The Problems of Controlling the Transparency of the Financial Budget Use of Corona Virus 19

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ABSTRACT

This study aims to analyze and illustrate the problem of monitoring the transparency of the use of the Corona Virus 19 financial budget. Transparency is one of the important elements in the realization of good governance. This research is a normative study with a statutory approach. The data of this research uses secondary data with primary, secondary and tertiary legal materials. The results show that first, the Covid-19 pandemic has caused a decline in the economy and activities in various sectors. Second, supervision of the use of covid funds is very weak considering Law Number 2 of 2020 gives absolute power to change budget postors and remove checks and balances and gives immunity authority to the government in managing state finances so that they cannot be corrected and are immune to the law.

1. INTRODUCTION

Since the beginning of the reformation, the euphoria of democracy has decorated Indonesian life. This has consequences for the increasing desire in Indonesia to create a democratic environment. A strong response has been given to the wave of democratization as proof of the contextualization of democratization, which gives ample space to the notion of democracy and the defense of human rights. (Nurhayati and Karjoko 2019) The principal feature of the rule of law is the defense of human rights. Human rights, including the right to access knowledge, respect every human right. In this situation, the right to access knowledge is the principle of the state administration’s openness to creating good governance. (Candrasari and Karjoko 2018)

Openness is interpreted as a means of openness to society in the administration of the state, in particular with regard to all information on government implementation. For anyone to develop personal qualities and live their social life, contact is a fundamental necessity. The recognition of the right to information is laid down in Article 28 F of the Constitution of 1945, which specifies that everybody has the right to communicate and to obtain information in order to improve their personal and social environment, as well as the right to search, receive, hold, store, maintain and transmit information across all available
channels. (HENDRATNO and HANDAYANI 2019)

Furthermore the essence of this right is highlighted in Law No 14 of 2008 on the Openness of Public Information, which states that public information is information produced, processed, handled, transmitted and obtained in compliance with this Law by a public body relating to state administration and administration and by administrators and other public bodies, as well as additional information on public introductions. (Nuryanto 2019) This Law governs many matters about the rights and obligations of information users and the rights and obligations of public bodies, information that must be given and announced, notice that is exempt, processes for accessing information, and organizations dealing with general information issues disclosure. (Nuryanto 2019)

This regulation is an attempt to establish a public body which is open and accountable, adopting useful principles of governance. As part of the introduction of good governance, Law Number 14 of 2008 has logical implications and offers benefits for public bodies obliged to make information accessible to the public as broadly as possible. It is hoped that by opening public access to information, it would facilitate the realization of an open government, a policy of effort to avoid the practice of corruption, collusion and nepotism (KKN) and to establish good governance (good governance). Setting up an Information Management and Documentation Officer (PPID) responsible for storing, recording, supplying, and providing information services is expressly required by the KIP Law. Nevertheless the implementation carried out by public bodies, especially the government, has not shown satisfactory results so far. (de Andrade and Tiba 2016)

This can be seen in the Corona Virus Disease Pandemic 2019 Regulation by Law No. 2 of 2020 on the Stipulation of Government Regulations instead of Law No 1 of 2020 on State Financial Policy and Stability of the Financial System for the Handling of the Corona Virus Disease Pandemic, stating that the budget deficit cap is restricted, subject to the following conditions. (ไทรทับทิม 2554) During the handling time of Corona Virus Disease 2019 (COVID-19), it reaches 3% (three percent) of Gross Domestic Product (GDP) and faces risks that threaten the stability of the national economy and financial system no later than the end of the Fiscal Year 2022. To preserve financial stability, the loosening of space for state fiscal deficits, while only valid until 2022, needs to be reviewed and monitored. (Desa et al. 2020)

Article 3 Paragraph (1) of Law No 2 of 2020 on the Stipulation of Government Regulations in place of Law No 1 of 2020 on State Financial Policy and the Stability of the Financial System in the Handling of the Corona Virus Disease Pandemic 2019 specifies that the Regional Financial Sector Policy referred to in Article 1(1) shall be applied in the form of the Regional Financial Sector Policy referred to in Article 1(1) (4). Local governments are allowed to prioritize budget allocations for particular tasks (refoocusing), allocation adjustments, and the use of the municipal budget for revenue and expenditure. In order not to be misused, both the legislature and the electorate must control the granting of authority to local governments to make adjustments by refocusing the budget on regional government expenditures and sub-spending. Principles of open, accountable, reliable and efficient state financial management must be prioritized in implementing budget refocusing. (Desa et al. 2020)

In the closing clause, the law notes that all policy managers of Law No. 2 of 2020 on the
Stipulation of Government Regulations instead of Law No. 1 of 2020 on State Financial Policy and the Stability of the Financial System for the Handling of the Pandemic of Corona Virus 2019 are immune to the law Article 27 Paragraph (1) states that the costs incurred by the Government and KSSK are immune to the law. The rules stress that even if the budget has been misused, as long as state finances are used for managing Covid-19, it is not included in the list of abuses unless it causes the state to lose. This is tantamount to making corruption legalized. This is really dangerous for Indonesia's corruption eradication efforts. It is not possible to use emergencies as an excuse for crime. (Saleh, Trishuta Pathiassana, and Faturrahman 2020)

