

Legal Framework for Resolving Local Government Loan Defaults in Indonesia: A Comparative Study of Positive and Islamic Law

Samsul Arifin
University of Lampung, Indonesia
samsulffhumm@gmail.com

FX Sumarja
University of Lampung, Indonesia
franciscus.sumarja@fh.unila.ac.id

Sunaryo
University of Lampung, Indonesia
sunaryo1960@fh.unila.ac.id

Agus Triono
University of Lampung, Indonesia
agus.triono@fh.unila.ac.id

Received: 25-01-2025

Revised: 15-03-2025

Accepted: 25-04-2025

Published On: 30-04-2025

Abstract : This study critically analyzes the legal framework for resolving local government loan defaults in Indonesia through a comparative lens between positive law and Islamic law. It aims to identify both normative and practical shortcomings in the current regulatory mechanisms while proposing a more equitable, sustainable, and ethically grounded legal solution. Employing a normative juridical method with statutory and conceptual approaches, the research is analyzed qualitatively based on the principles of justice, the rule of law, and Islamic legal doctrines. The findings indicate that Law No. 1 of 2022 disproportionately places the burden of loan default risks on local governments without adequate consideration of the fiscal disparities among regions. Moreover, the absence of a clear mechanism for resolving defaults outside the central government's domain creates legal uncertainty for creditors and disrupts the delivery of public services. From the perspective of Islamic law, the current framework neglects core principles such as *'adl* (justice), *maslahah* (public interest), and *raf' al-darar* (harm prevention), which emphasize fairness, debt restructuring, and social responsibility. The study recommends a hybrid approach that integrates positive legal reforms, such as amendments to Law No. 1/2022 and the application of the Suspension of Debt Payment Obligations (PKPU), with Islamic dispute resolution models like *sulh* (amicable settlement) and *tahkim* (arbitration). The academic contribution of this study lies in its interdisciplinary framework that bridges conventional legal analysis with Islamic jurisprudence, offering a novel perspective on fiscal legal governance in decentralized states. This research enriches the scholarly discourse on legal pluralism, fiscal justice, and the contextual application of Islamic legal principles in modern governance structures, particularly in managing local government financial obligations.

Keywords: Debt Restructuring, Islamic Law, Legal Framework, Positive Law, Regional Loan Default.

Abstrak: Penelitian ini secara kritis menganalisis kerangka hukum penyelesaian gagal bayar pinjaman pemerintah daerah di Indonesia melalui pendekatan komparatif antara hukum positif dan hukum Islam. Tujuan penelitian ini adalah untuk mengidentifikasi kelemahan normatif dan implementatif dalam mekanisme hukum yang berlaku saat ini, sekaligus menawarkan solusi hukum yang lebih adil, berkelanjutan, dan berlandaskan etika. Penelitian ini menggunakan metode yuridis normatif dengan pendekatan perundang-undangan dan konseptual, yang dianalisis secara kualitatif berdasarkan prinsip keadilan, negara hukum, serta doktrin hukum Islam. Temuan menunjukkan bahwa Undang-Undang Nomor 1 Tahun 2022 cenderung membebankan seluruh risiko gagal bayar kepada pemerintah daerah tanpa mempertimbangkan disparitas kapasitas fiskal antarwilayah. Selain itu, ketiadaan mekanisme yang jelas untuk menyelesaikan gagal bayar di luar lingkup pemerintah pusat menimbulkan ketidakpastian hukum bagi kreditor dan mengganggu pelayanan publik. Dari perspektif hukum Islam, kerangka hukum yang berlaku saat ini belum mengakomodasi prinsip-prinsip dasar seperti *'adl* (keadilan), *maslahah* (kemaslahatan umum), dan *raf' al-darar* (menghindari kemudharatan), yang menekankan pentingnya keadilan, restrukturisasi utang, dan tanggung jawab sosial. Penelitian ini merekomendasikan pendekatan hibrid dengan mengintegrasikan reformasi hukum positif—melalui revisi terhadap UU No. 1/2022 dan penerapan mekanisme Penundaan Kewajiban Pembayaran Utang (PKPU)—dengan model penyelesaian sengketa dalam hukum Islam seperti *sulh* (perdamaian) dan *tahkim* (arbitrase). Kontribusi akademik dari penelitian ini terletak pada kerangka interdisipliner yang menjembatani analisis hukum konvensional dengan yurisprudensi Islam, sehingga menawarkan perspektif baru dalam tata kelola hukum fiskal di negara yang menganut desentralisasi. Kajian ini memperkaya wacana ilmiah tentang pluralisme hukum, keadilan fiskal, dan penerapan kontekstual prinsip-prinsip hukum Islam dalam struktur pemerintahan modern, khususnya dalam pengelolaan kewajiban keuangan pemerintah daerah.

Kata kunci: Gagal Bayar, Hukum Islam, Hukum Positif, Kontruksi Hukum, Pinjaman Daerah, Restrukturisasi Utang

How to cite this article:

Samsul Arifin and Others, Legal Framework for Resolving Local Government Loan Defaults in Indonesia: A Comparative Study of Positive and Islamic Law, *Jurnal Ilmiah Mizani: Wacana Hukum, Ekonomi Dan Keagamaan*, 12.1 (2025), 359-375

Doi: <http://dx.doi.org/10.29300/mzn.v12i1.7971>



Copyright (c) 2025 The Authors

Jurnal Ilmiah Mizani: Wacana Hukum, Ekonomi, dan Keagamaan

Published by Faculty of Sharia, State Islamic University of Fatmawati Sukarno Bengkulu

This work is licensed under a [Creative Commons Attribution-ShareAlike 4.0 International License](#)

Introduction

In the era of decentralization, Indonesia has granted broader fiscal autonomy to local governments to enhance regional development and improve public service delivery.¹ One of the instruments supporting this autonomy is the authority for local governments to obtain loans, especially for financing infrastructure and strategic development projects. Ideally, this mechanism allows regions to be more responsive to local needs.² However, it also introduces new risks, particularly when these governments are unable to fulfill their loan obligations. The phenomenon of local government loan defaults is becoming a growing concern, with implications that extend beyond finance, affecting legal certainty, public trust, and the stability of intergovernmental fiscal relations.³

While regional borrowing is regulated through Law No. 1 of 2022 on Financial Relations between the Central Government and Regional Governments (UU HKPD) and its derivatives, these regulations largely focus on loan procedures and administrative compliance. When defaults occur, the legal framework appears unprepared to address them comprehensively. There is a lack of clear

legal mechanisms for dispute resolution, risk distribution, and stakeholder protection, particularly concerning how to fairly manage the consequences for creditors and the public who depend on essential services. This signals a gap in the current positive legal framework: the absence of a structured, justice-oriented approach for resolving loan defaults at the regional level.

Moreover, existing studies have largely centered on fiscal discipline⁴, governance, and macroeconomic risks⁵, with limited attention to the legal aspects of default resolution.⁶ Legal studies rarely delve into the implications of unresolved debt from a normative or ethical perspective. As a result, the issue is often treated as a technical or financial matter, rather than as a multidimensional legal problem that involves questions of justice, public accountability, and legal protection for both creditors and citizens.

This study identifies a critical gap in the discourse: the need for a legal framework that integrates not only the provisions of positive law but also the normative principles found in Islamic law. In the Islamic legal tradition, debt (*dayn*) is not merely a contractual obligation but a moral and social responsibility.⁷ The

¹ Kuart Sidik Wahyono, Pardomuan Robinson Sihombing, dan Masruri Muchtar, "Pinjaman Fintech: Pengaruh Pada Perekonomian Dan Inklusi Keuangan Daerah Di Indonesia," *Jurnalku* 2, no. 4 (5 Desember 2022): 502–12, <https://doi.org/10.54957/jurnalku.v2i4.300>.

