and documents in the form of library studies.⁸

Table 1. Poverty Line, Number, and Percentage of Kebumen 2020-2021

	Poverty Line		Number of Poor		Poor Percentage	
	2020	2021	2020	2021	2020	2021
Kebumen	380,557.00	390,599.00	211.09	212.92	17.59	17.83

Source: BPS data processing

The table explains that the poverty rate increased from 17.59 percent in 2020 to 17.83

Di Indonesia,” *Akuntabel*, vol. 17, no. 1 (2020), pp. 140–47.

² Lukman Santoso, *Hukum Pemerintahan Daerah; Mengurai Problematika Pemekaran Daerah Pasca Reformasi Di Indonesia*, (Yogyakarta: Pustaka Pelaja, 2015).

³ Endang Purwanti and Elien Noviyanti, “Analisis Kinerja Keuangan Daerah Pemerintah Kota Salatiga Tahun 2014-2018,” *Among Makarti*, vol. 14, no. 2 (2022), pp. 1–12, <https://doi.org/10.52353/ama.v14i2.213>.

⁴ Yu Hao et al., “Impact of Income Inequality and Fiscal Decentralization on Public Health: Evidence from China,” *Economic Modelling*, vol. 94, no. November 2019 (2021), pp. 934–44, <https://doi.org/10.1016/j.econmod.2020.02.034>.

⁵ Syamsul, “Desentralisasi Fiskal Dan Tingkat Kemiskinan Di Indonesia.”

⁶ Nely Aulia, “Hubungan Desentralisasi Fiskal Terhadap Pertumbuhan Ekonomi, Tingkat Kemiskinan, Dan Kesenjangan Pendapatan Kabupaten/Kota Di Provinsi Jawa Tengah Tahun 2012,” *Economics Development Analysis Journal*, vol. 3, no. 2 (2014), pp. 327–36, <https://doi.org/10.15294/edaj.v3i2.3839>.

⁷ Abdul Hakim et al., “Modeling the Interaction across International Conventional and Islamic Stock Indices,” *Cogent Economics and Finance*, vol. 9, no. 1 (2021), <https://doi.org/10.1080/23322039.2020.1862394>.

⁸ Sugiyono, *Metode Penelitian Kualitatif : Untuk Penelitian Yang Bersifat Eksploratif, Enterpretif, Interaktif Dan Konstruktif*, (Bandung: Alfabeta, 2017).

percent in 2021, so the Kebumen district's poverty rate is extreme. Primary data is through interviews about the effectiveness of regional budgets for poor community programs. The preparation of poor community programs based on the APBD budget is prepared by the Regional Poverty Reduction Coordination Team/TKPK then the draft is submitted to BPKAD.⁹ Data on assistance programs for the poor are under the allocated budget, previously identified the problems of the poor, consulted with the DPRD by carrying out the vision of being prosperous, independent, and having a good character with the people. Poor community programs include health, education providing assistance to poor families, empowerment for MSMEs by providing needed assistance, babonization programs so that poor families are entrepreneurs in cultivating native chickens.¹⁰

The analysis technique uses logical analysis of the data found with the following methods: qualitative analysis, namely an approach by making meaningful sentences to provide the information the author wants. At the same time, quantitative analysis is an approach in the form of numbers through measuring effectiveness according to standards through an economic approach, effectiveness, efficiency, independence, fiscal decentralization, and patterns of government relations. This study uses qualitative analysis by calculating the ratio and analyzing the results of the calculations with the problems in the discussion of this research.

Fiscal Decentralization

Fiscal decentralization is a deviation of authority from the center to the regions to manage and regulate their regional household budgets. The implementation of decentralization has a positive impact on regional growth,¹¹ The practice of decentralization has a positive impact on reducing poverty in Aceh.¹² However, in Kebumen fiscal

decentralization has been implemented, but the BPS data on the poverty rate is quite high. Regional financial management describes the progress of local economic development.