² Mohammad Alwi Abizar dan Devi Siti Hamzah Marpaung, "Upaya Pemerintah Melalui Otoritas Jasa Keuangan Dalam Pengawasan Fintech Berbasis Peer To Peer Lending Yang Merugikan Pemberi Pinjaman Atas Wanprestasi Perjanjian Fintech Berbasis Peer To Peer Lending Yang Mengalami Gagal Bayar," *Jurnal Ilmiah Wahana Pendidikan* 8, no. 13 (4 Agustus 2022): 282–88, <https://doi.org/10.5281/zenodo.6962417>.

³ Danindra Zachrie dkk., "Perlindungan Hukum Terhadap Mahasiswa Dalam Membayar Uang Kuliah Tunggal Menggunakan Sistem Student Loan," *Forschungsforum Law Journal* 1, no. 03 (30 September 2024): 60–79, <https://doi.org/10.35586/flj.v1i03.8982>.

⁴ Bramiana Cahya Surya, "Pengaruh Kapasitas Fiskal Dan Restrukturisasi Pinjaman Terhadap Kinerja Pembayaran Pinjaman Pemerintah Daerah," *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik* 1, no. 3 (12 Desember 2016): 69–83, <https://doi.org/10.33105/itrev.v1i3.47>.

⁵ Xavier Nugraha, Patricia Inge Felany, dan M. Imron Rosyadi, "Analisis Upaya Pemerintah Meminimalisir Risiko Gagal Bayar Dalam Pemberian Pinjaman Kepada BUMN," *Majalah Hukum Nasional* 50, no. 1 (27 Juli 2020): 61–81, <https://doi.org/10.33331/mhn.v50i1.52>.

⁶ Ajeng Gandis dan Wahyu Prawesthi, "Penyelesaian Hukum Penanganan Kasus Gagal Bayar Pinjaman Oleh Anggota Koperasi Simpan Pinjam : Studi Kasus Putusan Pengadilan Negeri Kota Agung Nomor 3/Pdt.G/2021/PN Kot," *UIR Law Review* 8, no. 2 (13 Desember 2024): 38–47, [https://doi.org/10.25299/uirlrev.2024.vol8\(2\).18675](https://doi.org/10.25299/uirlrev.2024.vol8(2).18675).

⁷ Aulia Rahmatullah, Chairul Fahmi Fahmi, dan Asad Ullah,

novelty of this research lies in its comparative legal approach, which bridges positive law and Islamic law to analyze the issue of regional loan defaults. Rather than focusing solely on critiquing the inadequacies of current regulations, this study seeks to propose an alternative framework grounded in legal pluralism, recognizing that Islamic legal principles may offer contextually relevant solutions in a predominantly Muslim country like Indonesia. This approach contributes not only to the legal reform agenda but also to the academic discourse on how diverse legal systems can interact to resolve contemporary governance challenges.

To address these concerns, this study is guided by several key research questions: How does Indonesia's current legal framework regulate the issue of local government loan defaults? What are the major legal and ethical shortcomings in the existing positive law approach? How can Islamic legal principles offer normative and practical solutions to the issue of loan defaults? Moreover, in what ways can a comparative legal analysis contribute to the development of a more integrative and equitable framework for resolving these financial disputes?

Accordingly, the objectives of this research are: first, to critically examine the strengths and limitations of the current legal framework in handling local government loan defaults; second, to explore the normative contributions of Islamic law in dealing with debt and insolvency; third, to construct a comparative legal analysis that juxtaposes the perspectives of positive law and Islamic law;

and finally, to propose a set of recommendations for developing a more just and responsive legal model that integrates both systems.

Ultimately, this study aims to offer both theoretical and practical contributions. Theoretically, it enriches the scholarship on legal pluralism and Islamic legal thought in public financial governance. Practically, it provides insights for policymakers, legal practitioners, and regional authorities on how to improve the legal handling of local loan defaults through an approach that balances administrative accountability with ethical and social justice considerations. In doing so, it paves the way for a more humane and culturally grounded legal response to one of the emerging challenges in Indonesia's decentralized governance system.

Method

This study employs a normative legal research method⁸ with a comparative and critical approach, aiming to analyze the legal framework for resolving local government loan defaults in Indonesia from the perspectives of both positive law and Islamic law. The normative approach is used to examine legal principles, legal systematization, and the norms governing regional borrowing. The comparative approach is applied to explore the substantive and functional differences and similarities between positive legal provisions and relevant Islamic legal principles, particularly in the context of public finance and default resolution. Meanwhile, the critical approach is employed to identify normative

"Legal Protection for Customers in Online Loans According to Sharia Economic Law," *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 5, no. 1 (26 April 2024): 1–20, [https://doi.org/10.22373/al-](https://doi.org/10.22373/al-mudharabah.v5i1.4529)

[mudharabah.v5i1.4529](https://doi.org/10.22373/al-mudharabah.v5i1.4529).

⁸ Matthew B Miles dan A. Michael Huberman, *Analisis data kualitatif: buku sumber tentang metode-metode baru* (Jakarta: Universitas Indonesia Press, 2014).

weaknesses, legal gaps, and value inconsistencies within the existing regulatory framework, both in formal and substantive aspects.

The research relies on secondary data obtained through a literature study⁹, consisting of primary and secondary legal materials. Primary legal materials include statutory regulations related to local government borrowing, such as the Indonesian Civil Code (KUHPerdata), Law Number 17 of 2003 on State Finance, Government Regulations concerning regional loan management, and other relevant legislation. Secondary legal materials include books, scholarly articles, journals, and previous research that support the analysis of this topic.

Data collection is conducted through document study¹⁰, analyzing legal texts and literature from both positive law sources and classical and contemporary Islamic legal scholarship. Data analysis is carried out using a descriptive-qualitative approach through legal interpretation, systematic legal analysis, and comparative legal reasoning. In analyzing the Islamic law perspective, this research utilizes the *maqāṣid al-sharī'ah* framework and the principles of *fiqh mu'āmalāt* to assess the ethical and legal aspects of default settlement in public financial matters. The ultimate goal of this study is to formulate an alternative and integrative legal framework that bridges positive law and the ethical-legal values of Islamic law.

Result and Discussion

The existence of Regional Loans as an Alternative Financing for Regional Development

Regional loans are instruments that allow local governments to obtain funds to finance strategic development projects, particularly when the local fiscal capacity is limited.¹¹ These loans can increase the financial flexibility of regional governments to undertake long-term investments, such as the development of transportation infrastructure, healthcare facilities, and education, which positively impact public welfare.¹² However, the use of regional loans also adds to the burden of repayment obligations, which, if not managed well, can disrupt the fiscal stability of the region¹³, especially if regional revenue does not meet projections or if the budget allocation for debt repayment is not carefully planned.

In the framework of Indonesian law, regional loans occupy a unique position as a civil legal act performed by a public legal subject, namely the local government. Although the local government is an entity that performs governmental functions, when it takes out a loan, its position changes to that of a contractual party subject to civil law. This underscores that the legal relationship between the local government and creditors is not based on the supremacy of public authority but rather on the equality of the parties in the

⁹ Burhan Bungin, *Analisis Data Penelitian Kualitatif* (Jakarta: PT Raja Grafindo Persada, 2003).

¹⁰ Helaluddin dan Hengki Wijaya, *Analisis Data Kualitatif: Sebuah Tinjauan Teori & Praktik* (Sekolah Tinggi Theologia Jaffray, 2019).

¹¹ Yusri Hazmi, Faisal Faisal, dan Yetty Tri Putri, "Akumulasi Utang Pemerintah, Subsidi & Keberlanjutan Fiskal Di Indonesia," *Prosiding Seminar Nasional Politeknik Negeri Lhokseumawe* 3, no. 1 (2019), <https://ejurnal.pnl.ac.id/semnaspnl/article/view/1621>.

¹² Arima Khurria, "Mengapa Pemerintah Daerah Belum Berhasil Menerbitkan Obligasi Daerah," *Jurnal Syntax Admiration* 4, no. 5 (25 Mei 2023): 594–611, <https://doi.org/10.46799/jsa.v4i5.595>.