Regional financial management is all activities including planning, budgeting, implementation, administration, reporting, accountability, and regional financial supervision.¹³ The regional financial management instrument through the APBD is an annual regional financial plan determined by the regional head together with the DPRD for financing and development programs to improve the quality of life of regional people.¹⁴ Rights and obligations for goods and money sourced from the region are used for regional human development. Financial management for accountability has several principles:¹⁵

- a) Transparency: the directness of the program planning process, regulation, and implementation of local budgets.
- b) Accountability: accountability for local government actions and decisions on the budgeting process begins with planning, preparation and implementation carried out honestly and accountable to the DPRD¹⁶.
- c) Effectiveness: a measure of the success of achieving government goals. This changes the cognitive behavior of the poor into independent work based on the efficacy of regional finances.¹⁷

Poverty Reduction in Aceh Province, Indonesia," *International Journal of Scientific Research in Science, Engineering and Technology* 4099 (2021), pp. 176–85, <https://doi.org/10.32628/ijsrset218130>.

¹³ Taufik Hidayat B Tahawa, "Relationship Of Regional Financial Ability Levels And Poverty Percentage To Economic Growth Of West Sulawesi Province, 2013 - 2018," *Journal of Economic, Public, and Accounting (JEPA)*, vol. 3, no. 2 (2021), pp. 139–48.

¹⁴ Jefri Harianto Nababan and Rina S. Shahrullah, "Peranan Otonomi Daerah Terhadap Pembangunan Ekonomi Melalui Pengelolaan Keuangan Daerah," *Journal Of Law and Policy Transformation*, vol. 6, no. 2 (2021), pp. 108–16.

¹⁵ T.F. Nagor, Darwanis, and S. Abdullah, "Pengaruh Penerapan Sistem Pengendalian Intern Dan Penerapan Prinsip Pengelolaan Keuangan Daerah Terhadap Kualitas Laporan Keuangan Daerah Kabupaten Aceh Barat (Studi Pada SKPD Pemerintah Daerah Kabupaten Aceh Barat)," *Jurnal Magister Akuntansi*, vol. 4, no. 32 (2015), pp. 72–79.

¹⁶ Ni Nyoman Padmawati, "Peran Desentralisasi, Akuntabilitas Dan Sistem Pengendalian Manajemen Dalam Meningkatkan Kinerja Organisasi Perangkat Daerah," vol. 22, no. 2 (2021), pp. 661–76, <https://doi.org/10.5281/zenodo.5575992>.

¹⁷ Wita Hariani Kasman, "Efektifitas Kerja Aparatur Kecamatan Dalam Pelayanan Masyarakat Di Kecamatan Curup

⁹ Interview with Purnowati as secretary of BPKAD, March 1, 2022.

¹⁰ Interview with Adi Purnomo as Head of Development Government/PPM, March 1, 2022.

¹¹ Jenny E. Ligthart and Peter van Oudheusden, "The Fiscal Decentralisation and Economic Growth Nexus Revisited," *Fiscal Studies*, vol. 38, no. 1 (2017), pp. 141–71, <https://doi.org/10.1111/1475-5890.12099>.

¹² Iqbal Firdaus, Nunung Nuryartono, and Raul Barreto, "Impact of Fiscal Decentralisation on Economic Growth and

Measuring goals achieved apply three principles: (1). economy: purchasing goods and services with good quality and economical prices.¹⁸ (2). efficiency: the results of hard work achieved using the lowest possible funds (Erawan et al., 2019). (3). effectiveness: the relationship between results and goals to be achieved.¹⁹

Good regional financial management can regulate and control problems within the organization.²⁰ Local government financial performance is good if it can reduce poverty to create added value openly and responsibly through hard work movements by utilizing the budget distributed by the government.²¹ Implementation leads to noble goals through preparing policies related to social problems, and the process runs according to the system.²² Effective financial management achieves the plans that have been set. On the other hand, financial management is disheveled, and government revenues are far from target. The target of local government reduces the number poverty is not achieved even with low-quality development. Several factors influence the implementation of regional autonomy:

- a) Humans, humans are the driving subject in the implementation of regional autonomy. Due to human factors, good character, morals, quality, and capacity include elements of

regional government consisting of regional heads and DPRD, regional apparatus, and local communities, which are the environment where regional government activities are held.²³

- b) Finance, this factor is the backbone for the implementation of local government activities. One of the characteristics of an autonomous region lies in its self-supporting ability in the financial sector. Therefore, financial capacity influences local government implementation.²⁴ Thus, the structure of the APBD will affect the success of local governments in carrying out economic development.²⁵
- c) Equipment, this factor supports the implementation of local government activities. Equipment must be sufficient in quantity, adequate, and practical in its use.²⁶
- d) Organization and management, without this factor, local government administration cannot be carried out properly, efficiently, and effectively. At the opening of the 1945 Constitution, the national goal is social welfare.²⁷ Responsible autonomy is believed to be able to be realized by the people of Indonesia. These four factors play a role and function and will result in good regional financial performance and the goal of achieving fiscal decentralization independence.

Selatan Kabupaten Rejang Lebong,” *Jurnal Adminika*, vol. 8, no. 2 (2022), pp. 111–20.

¹⁸ Deisy Christin Makalikis, Ventje Ilat, and Rudy J Pusung, “Penerapan Prinsip Good Governance Dalam Pengelolaan Keuangan Di Sekretariat DPRD Manado Application Of Good Governance Principles In Financial Management At The Manado DPRD Secretariat,” *Jurnal LPPM Bidang EkoSosBudKum, (Ekonomi, Sosial, Budaya, Dan Hukum)*, vol. 5, no. 2 (2022), pp. 285–92.

¹⁹ Novelya South, Jantje Tinagon, and Sintje Rondonuwu, “Measurement Efficiency and Effectiveness Regional Financial Management in Dinas,” *Jurnal EMBA*, vol. 4, no. 1 (2016), pp. 613–22.

²⁰ Rika Regina, “The Influence of Intellectual Capital, Good Corporate Governance and Accounting Conservatism on Company’s Financial Performance,” *Journal of Islamic Accounting and Finance Research*, vol. 3, no. 1 (2021), pp. 1–26, <https://doi.org/10.21580/jiafr.2021.3.1.7316>.

²¹ Mohd Dan Jantan, Nor Azam, and Abdul Razak, “Dampak Kebijakan Fiskal Terhadap Kinerja Ekonomi Dan Angka Kemiskinan Di Indonesia,” *Buletin Ekonomi Moneter Dan Perbankan*, vol. 12, no. 4 (2000), pp. 421–56.

²² Abdurrahim, “Prinsip Kwajiban Minimum Core Dan Implementasinya Dalam Pengelolaan Keuangan Daerah Di Indonesia,” *Maleo Law Journal*, vol. 5, no. 1 (2021), pp. 103–11.

Poverty and Islamic Economics

Poverty is a human condition for individuals and groups who are less worthy of meeting their daily needs. Regional autonomy should be able to reduce the poverty rate for regions with good

²³ Syahwildan Damayanti, “Analisis Faktor Yang Mempengaruhi Penyerapan Anggaran Di Pemerintah Daerah Kabupaten Bekasi,” *Ikraith-Ekonomika*, vol. 5, no. 1 (2022), pp. 169–76.

²⁴ Noor Farieda Awwaliyah, Ratno Agriyanto, and Dessy Noor Farida, “The Effect of Regional Original Income and Balance Funding on Regional Government Financial Performance,” *Journal of Islamic Accounting and Finance Research*, vol. 1, no. 1 (2019), p. 25, <https://doi.org/10.21580/jiafr.2019.1.1.3745>.

²⁵ Muhammad Fajar et al., “Faktor - Faktor Yang Mempengaruhi Pelaksanaan Sistem Otonomi Daerah,” *Jurnal Ilmu Hukum Dan Humaniora ISSN Cetak*, vol. 9, no. 4 (2022), pp. 1813–18.

²⁶ Abdurrahim, “Prinsip Kwajiban Minimum Core Dan Implementasinya Dalam Pengelolaan Keuangan Daerah Di Indonesia.”