¹³ Sarah Yessie Hana Monica dan Nadine Fakhira Putri Ravanti, "Pelanggaran Hak Atas Pendidikan Di Indonesia: Diskursus Mengenai Student Loan Sebagai Solusi Komersialisasi Perguruan Tinggi," *Padjadjaran Law Review* 12, no. 2 (7 Desember 2024): 196–211, <https://doi.org/10.56895/plr.v12i2.1833>.

agreement. Therefore, regional loans must comply with the provisions of Article 1320 of the Civil Code concerning the validity of agreements, including mutual consent, capacity, a lawful object, and a legitimate cause.

Although formally a civil agreement, regional loans have certain limitations that differentiate them from typical civil contracts, particularly in terms of collateral. According to Government Regulation No. 58 of 2005 in conjunction with Government Regulation No. 56 of 2018, local governments are not permitted to pledge fixed assets or local revenue directly, except in the form of bonds.¹⁴ This reflects the state's caution in safeguarding the continuity of public services and avoiding the risk of asset seizure due to default. On the other hand, this collateral restriction limits financing flexibility because creditors are typically reluctant to provide loans without clear collateral¹⁵, which is in line with the banking sector's prudence principle.

Nevertheless, the existence of regional loans remains strategically significant as an alternative financing mechanism for regional development. Local governments are required to demonstrate good financial governance, transparency, and accountability in order to gain the trust of creditors, even without conventional collateral. Thus, the responsibility

for repaying loans sourced from the Regional Revenue and Expenditure Budget (APBD) as the first avenue for repayment requires careful and realistic fiscal planning. It is here that the understanding arises that while regional loans are civil acts, they remain closely tied to public policy implications, meaning that principles of efficiency, accountability, and sustainability of public services must be key considerations in every loan agreement made.¹⁶

Indonesia applies a direct administrative approach to managing regional loan capacity, with the goal of ensuring the sustainability of regional finances.¹⁷ Local governments must evaluate their financial condition based on the realization of the Regional Revenue and Expenditure Budget (APBD), while also considering the loan-to-revenue ratio limits set by the Minister of Finance Regulation. Direct administrative control refers to a mechanism of direct oversight by the government authorities or relevant agencies to ensure that the application, use, and management of loans comply with applicable regulations.¹⁸ Under this approach, local governments are only allowed to take out loans if they can meet repayment obligations without jeopardizing financial stability. This aims to maintain regional fiscal health and prevent the risk of escalating debt that could harm the regional economy in the long term.

¹⁴ Indra Wijaya dan Hadi Sasana, "Keterkaitan Kebijakan Desentralisasi Fiskal Dan Hutang Daerah Otonom Di Propinsi Jawa Tengah," *Jurnal Ilmiah Aset* 11, no. 2 (2009): 149–57.

¹⁵ Muhammad Sulhan dkk., "Financial Behavior Dynamics of MSME Actors: A Contemporary Islamic Financial Management Study on Literacy, Attitude, Intention, Personality, and Legal Aspects," *MILRev: Metro Islamic Law Review* 4, no. 1 (30 April 2025): 129–55, <https://doi.org/10.32332/milrev.v4i1.10075>.

¹⁶ Eliana Kesumadewi, Aprilyani, Dan Wirawan Firman Nurcahya, "Dinamika Pengelolaan Utang Serta Peran

Sbn Sebagai Alternatif Instrumen Investasi," *Eco-Fin* 6, No. 3 (10 Oktober 2024): 478–92, <https://doi.org/10.32877/Ef.V6i3.1460>.

¹⁷ Bahrul Rusydi, "Analisis Dampak Utang Luar Negeri Terhadap Kinerja Fiskal Pemerintah," *EcceS: Economics Social and Development Studies* 1, no. 1 (18 Agustus 2014), <https://doi.org/10.24252/ecc.v1i1.1185>.

¹⁸ Chester Cofino, "Credit Management System: An Effective Tool for Credit Cooperatives in the Philippines," *Globus: An International Journal of Management & IT* 12, no. 2 (2021).

The Urgency of Regulations for the Settlement of Defaulted Local Government Loans

Local government loans are an alternative way to fund regional development to speed up economic growth and improve public services. However, local governments, as borrowers, have a legal duty to repay both the loan amount and the interest when the loan term ends.¹⁹ A critical issue related to this obligation arises when a local government defaults on its loan payments. This is particularly concerning as there is no guarantee from the central government to cover the risks arising from local government loans, as stated in Article 154, paragraph (3) of Law No. 1/2022, which provides that “The government does not provide guarantees for local government debt financing.”

This provision signifies a decentralization of responsibility entirely to local governments, without considering the often-significant fiscal disparities among regions. As a result, regions with limited budgets may face difficulties in repaying their loans and interest, potentially triggering a regional financial crisis. The absence of a risk guarantee from the central government also creates inconsistencies in the allocation of powers between the central and local governments in issuing local government loans. This is due to the central government's active role, particularly the Ministry of Finance, in the loan process, including the approval, consideration, and assessment of local government loan proposals. This involvement

indicates an asymmetry in responsibilities, as the central government participates in the early stages of the loan process, while the local government bears full responsibility for repayment.²⁰

The inconsistency regarding the central government's responsibility for local government loans is also reflected in Article 162 of Law No. 1/2022, which regulates the handling of defaults on local government loans. In the event of a default, Article 162 states that “If a local government fails to pay its obligations on a loan from the government or government-assigned institutions that has matured, the Minister may cut funds from the Unspecified Use of the Regional Allocation Fund (TKD).” This provision places the responsibility on the central government to take certain steps to address the local government's inability to repay its debt.²¹

Cutting TKD funds can significantly affect the regional budget intended for development and public services. This adds to the financial burden of local governments already struggling with debt obligations and may worsen fiscal difficulties. Furthermore, the lack of adequate protection from the central government against the risks arising from loan decisions makes it harder for fiscally vulnerable regions to recover from a default without additional support. This reflects an imbalance in the distribution of risk between the central and local governments. Article 162 grants the central government the authority to cut TKD funds, but it does not provide sufficient

¹⁹ Nur Widiastuti, Ardyanto Fitradhy, dan Tri Widodo, “Pengukuran Kesenambungan Fiskal di Indonesia,” *Jurnal Ekonomi dan Kebijakan Publik* 15, no. 1 (30 Desember 2024): 21–38, <https://doi.org/10.22212/jekp.v15i1.3473>.

²⁰ “121/PMK.07/2017 - Tata Cara Penyelesaian Tunggalan Pinjaman Pemerintah Daerah Melalui Pemotongan Dana Alokasi Umum Dan/ atau Dana Bagi Hasil. | JDIH

Kementerian Keuangan,” Kementerian Keuangan Republik Indonesia, diakses 20 Mei 2025, <https://jdih.kemenkeu.go.id/dok/121-pmk-07-2017>.

²¹ Muhammad Ali Hamid, “Pengaruh Hutang Daerah Pada Belanja Modal Dan Belanja Operasional Di Kabupaten Banggai Laut Tahun 2019-2021,” *Action Research Literate* 7, no. 11 (28 November 2023): 202–3, <https://doi.org/10.46799/ar.l.v7i11.209>.

guarantees or solutions to help regions struggling to meet their loan obligations.

Article 162 of Law No. 1/2022, which outlines the mechanism for cutting regional transfer funds (TKD) in response to a defaulted local government loan, focuses on enforcing fiscal obligations but tends to overlook issues of justice and the sustainability of regional development.²² Reductions in the General Allocation Fund (DAU) and/or the Revenue Sharing Fund (DBH) as compensation for defaults could create greater fiscal pressure on local governments, especially those with low fiscal capacity. This policy may reduce a region's ability to finance public services and development needs, ultimately harming the local population.