²⁷ Yusnani Hasyimzoem dkk, *Hukum Pemerintahan Daerah*, (Jakarta: Rajawali Press, 2017).

financial management.²⁸ The first type of poverty in Indonesia is absolute poverty: poverty whose income level is below the poverty line set by the state,²⁹ or it can be interpreted as the condition of an individual whose income is not sufficient to meet his primary needs. Second, relative poverty is caused by development policies that have not been evenly distributed so that they have not been able to reach the entire community.³⁰ Some areas have residents experiencing income inequality. Third, cultural poverty: poverty is formed by people's habits in culture, both from the values that are carried, thoughts, and ways of working. Much cultural poverty in Indonesia.³¹ Lazy, Low work ethic, It's easy to give up on fate, Culture likes corruption, collusion, and nepotism, Resist the progress of science and technology Relying on assistance from other parties, including the government. Minder, like extravagance and excessive consumption, Loves to steal and choose shortcuts to success, relying on parents' inheritance, not standing on their own feet or not independent. Fourth, structural poverty comes from the social structure embedded in certain community groups. It allows conditions to occur where they cannot use the available resources.³²

The root of the word "poor" in Islamic economics means to be silent or not to move, and there is an impression that the main factor causing poverty is silence, reluctance/immobility, and trying.³³ The reluctance to try is self-harm, while other human beings cause the inability to

do business. Islamic economics explains God's promise to provide sustenance to creatures he calls *dabbah*, which means to move. There is not a single *dabbah* on earth except Allah who guarantees its sustenance (Surah Hud: 6). This verse "guarantees" anyone diligently moving in search of sustenance, does not remain silent but just accepts, besides that, that Allah has given gifts and guidance to humans who ask for what they need.³⁴

In line with the Kebumen district's vision of realizing Prosperous, Independent, Moral Together with the People, Islamic economics has an orientation towards achieving *Falah*, meaning inner and outer prosperity, oriented to happiness in the world and the hereafter, independent means working hard, being oriented towards being independent and self-reliant without depending on others. Meanwhile, having a character with the people means collaborating with the government and the people in carrying out the commands of good and evil in the Kebumen district's development.

Results and Discussion

Financial Management in alleviating poverty in Kebumen

The government of Kebumen is one of the districts in Central Java province to eradicate poverty. Several programs mark it for the independence of the people of Kebumen Regency. In addition, Kebumen has a vision of becoming more prosperous and independent, with character with the people. In running a more prosperous, independent Kebumen district, financial management must be managed economically, efficiently, and effectively as the research conducted.³⁵ The implementation of the three principles above can improve the performance of financial management, which will result in the benefit of the wider community, firstly increasing the effectiveness of public services and on target, secondly improving the quality of public services and not discriminating, thirdly minimizing service costs but still providing quality services and saving on

²⁸ Sodik Dwi Purnomo and Krisnhoe Sukma Danuta, "Analisis Kemampuan Keuangan Daerah Terhadap Kemiskinan : Studi Empiris Di Sumatera Utara", vol. 6, no. 1 (2022), pp. 215–20, <https://doi.org/10.33087/ekonomis.v6i1.513>.

²⁹ Munawir Sazali, "Implementasi Pengelolaan Keuangan Negara Dalam Perspektif Ekonomi Islam (Studi APBN 2009-2017)," *Al-Intaj : Jurnal Ekonomi Dan Perbankan Syariah*, vol. 6, no. 2 (2020), p. 88, <https://doi.org/10.29300/aij.v6i2.2824>.

³⁰ Wuladari, Sari et al., 2022

³¹ Syamsul, "Desentralisasi Fiskal Dan Tingkat Kemiskinan Di Indonesia."

³² Usmaedi Usmaedi et al., "Membangun Nilai-Nilai Etika Melalui Budaya Lokal Banten Sebagai Upaya Pencegahan Kasus Tindak Pidana Korupsi Di Provinsi Banten," *Jurnal Educatio FKIP UNMA*, vol. 7, no. 2 (2021), pp. 446–51, <https://doi.org/10.31949/educatio.v7i2.1069>.

³³ Muhammad Nurzansyah, "Perbandingan Tafsir Kata Faqir Dan Miskin Dalam Al-Qur'an," *Rausyan Fikr : Jurnal Pemikiran Dan Pencerahan*, vol. 17, no. 1 (2021), pp. 94–130, <https://doi.org/10.31000/rf.v17i1.4210>.

³⁴ Sari Wuladari, Alma Azahra, Novita Sari, Amalia Nasution, "Kesenjangan Pendapatan Yang Memicu Kemiskinan Di Indonesia."