Additionally, the mechanism outlined in Article 162 of Law No. 1/2022, which solely relies on cutting TKD funds as a response to local government loan defaults, indicates a lack of structural solutions to address the root causes of these defaults. The fund cuts are more of a reactive measure, failing to address the underlying issues that cause local governments to struggle with meeting loan obligations. One potential root cause is inadequate fiscal planning, where revenue and expenditure projections fail to account for the risks of non-repayment.²³ Furthermore, weak risk management regarding local government loans could contribute to the failure to maintain fiscal stability. Without efforts to improve planning systems and risk

management, the TKD fund-cutting mechanism remains a temporary solution that does not resolve the deeper structural problems.

Solutions to the issue of defaulted local government loans should involve a more comprehensive approach, which does not solely depend on cutting TKD funds as a last resort. This approach should include strengthening more effective oversight mechanisms to ensure local governments can plan and manage loans well from the outset. Moreover, intensive technical support should be provided to local governments regarding fiscal planning, risk analysis, and debt management.²⁴ The central government, through relevant ministries, can assist regions by offering training and guidance on making realistic and sustainable financial projections so that regions are better prepared for economic fluctuations that might affect their ability to repay debt. With such a holistic approach, regions will not only receive assistance in managing loans but can also reduce the potential for defaults that could destabilize overall fiscal health.

Additionally, a more flexible default resolution scheme should be considered, such as loan restructuring or temporary fiscal support from the central government, to give struggling regions some leeway in repaying their debt obligations. This scheme could involve extending loan terms, reducing interest rates, or deferring part of the debt payments

²² Uchi Lilla Qadri, "KLASIFIKASI PENGUKURAN UTANG PEMERINTAH DAERAH DALAM UPAYA MENINGKATKAN KEMANDIRIAN KEUANGAN PEMERINTAH DAERAH KOTA BINJAI," *Jurnal Ilmiah Abdi Ilmu* 13, no. 2 (21 Desember 2020): 62–71.

²³ Ali Syukri Zend dan Widyono Soetjipto, "Utang Publik Dan Pertumbuhan Ekonomi Daerah Di Indonesia," *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik* 7, no. 4 (30

Desember 2022): 317–28, <https://doi.org/10.33105/itrev.v7i4.526>.

²⁴ Nicodemus Christian Aribowo, Amanda Yulia Damayanti, dan Risma Wira Bharata, "Analisis Manajemen Utang Terhadap Penilaian Risiko Kinerja Keuangan Pemerintah Daerah Kota Magelang Tahun 2021-2022," *PRIVE: Jurnal Riset Akuntansi Dan Keuangan* 6, no. 1 (30 Maret 2023): 57–65, <https://doi.org/10.36815/prive.v6i1.2569>.

until the region's fiscal condition improves. With this scheme, regions can better manage the financial pressure caused by defaults without sacrificing public services or infrastructure development.²⁵ The central government, which assesses whether local government loans are feasible, should adopt more comprehensive solutions that ensure regional development continues smoothly without creating extra burdens that could negatively affect the wider community. Thus, a more flexible default resolution scheme would not only protect regional fiscal stability but also ensure that the policies implemented do not harm the basic needs of the population.

Cuts to DAU and DAK will result in local governments facing financial difficulties, which may then force them to reduce budgets for public services such as education, health, and infrastructure. This could negatively impact communities that rely on these services. On a larger scale, it could harm the regional economy by creating economic uncertainty, damaging investments, and disrupting economic growth. Ultimately, this could create political tensions in the region, with citizens dissatisfied with local government financial management.

Law No. 1/2022 only regulates the mechanism for resolving defaulted loans sourced from the government and government-assigned institutions and does not specify how loans sourced from other entities should be resolved in the event of a default.²⁶ The lack of regulation regarding the resolution

of default disputes for loans from non-government sources means that these cases will follow the general civil procedure law, unless otherwise agreed upon in the local government loan agreement. On the other hand, many provisions related to default dispute resolution in civil procedure law cannot be applied to local governments because they conflict with public law provisions.²⁷

As a state governed by law, ensuring legal certainty and protection of citizens' rights is a fundamental obligation of the state, including the creditor's right to repayment. In general debt relations, legal certainty and protection of creditors' rights are governed by Article 1131 of the Civil Code, which states that "all goods owned by the debtor, both movable and immovable, whether present or future, are subject to all individual obligations." However, this provision does not apply to local government loan relationships because it conflicts with public law provisions, including:

1. Article 160 paragraph (2) of Law No. 1/2022 provides that "Regional property cannot be pledged or mortgaged to secure local government loans."
2. Article 50 of Law No. 1/2004 concerning State Treasury, which states that "No party may seize: state/region money or securities, either held by government agencies or third parties; money to be deposited by third parties to the state/region; movable property owned by the state/region, either held by

²⁵ Wira Dwitya, "Kemampuan Pemerintah Daerah Dalam Mengelola Pinjaman Daerah Sebagai Pembiayaan Utang Daerah," *Innovative: Journal Of Social Science Research* 4, no. 4 (1 Agustus 2024): 7044-57, <https://doi.org/10.31004/innovative.v4i4.11803>.

²⁶ Venti Eka Satya, "Analisis Kebijakan Pengelolaan Utang Negara: Manajemen Utang Pemerintah dan Permasalahannya," *Kajian* 20, no. 1 (1 September 2016):

59-74, <https://doi.org/10.22212/kajian.v20i1.570>.

²⁷ Indah Aprilia, Maria Maria, dan Choiruddin Choiruddin, "Belanja Pegawai, Investasi, dan Pembayaran Utang Pemerintah Daerah terhadap Fenomena Flypaper Effect," *Jurnal Riset Terapan Akuntansi* 7, no. 2 (26 Oktober 2023): 278-85, <https://doi.org/10.5281/zenodo.10043512>.

government agencies or third parties; immovable property and other property rights owned by the state/region; third-party property controlled by the state/region necessary for the administration of government tasks.”

3. Article 4, paragraph (3) of Government Regulation No. 56/2018, which states that “Regional revenue and/or assets cannot be used as collateral for local government loans.”

These provisions result in the inapplicability of collateral requirements in local government loans. Collateral in debt relations serves as a form of protection for the creditor’s right to repayment.²⁸ Therefore, it is necessary to have specific regulations governing the settlement of defaulted local government loans that provide legal protection for the rights of both creditors and debtors, without neglecting the rights of the public to receive quality public services.²⁹

A state governed by law is a governance model that places law as the primary foundation for all government actions, with the aim of providing certainty, justice, and protection for the people.³⁰ In this framework, regulations on the settlement of defaulted local government loans are an important aspect reflecting how law can meet the sense of justice. Currently, the mechanism for resolving defaults on loans from the government is carried out by cutting the Special Allocation Fund (DAK) and the Revenue

Sharing Fund (DBH). This approach allows the central government to protect the fiscal interests of the state, but on the other hand, it may impose additional burdens on local governments, especially if the cuts directly impact public services funded by DAK and DBH.

Even more problematic, for loans from non-governmental institutions or private parties, there is no specific regulation detailing the resolution of defaults. This lack of clarity creates potential legal uncertainty, both for the lender and for the local government itself. As a result, the risk of default becomes not only a financial burden but also a broader social and economic concern, including disruption of regional development programs and decreased public confidence in local government financial management.³¹

The absence of comprehensive and fair legal instruments for resolving defaults indicates that the current legal system does not fully meet the principles of justice for all parties involved. In a state governed by law, such regulations must strike a balance between protecting the lender’s rights, the local government’s responsibility to fulfill its obligations, and the impact on public welfare. Therefore, a comprehensive legal framework is needed, not only to regulate default settlement procedures but also to consider the effects on public services, community welfare, and regional fiscal stability.

²⁸ Dewi Yanti dkk., “Mekanisme Pengelolaan Utang Negara Dan Implikasinya Terhadap Perekonomian Nasional,” *Jurnal Hukum, Administrasi Publik Dan Negara* 2, no. 1 (10 Januari 2025): 96–114, <https://doi.org/10.62383/hukum.v2i1.97>.