³⁵ Silfyana Cahya Manggar Mahdita, Ikhsan Budi Riharjo, and Lilis Ardini, "Melihat Perspektif Kinerja Dengan Value for Money," *Jurnal Riset Dan Aplikasi: Akuntansi Dan Manajemen*, vol. 5, no. 2 (2021), pp. 159–74, <https://doi.org/10.33795/jraam.v5i2.003>.

local revenue. The four expenditures spent by local governments are oriented to the basic problems of the poor. Fifth, public awareness is increased that public money plays a role in regional human development.³⁶

To see the high regional poverty rate in Kebumen, the authors analyze the elements of the ratio of income and expenditure of the Kebumen district government to determine the effectiveness of the budget in poverty alleviation.³⁷ If regional finance is effective from the economic element, efficiency and effectiveness in budget management government mean that Kebumen can finance the planned programs. So the authors analyze the ratio of regional financial effectiveness. Suppose the elements of economy, efficiency, effectiveness, and independence are fulfilled in the Kebumen APBD. In that case, gradually, the Kebumen regional financial management will be able to reduce the poverty rate quickly.

Calculation of Economic Aspects

The economic aspect is government revenue that is received at a low cost. Calculating the economic aspect using real input with which to be targeted.³⁸ Therefore, an area will be said to be economical if its management is above 90-100%, meaning that the actual total revenue exceeds the total budget programmed in the APBD. The standard of economic value:³⁹

1. Scale > 100%: very economical
2. 90.01-100% scale: economical
3. 80.01-90.00% scale: quite economic
4. Scale 60.01-80.00%: less economical
5. Scale < 60.00%: uneconomic

Based on the acquisition of the calculation of economic value as follows, the table of calculation of economic value, namely:

³⁶ Muhammad Afrizal Yusuf and Arif Afendi, "The Effect of Transfer Funds to Regions and Village Funds on Human Development Index in Districts of West Java Province in 2015-2018," *Journal of Islamic Accounting and Finance Research*, vol. 2, no. 2 (2020), pp. 153-68, <https://doi.org/10.21580/jiafr.2020.2.2.6360>.

³⁷ Tahawa, "Relationship Of Regional Financial Ability Levels And Poverty Percentage To Economic Growth Of West Sulawesi Province, 2013 - 2018."

³⁸ Putu adi Erawan et al., 2019

³⁹ Mahmudi, *Manajemen Kinerja Sektor Publik*, (Yogyakarta: UPP STIM YKPN, 2007).

Table 2. Calculation of the Economic Value of the Kebumen District Government's Financial Management 2019-2021

	Revenue Realization	Budget revenue	Economies of Scale	Information
2019	2.805,865,491.000,00	2.960.999.393.000,00	94,76%	Economies
2020	2.878,556,768.000,00	3.033.756,768.000,00	94,88%	Economies
2021	2.752.338.008.000	2.818.415.166.000	97,65%	Economies
			95,76%	Economies

The table explains that income is higher when compared to the realization of the established program. However, the program for empowering the poor is still low due to the large portion of expenditure on operational expenditure, capital expenditure, unexpected expenditure, and transfer expenditure.

Calculation of Efficiency Aspects

Efficiency is the achievement of optimal goals and minimizing resources or costs to avoid waste, meaning that the total costs incurred to obtain government revenues are smaller than the realization of revenues received by the government.⁴⁰

The cost of spending to get income is called financing expenditure. The government is said to be efficient if its management is above 10%, meaning that the total cost of spending is small to get more revenue than the real income received. The standard value of efficiency: ⁴¹

1. Scale < 10%: very efficiency
2. 10.01%-20% scale: efficiency
3. 20.01-30% scale: quite efficiency
4. Scale 30.01-40%: less efficiency
5. Scale >40%:not efficiency

Based on the calculation of the efficiency value, the following table calculates the efficiency value, namely:

⁴⁰ Hadi Sasana, "Peran Desentralisasi Fiskal Terhadap Kinerja Ekonomi Di Kabupaten/Kota Provinsi Jawa Tengah," *Jurnal Ekonomi Pembangunan: Kajian Masalah Ekonomi Dan Pembangunan*, vol. 10, no. 1 (2009), p. 103, <https://doi.org/10.23917/jep.v10i1.811>.