²⁹ Rupertus Alfandi Jehalut, Aldarine Molidya, dan Cicilia A. Tungga, “Analisis Pinjaman Pada Pemerintah Daerah Kabupaten Manggarai,” *Kajian Ekonomi Dan Akuntansi Terapan* 1, no. 2 (10 Juni 2024): 200–216,

<https://doi.org/10.61132/keat.v1i2.196>.

³⁰ Raz, Joseph. “The Rule of Law and Its Virtue.” *The Journal of Philosophy* 73, no. 1 (2004): 5-18

³¹ Aulia Fikki, “Pengaruh Belanja Pegawai, Belanja Modal, Investasi Pemerintah dan Pembayaran Utang Pemerintah Daerah terhadap Flypaper Effect Di Provinsi/ Kabupaten/ Kota Pemerintah Aceh,” *Jurnal Telaah dan Riset Akuntansi* 8, no. 1 (2015): 69–80.

Regulation of Subnational Debt Default Resolution Abroad

In the context of fiscal governance in regional governments, one of the critical challenges is addressing situations of debt default by local governments. This issue not only impacts the continuity of public services but also has the potential to destabilize national fiscal stability. Each country has its own regulatory and institutional framework for handling this phenomenon. Below are the approaches adopted by three countries, namely France, the United States, and the United Kingdom, each representing a model of fiscal centralization, fiscal decentralization, and prudential finance, respectively.³²

France is a classic example of a country with a highly centralized government structure. In this system, the central government maintains dominant control over fiscal policy, including managing local government debt. Local governments in France do not have the autonomy to independently set borrowing policies, as all fiscal activities must be approved and overseen by central authorities, especially through the prefectures as state representatives at the local level. This system reflects the state's fiscal prudence in ensuring that local governments do not experience financial failure that could have systemic repercussions.³³

In situations where a local government shows signs of severe fiscal imbalance, the state has various intervention tools, including

budget audits, financial policy restructuring, and even the dissolution of local legislative bodies. These actions are taken to prevent a public debt default and to maintain public trust in the overall financial stability of the public sector.³⁴ Therefore, in the French system, the state acts as the primary guardian of local fiscal stability through strong and corrective administrative controls.

In contrast, the United States applies a fiscal decentralization system, which grants local governments extensive autonomy in managing their finances, including borrowing. This autonomy makes local governments vulnerable to the risk of default if there is inadequate fiscal governance. To address this issue, the U.S. legal system provides a special bankruptcy scheme for local government entities through Chapter 9 of the United States Bankruptcy Code. This scheme allows local governments to apply for debt restructuring in court without the threat of liquidation of public assets.³⁵

Through Chapter 9, federal courts are empowered to protect local governments from creditor lawsuits during the restructuring process. One of the most prominent cases was the bankruptcy of Detroit in 2013, which became an important case study in the legal management of regional fiscal crises. However, not all states allow the use of this mechanism, highlighting that in a federal system like the United States, the authority to handle local debt defaults is a hybrid jurisdiction between

³² Maria Papilaya, "Analysis of Foreign Public and Private Debt on Economic Growth in Indonesia," *Efficient: Indonesian Journal of Development Economics* 7, no. 2 (17 Juni 2024): 150–57, <https://doi.org/10.15294/rxefah42>.

³³ Brown, Chad, Jerónimo Carballo, and Alessandro Peri. "Bankruptcy Shocks and Legal Labor Markets: Evidence from the Court Competition Era." *SSRN Electronic Journal*, January 28, (2022).

³⁴ Bintang Syahisa Eka Fadilah dan Grasia Kurniati, "Faktor Penyebab Negara Indonesia Memiliki Hutang di Luar Negeri," *JUSTITIA Jurnal Ilmu Hukum dan Humaniora* 7, no. 2 (24 April 2024): 403–8, <https://doi.org/10.31604/justitia.v7i2.403-408>.

³⁵ Nugraha, Felany, dan Rosyadi, "Analisis Upaya Pemerintah Meminimalisir Risiko Gagal Bayar dalam Pemberian Pinjaman kepada Bumh." *Journal of Law and Economics* 12, no. 1 (2023): 1–15.

state and federal law.³⁶

The bankruptcy process for local governments in the United States is not without consequences. Local governments that file for Chapter 9 generally experience credit rating downgrades, disruptions in public services, and significant political pressure from various stakeholders, including labor unions and civil society. Therefore, although a formal legal route is available, this option is often chosen as a last resort after all efforts at negotiation and fiscal reform have failed.³⁷

The United Kingdom adopts a different approach through the application of fiscal prudence principles, rooted in the Local Government Act 2003. In this system, local governments are only allowed to borrow funds for long-term investment purposes that have passed a comprehensive affordability analysis.³⁸ Deficit spending for consumptive purposes is prohibited. The fiscal oversight mechanism is also strengthened through the active role of the Chief Finance Officer (CFO), who has the legal authority to halt expenditures if there is a serious financial imbalance.³⁹

One unique instrument in the UK's system is the Section 114 Notice, which requires the CFO to issue an official notification if it is anticipated that the budget will be unbalanced

or if expenditures exceed legitimate revenue. Once this notice is issued, the local government is required to stop all non-essential spending and develop a fiscal recovery plan within 21 days. Although not a form of bankruptcy, this mechanism effectively acts as an early warning system that prevents the escalation of financial crises.⁴⁰

After the issuance of the Section 114 Notice, the central government may participate in the fiscal consolidation process by providing technical or financial support.⁴¹ The local government is required to submit a medium-term fiscal reform and savings plan that is approved by the supervisory authorities. Throughout this process, there is a requirement for periodic reporting until the authorities deem that the fiscal situation has improved and that the local government is once again capable of managing its financial functions independently.⁴²

From these three approaches, it can be observed that the handling of local debt defaults reflects the governance philosophy of each country. France emphasizes state control and stability through direct intervention; the United States provides a legal mechanism for restructuring based on the principles of local autonomy and legal protection; while the United Kingdom focuses on prevention and

³⁶ Chatterjee, Sreyan, Gausia Shaikh, and Bhargavi Zaveri. "An Empirical Analysis Of The Early Days Of The Insolvency And Bankruptcy Code, 2016." *National Law School of India Review* 30, no. 2 (2018), hlm. 89–110.

³⁷ Yaseen Ghulam, "A further examination of sovereign domestic and external debt defaults," *The North American Journal of Economics and Finance* 76 (1 Januari 2025): 102322, <https://doi.org/10.1016/j.najef.2024.102322>.

³⁸ Putri Indah Sugiarto, Nursini Nursini, dan Sri Undai Nurbayani, "The Effectiveness of Foreign Debt Based on Sectors Towards Economic Growth," *Competence: Journal of Management Studies* 17, no. 1 (7 Agustus 2023): 92–100, <https://doi.org/10.21107/kompetensi.v17i1.21653>.

³⁹ Mark Sandford "Local authority financial resilience" *Commons Library Research Briefing*, 25 January (2023)

⁴⁰ Bailey, S., and C. Wood. "The Failure of the United Kingdom's Accounting and Fiscal Governance." *Accounting, Auditing & Accountability Journal*, (2023).

⁴¹ Syaparuddin Syaparuddin, "Foreign Debt: Encourages or Inhibits Economic Growth (Empirical Study in ASEAN Countries)," *E-Jurnal Perspektif Ekonomi Dan Pembangunan Daerah* 11, no. 3 (30 Desember 2022): 177–84, <https://doi.org/10.22437/pdpd.v11i3.24824>.

⁴² Eduardo Borensztein dan Ugo Panizza, "The Costs of Sovereign Default," *IMF Staff Papers* 56, no. 4 (2009): 683–741.

risk management through a framework of fiscal prudence and internal professional oversight. Each model has its strengths and limitations, which can provide valuable lessons for other countries in designing effective systems for handling subnational fiscal crises.⁴³

Comparing Positive and Islamic Law on Local Government Loan Defaults

Local government loan defaults in Indonesia present complex challenges that impact fiscal stability, public service continuity, and creditor confidence.⁴⁴ The legal frameworks governing these defaults include the country's positive law, comprising the Civil Code, Law No. 1/2022 on State Finance⁴⁵, and related regulations, and Islamic law principles rooted in *maqāṣid al-sharī'ah* (the objectives of Islamic law). While positive law focuses on formal contractual obligations and enforcement mechanisms such as Debt Payment Suspension (Penundaan Kewajiban Pembayaran Utang or PKPU), it often places the full burden of defaults on local governments, without adequately accounting for the varying fiscal capacities of different regions. This imbalance can undermine local

governments' ability to maintain public services and can create legal uncertainty, particularly where non-government loans are concerned.⁴⁶

In contrast, Islamic law emphasizes ethical principles aimed at justice (*'adl*), public welfare (*maṣlaḥah*), and harm prevention (*dar' al-mafāsid*).⁴⁷ It strictly prohibits exploitative practices like *riba* (interest) and *gharar* (excessive uncertainty)⁴⁸ and promotes equitable debt management through flexible solutions such as debt rescheduling (*tanẓīm al-dayn*) and postponement (*al-imhāl*).⁴⁹ Unlike positive law's focus on strict contract enforcement, Islamic law encourages mutual consent and fairness in sharing risks between creditors and debtors, with the ultimate goal of sustaining community welfare and social harmony.

The comparison between these two legal approaches reveals several fundamental differences and potential complementarities. Positive law is grounded in codified statutes that emphasize legal certainty, enforceability, and creditor protection, often through formal judicial and administrative processes. Islamic law, meanwhile, integrates legal norms with moral and social objectives, emphasizing the

⁴³ Vella Anggresta, Heru Subiyantoro, dan Pudji Astuty, "Foreign Debt: Causes and Theirs Impact on Economic Growth in Indonesia," *Signifikan: Jurnal Ilmu Ekonomi* 13, no. 2 (30 Desember 2024): 303–10.

⁴⁴ Muhammad Refo Sayuti, Ichsan Ichsan, dan Khairil Anwar, "Analysis of Foreign Debt in Indonesia," *Journal of Malikussaleh Public Economics* 4, no. 2 (31 Desember 2021): 32–38, <https://doi.org/10.29103/jmpe.v4i2.6044>.

⁴⁵ Noviyanti Angelina dan Dian Puji Simatupang, "Keberlakuan dan Penerapan Undang-Undang Nomor 1 Tahun 2022 tentang Hukum Keuangan Pemerintah Pusat dan Pemerintahan Daerah sebagai Upaya Perwujudan Pemerataan Kesejahteraan Rakyat," *Alauddin Law Development Journal* 5, no. 2 (13 Agustus 2023): 283–99, <https://doi.org/10.24252/aldev.v5i2.37440>.

⁴⁶ Teresa Ter-Minassian, "Borrowing by Subnational Governments: Issues and Selected International Experiences," *IMF Policy Discussion Papers* 1996, no. 004

(1 April 1996), <https://doi.org/10.5089/9781451973280.003.A001>.

⁴⁷ Ahmad Firdaus Lingga dan Hendra Hendra, "Analisis Perbedaan Konsep Pinjaman Dari Imam As Syafi'i, Imam Hambali & Imam Al Ghazali," *JAKA (Jurnal Akuntansi, Keuangan, Dan Auditing)* 3, no. 2 (2022): 165–86, <https://doi.org/10.56696/jaka.v3i2.8809>.

⁴⁸ Muhajirin Muhajirin, "Konsep Hutang Negara Dalam Perspektif Hukum Ekonomi Islam (Studi Analisis Antara Konsep Anggaran Balance Budget Dengan Defisit Budget)," *Al-Mashlahah Jurnal Hukum Islam Dan Pranata Sosial* 3, no. 06 (2015), <https://doi.org/10.30868/am.v3i06.149>.

⁴⁹ Rakhma Ikafitria dkk., "Akad Qardh Perspektif Fatwa DSN-MUI Tentang Qardh," *Jurnal Antologi Hukum* 2, no. 2 (28 Desember 2022): 301–17, <https://doi.org/10.21154/antologihukum.v2i2.1333>.

ethical dimension of financial transactions and the importance of preserving public interest. This difference affects how loan defaults are handled: positive law leans on clearly defined procedural remedies, while Islamic law offers more flexible, context-sensitive approaches rooted in the values of fairness and compassion.

The following table summarizes key points of comparison between positive law and Islamic law regarding local government loan defaults:

Table 1. comparison between positive law and Islamic law regarding local government loan

Aspect	Positive Law (Indonesia)	Islamic Law Principles
Legal Basis	Civil Code, Law No. 1/2022, Government Regulations	Qur'an, Hadith, Fiqh jurisprudence, <i>Maqāṣid al-sharī'ah</i>
Nature of Loan	Contractual agreement, enforceable by law	Contractual but bound by ethical principles
Risk Allocation	The burden is mostly on local governments	Shared risk, with emphasis on fairness
Interest (Riba)	Permitted within regulations	Strictly prohibited
Default Resolution	Debt restructuring (PKPU), legal sanctions	Debt rescheduling (<i>tanẓīm al-dayn</i>), postponement (<i>al-imhāl</i>)
Public Welfare	Considered, but secondary to legal certainty	Central, prioritizing <i>maṣlahah</i> and <i>'adl</i>
Flexibility	Limited, bound by statutory provisions	High, based on ethical considerations
Institutional Role	Judiciary, Ministry of Finance, Regional Governments	Community, Islamic courts, ethical advisory bodies

Source: Author's interpretation

This comparison highlights that while positive law provides a structured and predictable system for loan defaults, it often

lacks the flexibility and ethical grounding offered by Islamic law. For instance, positive law permits interest and prioritizes creditor rights through formal mechanisms like PKPU but may inadequately address the public interest or the debtor's capacity. Islamic law, conversely, forbids interest and advocates for risk-sharing solutions that balance creditor protection with social justice and the continuity of public services.

Integrating the strengths of both systems can offer a more holistic approach to managing local government loan defaults. The ethical flexibility and social justice focus of Islamic law can enrich the formal legal certainty and procedural clarity of positive law. Such a hybrid framework would recognize regional disparities in fiscal capacity and incorporate mechanisms that ensure fairness and protect vulnerable communities, while maintaining the enforceability necessary for creditor confidence and economic stability.

In conclusion, resolving local government loan defaults in Indonesia benefits from a comparative and integrative legal framework that combines the rigour of positive law with the moral and social objectives of Islamic law. Reforming the current regulatory environment to reflect these combined principles can promote transparency, accountability, and equity in debt management. Ultimately, this approach supports sustainable fiscal governance that safeguards public services and fosters regional development without exacerbating social inequities.

Conclusion

Regional loans serve as a crucial financial mechanism for supporting regional development amid limited fiscal capacity. However, under the current legal framework—particularly Law No. 1/2022—there exists a

critical imbalance where the burden of default is placed solely on local governments, without considering the uneven fiscal capabilities among regions. The central government exercises strong control during the approval process but bears minimal responsibility in the event of default. Moreover, the lack of a specific legal mechanism for defaults on non-government loans creates legal uncertainty, potentially disrupting public services and harming creditors. These structural flaws highlight the need for regulatory reform that addresses not only legal certainty but also equity and sustainability.

From an Islamic legal perspective, resolving regional loan defaults must align with the principles of *maqāṣid al-shari'ah*, particularly the protection of public interest (*maṣlaḥah*), justice (*ʿadl*), and harm prevention (*dar' al-mafāsīd*). Islamic finance prohibits unjust financial burdens such as *riba* and *gharar* and promotes equitable debt management through mechanisms like debt rescheduling (*tanẓīm al-dayn*) and moratoriums (*al-imhāl*). Therefore, a hybrid legal model that integrates positive law and Islamic legal values is essential to ensure fairness, transparency, and continuity of public services. Legal reforms must involve multi-stakeholder collaboration and reflect both administrative accountability and ethical responsibility, ultimately supporting sustainable and just fiscal governance across Indonesia's diverse regions.