⁴¹ Mahmudi, *Manajemen Kinerja Sektor Publik*.

Table 3. Calculation of the Efficiency Value of Kebumen District Government's Financial Management 2019-2021

	Collection fee	Revenue Realization	Efficiency Scale	Information
2019	155.133.902.000,00	2.805.865.491.000,00	5,52%	Very efficient
2020	155.200.000.000,00	2.878.556.768.000,00	5,39%	Very efficient
2021	4.500.000.000	2.752.338.008.000	0,16%	Very efficient
			3,69%	Very efficient

The table explains that the efficiency of the financial management of the Kebumen district budget is very efficient, meaning that the total cost of spending is lower to get more revenue than the actual income received. The budget management of the Kebumen district budget is not wasteful, and it is more economical

Calculation of Effectiveness Aspects

Effectiveness means the success of the goals or targets that have been determined are achieved. Effectiveness can be concluded as the influence between expenditure and the target to be achieved.⁴² Local government programs are more effective if operational implementation objectives are achieved and targets are also successfully achieved in fiscal policy.

Effectiveness is the value of the program's success with the goals set by the government. The value of the effectiveness of a government's power to carry out revenue receipts compared to the planned revenue targets. The standard value of effectiveness:⁴³

1. Scale >100%:very effective
2. Scale 90.01%-100%:effective
3. Scale 80.01%-90.00%: quite effective
4. The 60.01%-80.00% scale is less effective
5. Scale <60%:not effective

Based on the calculation of the effectiveness value, the following table calculates the effectiveness value, namely:

⁴² Weni Gusdi Sari and Zainuddin Zainuddin, "Konsep Otonomi Daerah Dalam Hukum Tata Negara Islam," *JISRAH: Jurnal Integrasi Ilmu Syariah*, vol. 2, no. 2 (2021), p. 177, <https://doi.org/10.31958/jisrah.v2i2.4348>.

⁴³ Mahmudi, *Manajemen Kinerja Sektor Publik*.

Table 4. Calculation of the Value of the Effectiveness of the Kebumen District Government's Financial Management 2019-2021 (in Thousands of IDR)

	Revenue Realization	Revenue Target	Efficiency Scale	Info
2019	2.805.865.491.000,00	2.960.999.393.000,00	94,76%	Efficiency
2020	2.878.556.768.000,00	3.033.756.768.000,00	94,88%	Efficiency
2021	2.752.338.008.000	2.818.415.166.000	97,65%	Efficiency
			95,76%	Efficiency

The table above explains that regional financial management is in the effective category, meaning that the program's success with the objectives determined by the government is achieved between the revenue targets. The program is determined to be successful with the predicate of being effective, but the poor have not changed with a modest budget. The poor have no independence because the poor have a culture of being lazy to work, the paradigm of the poor who do not work can already eat, and the government assists.⁴⁴

Fiscal Decentralization Independence Ratio

Based on the value of regional financial independence, regional independence in using finance uses the formula: Regional Asset Revenue / PAD compared to central assistance and loans ⁴⁵.

1. Independent scale 0.00-10.00 %:very poor
2. Independent scale 10.01-20.00 : less
3. Independent scale 20.01-30.00:enough
4. Independent scale 30.01 to 40.00:medium
5. Independent scale 40.01-50.00: good
6. > 50.00:very good

Table 5. Calculation of the Value of Financial Management Independence of the Kebumen District Government 2019-2021

	PAD	Central Assistance and loans	Independence scale	Info
2019	401.172.210.000,00	2.404.893.281.000	16,68%	Less
2020	417.693.691.000,00	2,460,863,07700	01,51%	Very less

⁴⁴ interview with Miftahudin as a community leader in Podoluhur klirong Kebumen, 12 February 12, 2022.

⁴⁵ Mustafa Ahmad Zuhri, Anggi Pratama, and Rahima Br Purba, "An Analysis of Decentralization, Regional Dependence, Regional Independence, Effectiveness and Efficiency of Pad, Expenditure Efficiency, and Shopping Harmony in Assessing Regional Financial Performance (Case Study in Government Pekanbaru City)," *Rowner Jurnal*, vol. 1, no. 2 (2022), pp. 115–26, <https://doi.org/https://doi.org/10.33258/rowter.v1i2.691-115->.