Credit Authorship Contribution

Samsul Arifin conceptualized the study, developed the research framework, and wrote the Abstract, Introduction, and Methodology sections. FX Sumarja contributed to the formulation of legal issues, provided a policy-oriented analysis, and refined the Results and Discussion sections.

Sunaryo provided critical insights from legal theory, reviewed national and regional regulations, and contributed to strengthening the legal argumentation in the manuscript. Agus Triono assisted in comparative legal analysis, contributed to the conclusion and policy recommendations, and supervised the overall research and writing process.

Declaration of Competing Interest

The authors declare no competing financial interests or personal relationships that could have influenced the work reported in this article.

Acknowledgements

We would like to express our sincere gratitude to the Faculty of Law, University of Lampung, for supporting this research project. The institutional support provided has been instrumental in developing this article into a scientific contribution on the legal framework for resolving regional loan defaults in Indonesia.

References

- Abizar, Mohammad Alwi, dan Devi Siti Hamzah Marpaung. "Upaya Pemerintah Melalui Otoritas Jasa Keuangan Dalam Pengawasan Fintech Berbasis Peer To Peer Lending Yang Merugikan Pemberi Pinjaman Atas Wanprestasi Perjanjian Fintech Berbasis Peer To Peer Lending Yang Mengalami Gagal Bayar." *Jurnal Ilmiah Wahana Pendidikan* 8, no. 13 (4 Agustus 2022): 282–88. <https://doi.org/10.5281/zenodo.6962417>.
- Angelina, Noviyanti, dan Dian Puji Simatupang. "Keberlakuan dan Penerapan Undang-Undang Nomor 1 Tahun 2022 tentang Hukum Keuangan Pemerintah Pusat dan Pemerintahan Daerah sebagai Upaya Perwujudan Pemerataan Kesejahteraan Rakyat." *Alauddin Law Development Journal* 5, no. 2 (13 Agustus 2023): 283–99. <https://doi.org/10.24252/aldev.v5i2.37440>.

- Anggresta, Vella, Heru Subiyantoro, dan Pudji Astuty. "Foreign Debt: Causes and Theirs Impact on Economic Growth in Indonesia." *Signifikan: Jurnal Ilmu Ekonomi* 13, no. 2 (30 Desember 2024): 303–10.
- Aprilia, Indah, Maria Maria, dan Choiruddin Choiruddin. "Belanja Pegawai, Investasi, dan Pembayaran Utang Pemerintah Daerah terhadap Fenomena Flypaper Effect." *Jurnal Riset Terapan Akuntansi* 7, no. 2 (26 Oktober 2023): 278–85. <https://doi.org/10.5281/zenodo.10043512>.
- Aribowo, Nicodemus Christian, Amanda Yulia Damayanti, dan Risma Wira Bharata. "Analisis Manajemen Utang Terhadap Penilaian Risiko Kinerja Keuangan Pemerintah Daerah Kota Magelang Tahun 2021-2022." *PRIVE: Jurnal Riset Akuntansi Dan Keuangan* 6, no. 1 (30 Maret 2023): 57–65. <https://doi.org/10.36815/prive.v6i1.2569>.
- Borensztein, Eduardo, dan Ugo Panizza. "The Costs of Sovereign Default." *IMF Staff Papers* 56, no. 4 (2009): 683–741.
- Bungin, Burhan. *Analisis Data Penelitian Kualitatif*. Jakarta: PT Raja Grafindo Persada, 2003.
- Dwitya, Wira. "Kemampuan Pemerintah Daerah Dalam Mengelola Pinjaman Daerah Sebagai Pembiayaan Utang Daerah." *Innovative: Journal Of Social Science Research* 4, no. 4 (1 Agustus 2024): 7044–57. <https://doi.org/10.31004/innovative.v4i4.11803>.
- Fadilah, Bintang Syahisa Eka, dan Grasia Kurniati. "Faktor Penyebab Negara Indonesia Memiliki Hutang di Luar Negeri." *JUSTITIA Jurnal Ilmu Hukum dan Humaniora* 7, no. 2 (24 April 2024): 403–8. <https://doi.org/10.31604/justitia.v7i2.403-408>.
- Fikki, Aulia. "Pengaruh Belanja Pegawai, Belanja Modal, Investasi Pemerintah dan Pembayaran Utang Pemerintah Daerah terhadap Flypaper Effect Di Provinsi/ Kabupaten/ Kota Pemerintah Aceh." *Jurnal Telaah dan Riset Akuntansi* 8, no. 1 (2015): 69–80.
- Gandis, Ajeng, dan Wahyu Prawesthi. "Penyelesaian Hukum Penanganan Kasus Gagal Bayar Pinjaman oleh Anggota Koperasi Simpan Pinjam: Studi Kasus Putusan Pengadilan Negeri Kota Agung Nomor 3/Pdt.G/2021/PN Kot." *UIR Law Review* 8, no. 2 (13 Desember 2024): 38–47. [https://doi.org/10.25299/uirlrev.2024.vol8\(2\).18675](https://doi.org/10.25299/uirlrev.2024.vol8(2).18675).
- Ghulam, Yaseen. "A further examination of sovereign domestic and external debt defaults." *The North American Journal of Economics and Finance* 76 (1 Januari 2025): 102322. <https://doi.org/10.1016/j.najef.2024.102322>.
- Hamid, Muhammad Ali. "Pengaruh Hutang Daerah Pada Belanja Modal Dan Belanja Operasional Di Kabupaten Banggai Laut Tahun 2019-2021." *Action Research Literate* 7, no. 11 (28 November 2023): 202–3. <https://doi.org/10.46799/ar.v7i11.209>.
- Hazmi, Yusri, Faisal Faisal, dan Yetty Tri Putri. "Akumulasi Utang Pemerintah, Subsidi Dan Keberlanjutan Fiskal Di Indonesia." *Prosiding Seminar Nasional Politeknik Negeri Lhokseumawe* 3, no. 1 (2019). <https://ejournal.pnl.ac.id/semnaspnl/article/view/1621>.
- Helaluddin, dan Hengki Wijaya. *Analisis Data Kualitatif: Sebuah Tinjauan Teori & Praktik*. Sekolah Tinggi Theologia Jaffray, 2019.
- Ikafitria, Rakhma, Soleh Hasan Wahid, Lutvia Izzul Islami, dan Rahma Zafira Putri. "Akad Qardh Perspektif Fatwa DSN-MUI Tentang Qardh." *Jurnal Antologi Hukum* 2, no. 2 (28 Desember 2022): 301–17. <https://doi.org/10.21154/antologihukum.v2i2.1333>.
- Jehalut, Rupertus Alfandi, Aldarine Molidya, dan Cilia A. Tungga. "Analisis Pinjaman Pada Pemerintah Daerah Kabupaten Manggarai." *Kajian Ekonomi Dan Akuntansi Terapan* 1, no. 2 (10 Juni 2024): 200–216. <https://doi.org/10.61132/keat.v1i2.196>.
- Kementerian Keuangan Republik Indonesia. "121/PMK.07/2017 - Tata Cara Penyelesaian Tunggalan Pinjaman Pemerintah Daerah Melalui Pemotongan Dana Alokasi Umum Dan/ atau Dana Bagi Hasil. | JDIH Kementerian Keuangan." Diakses 20 Mei 2025. <https://jdih.kemenkeu.go.id/dok/121-pmk-07-2017>.
- Kesumadewi, Eliana, Aprilyani, dan Wirawan Firman Nurcahya. "Dinamika Pengelolaan Utang serta Peran SBN sebagai Alternatif Instrumen