2021	354.421.071.000	2,397,916,937,000	14,78%	Less
Rata-rata			10,99%	Less

The table explains that the APBD budget has not yet entered the independent category because it is still within the budget range, so it is natural that the poverty rate is still quite high. The table of independence can be seen from the pattern of relations between the center and the regions, whether they are really given the right and authority autonomously in managing their local government households, the ratio of the relationship patterns can be seen as follows:

1. Scale 0-25: Instructive relationship pattern
2. Scale >25-50: Consultative relationship pattern
3. Scale >50-75: participatory relationship pattern
4. Scale 75-100: delegative relationship pattern

Table 6. The pattern of Central and Regional Relations

	Independence Scale	Description of Independence	Relationship Pattern	Info
2019	16,68%	less	Instructive	Less
2020	01,51%	Very less	Instructive	Very less
2021	14,78%	Less	Instructive	Less
		Average	Instructive	Less

The table explains the pattern of relations between the central and regional governments in collaboration with instructions so that it is top-down, meaning that fiscal decentralization has not been fully handed over to the local government, it is natural that the program is not fully oriented to regional problems because the relationship pattern is commanding and the central budget is very minimal.⁴⁶

Seeing the data on the calculation of economic elements fluctuating from year to year, the more economical it is. The economic element is already at an economic level on a scale of 90.01-100%: it means that the realization of income exceeds the revenue budget, namely an increase in PAD, regional levies, other legitimate regional revenues, and balancing funds. PAD sourced from local taxes shows that the awareness of taxpayers in Kebumen is quite good.

The calculation of efficiency in the 2019 scale

(5.52%), 2020 (5.79%), and 2021 (0.16%) mean that the efficiency of Kebumen is very efficient because the calculation scale is less than 10%, meaning that expenditure is very relatively small and produces output fit for purpose.

The effectiveness of the 2019 scale (94.76%), 2020 (94.88%) and 2021 (97.65%) means the effectiveness of the 90.01%-100% scale: effective. While the calculation of the independence of fiscal decentralization in 2019 (16.68%) is less independent, in 2020 (01.51%) is very less independent, and in 2021 (14.78%) is less independent, the APBD has not entered the independent category because it is still under budget, so, naturally, the poverty rate is still quite high. The relationship pattern between the regional and central governments is instructive. The ratio range in 2019 is the ratio score is 16.68%. In 2020, the ratio score was 1.51% and 14.78%, which means that the ratio scale is 0-25% in the Instructive/command relationship patterns category.

Conclusion

The independence of fiscal decentralization in Kebumen has not been said to be independent based on The calculation of the efficiency element in 2019 on a scale of (5.52%), 2020 (5.79%), and 2021 (0.16%) means that the efficiency of Kebumen is very efficient because the calculation scale is less than 10%, meaning that expenditure is very relatively small. And can produce output as intended. The effectiveness element in Kebumen in 2019 scale (94.76%), 2020 (94.88%) and 2021 (97.65%) means that the effectiveness is 90.01%-100% scale: effective. While the calculation of the independence of fiscal decentralization in 2019 (16.68%) is less independent, in 2020 (01.51%) is very less independent, in 2021 (14.78%) is less independent, while the pattern of relations between the central and regional governments is instructive on a scale 0.25 % relationship pattern is instruction/command.

To achieve poverty reduction, a "movement" movement, and management reform in the supervision of pro-poor programs by the Kebumen government are needed through the APBD. In Islamic economics, to eradicate the poor by means of motion, do not remain silent, meaning that the workers' movement is in accordance with the talents and interests of poor people. The motivation for movement should use an empowerment-oriented

⁴⁶ interview with Adi Purnomo, March 1, 2022

budget independently through continuous assistance and feedback so that they can change independently to meet their needs without depending on others—commitment approach to government and community cooperation through empowerment programs. In addition, the government performs input-program process-outcome-evaluation-feedback. The income comes from taxes, levies, and transfer funds then allocated to the program. The process for allocating poor programs must be considered so that the process of monitoring programs does not only look at the final result. The implemented program's results must be evaluated and reviewed where the failure of the program.

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