- Investasi.” *eCo-Fin* 6, no. 3 (10 Oktober 2024): 478–92. <https://doi.org/10.32877/ef.v6i3.1460>.
- Khurria, Arima. “Mengapa Pemerintah Daerah Belum Berhasil Menerbitkan Obligasi Daerah.” *Jurnal Syntax Admiration* 4, no. 5 (25 Mei 2023): 594–611. <https://doi.org/10.46799/jsa.v4i5.595>.
- Lingga, Ahmad Firdaus, dan Hendra Hendra. “Analisis Perbedaan Konsep Pinjaman Dari Imam As Syafi’i, Imam Hambali & Imam Al Ghazali.” *JAKA (Jurnal Akuntansi, Keuangan, Dan Auditing)* 3, no. 2 (2022): 165–86. <https://doi.org/10.56696/jaka.v3i2.8809>.
- Miles, Matthew B, dan A. Michael Huberman. *Analisis data kualitatif: buku sumber tentang metode-metode baru*. Jakarta: Universitas Indonesia Press, 2014.
- Monica, Sarah Yessie Hana, dan Nadine Fakhira Putri Ravanti. “Pelanggaran Hak Atas Pendidikan Di Indonesia: Diskursus Mengenai Student Loan Sebagai Solusi Komersialisasi Perguruan Tinggi.” *Padjadjaran Law Review* 12, no. 2 (7 Desember 2024): 196–211. <https://doi.org/10.56895/plr.v12i2.1833>.
- Muhajirin, Muhajirin. “Konsep Hutang Negara Dalam Perspektif Hukum Ekonomi Islam (Studi Analisis Antara Konsep Anggaran Balance Budget Dengan Defisit Budget).” *Al-Mashlahah Jurnal Hukum Islam Dan Pranata Sosial* 3, no. 06 (2015). <https://doi.org/10.30868/am.v3i06.149>.
- Nugraha, Xavier, Patricia Inge Felany, dan M. Imron Rosyadi. “Analisis Upaya Pemerintah Meminimalisir Risiko Gagal Bayar dalam Pemberian Pinjaman Kepada BUMN.” *Majalah Hukum Nasional* 50, no. 1 (27 Juli 2020): 61–81. <https://doi.org/10.33331/mhn.v50i1.52>.
- Papilaya, Maria. “Analysis of Foreign Public and Private Debt on Economic Growth in Indonesia.” *Efficient: Indonesian Journal of Development Economics* 7, no. 2 (17 Juni 2024): 150–57. <https://doi.org/10.15294/rxefah42>.
- Qadri, Uchi Lilla. “Klasifikasi Pengukuran Utang Pemerintah Daerah dalam Upaya Meningkatkan Kemandirian Keuangan Pemerintah Daerah Kota Binjai.” *Jurnal Ilmiah Abdi Ilmu* 13, no. 2 (21 Desember 2020): 62–71.
- Rahmatullah, Aulia, Chairul Fahmi Fahmi, dan Asad Ullah. “Legal Protection for Customers in Online Loans According to Sharia Economic Law.” *Al-Mudharabah: Jurnal Ekonomi Dan Keuangan Syariah* 5, no. 1 (26 April 2024): 1–20. <https://doi.org/10.22373/al-mudharabah.v5i1.4529>.
- Rusydi, Bahrul. “Analisis Dampak Utang Luar Negeri Terhadap Kinerja Fiskal Pemerintah.” *EcceS: Economics Social and Development Studies* 1, no. 1 (18 Agustus 2014). <https://doi.org/10.24252/ecc.v1i1.1185>.
- Satya, Venti Eka. “Analisis Kebijakan Pengelolaan Utang Negara: Manajemen Utang Pemerintah dan Permasalahannya.” *Kajian* 20, no. 1 (1 September 2016): 59–74. <https://doi.org/10.22212/kajian.v20i1.570>.
- Sayuti, Muhammad Refo, Ichsan Ichsan, dan Khairil Anwar. “Analysis of Foreign Debt in Indonesia.” *Journal of Malikussaleh Public Economics* 4, no. 2 (31 Desember 2021): 32–38. <https://doi.org/10.29103/jmpe.v4i2.6044>.
- Sugiarto, Putri Indah, Nursini Nursini, dan Sri Undai Nurbayani. “The Effectiveness of Foreign Debt Based on Sectors Towards Economic Growth.” *Competence: Journal of Management Studies* 17, no. 1 (7 Agustus 2023): 92–100. <https://doi.org/10.21107/kompetensi.v17i1.21653>.
- Sulhan, Muhammad, Heri Pratikto, Imam Mukhlis, Puji Handayati, dan Muhammad Irfanul Hakim Zain. “Financial Behavior Dynamics of MSME Actors: A Contemporary Islamic Financial Management Study on Literacy, Attitude, Intention, Personality, and Legal Aspects.” *MILRev: Metro Islamic Law Review* 4, no. 1 (30 April 2025): 129–55. <https://doi.org/10.32332/milrev.v4i1.10075>.
- Surya, Bramiana Cahya. “Pengaruh Kapasitas Fiskal Dan Restrukturisasi Pinjaman Terhadap Kinerja Pembayaran Pinjaman Pemerintah Daerah.” *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik* 1, no. 3 (12 Desember 2016): 69–83. <https://doi.org/10.33105/itrev.v1i3.47>.
- Syaparuddin, Syaparuddin. “Foreign Debt: Encourages or Inhibits Economic Growth (Empirical Study in ASEAN Countries).” *E-Jurnal Perspektif Ekonomi Dan Pembangunan Daerah* 11, no. 3 (30 Desember 2022): 177–84.

- <https://doi.org/10.22437/pdpd.v11i3.24824>.
- Ter-Minassian, Teresa. "Borrowing by Subnational Governments: Issues and Selected International Experiences." *IMF Policy Discussion Papers* 1996, no. 004 (1 April 1996). <https://doi.org/10.5089/9781451973280.003.A001>.
- Wahyono, Kuart Sidik, Pardomuan Robinson Sihombing, dan Masruri Muchtar. "Pinjaman Fintech: Pengaruh Pada Perekonomian Dan Inklusi Keuangan Daerah Di Indonesia." *Jurnalku* 2, no. 4 (5 Desember 2022): 502–12. <https://doi.org/10.54957/jurnalku.v2i4.300>.
- Widiastuti, Nur, Ardyanto Fitradhy, dan Tri Widodo. "Pengukuran Kesenambungan Fiskal di Indonesia." *Jurnal Ekonomi dan Kebijakan Publik* 15, no. 1 (30 Desember 2024): 21–38. <https://doi.org/10.22212/jekp.v15i1.3473>.
- Wijaya, Indra, dan Hadi Sasana. "Keterkaitan Kebijakan Desentralisasi Fiskal Dan Hutang Daerah Otonom Di Propinsi Jawa Tengah." *Jurnal Ilmiah Aset* 11, no. 2 (2009): 149–57.
- Yanti, Dewi, Junita Mawartina, Heti Sarlini, dan Wahjoe Pangestoeti. "Mekanisme Pengelolaan Utang Negara Dan Implikasinya Terhadap Perekonomian Nasional." *Jurnal Hukum, Administrasi Publik Dan Negara* 2, no. 1 (10 Januari 2025): 96–114. <https://doi.org/10.62383/hukum.v2i1.97>.
- Zachrie, Danindra, Inayatu Dzil Izzati, Al Fath, dan Widya Tri Lestari. "Perlindungan Hukum Terhadap Mahasiswa Dalam Membayar Uang Kuliah Tunggal Menggunakan Sistem Student Loan." *Forschungsforum Law Journal* 1, no. 03 (30 September 2024): 60–79. <https://doi.org/10.35586/flj.v1i03.8982>.
- Zend, Ali Syukri, dan Widyono Soetjipto. "Utang Publik Dan Pertumbuhan Ekonomi Daerah Di Indonesia." *Indonesian Treasury Review: Jurnal Perbendaharaan, Keuangan Negara Dan Kebijakan Publik* 7, no. 4 (30 Desember 2022): 317–28. <https://doi.org/10.33105/itrev.v7i4.526>.