Article 27 Paragraph (2) stipulates that the members of the KSSK, the Secretary of the KSSK, the members of the Secretariat of the KSSK and officials or employees of the Ministry of Finance, of the Bank of Indonesia, of the Financial Services Authority and of the Deposit Insurance Corporation and of other officials have to do with the application of government regulations rather than rules. In carrying out duties based on good faith and observing the provisions of rules and regulations, this legislation can not be tried both civilly and criminally. (Saleh, Trishuta Pathiassana, and Faturrahman 2020)

The mandate of the administration of the state, including management of state finances, cannot be focused solely on good intentions. The execution of this mandate must stay within the context of a structure which can be checked, evaluated and even sanctioned if it is not protected by the principles of basic state financial management. Easing is probable, but it remains in a realm which can be legally and politically accounted for. Article 27 Subsection (3) states that all acts, including decisions taken on the basis of this Government Regulation, are not the subject of litigation which may be brought before the State Administrative Court. This clause legalizes all steps taken by all the parties referred to in this provision, even though they are harmful to the state, they can not be punished by law. (Saleh, Trishuta Pathiassana, and Faturrahman 2020)

2. RESULTS AND DISCUSSION

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The definition of openness, quoted by Arifin Tahir, is according to the Organization for Economic Cooperation and Development (OECD), as follows: transparency is a core principle of governance. Government regulatory practices represent one of the key contexts in which accountability must be maintained. There is a strong public demand for greater openness, which is primarily linked to the rapid increase in the number and presence of NGOs and civil society organisations, as well as increasingly well-educated and diverse populations. (Firdaus n.d.)

According to him the principal principle of the government structure is the idea of accountability. It must be believed that the immediate context for government actions is focused on accountability. Public forces exist to seek greater transparency. In essence, it has everything to do with the acceleration and power of private organizations and the growing population. This suggests that the need for accountability from the public is getting higher. (Firdaus n.d.)

Transparency is transparent, relaxed, available and properly and effectively understood by all parties who need it. According to Mardiasmo, accountability implies the openness of the government to provide parties that need information with information relevant to public resource management activities. The government is obligated to provide financial and other information which will be used by the parties concerned for decision making. (Nugroho 2020)

In compliance with P. Openness in procedures helps the public to participate in learning, participate in thought, deliberating, and participate in deciding in the context of implementation and the right to participate in
decision-making, as quoted by Hendra Karianga. Transparency is the concept that ensures access or independence for everyone to obtain information about government administration, including information about the process of policy-making and implementation and the outcomes achieved. *(Nugroho 2020)*

As far as transparency (openness) is concerned, as described in the explanation of Article 3 of Law No 28 on Clean and Free State Administration from Corruption, Collusion and Nepotism, the principle of openness is the principle which opens up the right of the public to acquire accurate, honest and precise information. Non-discriminatory with respect to the administration of the state while also paying attention to preserving the interests of persons, races, and state secrets. The transparency process, according to Smith, quoted by Arifin Tahir, involves:(*Jaelani et al. 2020*)

a. Normal procedural criteria requiring engagement and sensitivity to community needs must be included in the rule-making process.
b. There is a dialogue between the government and the society, consultation processes.
c. In the regulatory process, appeal rights are the main protectors. Standard and consistent, transparent to discourage bribery.

e. The theory of decision-making transparency and the essence of transparent decisions.
f. Respect for Minority Rights.

In the opinion of Couwenbeng and Sri Soemantri Mertosoeuwignjo, the principle of transparency as one of the minimum requisites of democracy is also exposed. According to him the principle of transparency is the five democratic values underlying rechtsstaat. The values of politics, the focus of the majority, and the course of representation are the other public principles. Another factor that promotes the realization of good governance that will result in clean power is accountability. According to many analysts, due to the absence of this principle of accountability, Indonesia has fallen into a prolonged and serious bribery relationship. (*Taufiqurrahman, Sen, and Agung 2020)*

In order not to repeat past experiences in public policy management, especially in the economic sector, the government must apply the transparency code to the public policy process. This is important to eradicate the corruption culture among implementers of the central government and their subordinates. As far as budget allocations are concerned, the public and stakeholders will have the right to access, including the reasons behind, information on the budget allocated for a specific activity. Individuals and stakeholders need to know how much attention the government pays to the desires and needs of society. They will determine how much money the government has used to address the needs and desires of the public at large by providing access to information about budget allocations. The public will also find out if, for the good of the people, the government is investing its money or using its officials. (*Taufiqurrahman, Sen, and Agung 2020)*

Other than that, the public and stakeholders also need to understand whether or not government policies and the amount of money that support them deliver the desired results. For some reason, many planned procedures were not executed as scheduled, and many expenses did not go as planned. How much of the proposed
policies and spending are implemented well how much spending will boost people’s health, and how much leakage happens in government policies’ implementation are important details that the public and stakeholders need to know. (Grediani 2020)

Thus, transparency implies open access with reduced costs for all parties with an interest in any relevant information, such as different laws and regulations and government policies. Reliable social, economic and political information on a periodic basis must be made accessible and made available to the public (usually through responsible mass media filters). This means that accountability is based on the right to understand and track sufficient information flow (for later). (Grediani 2020)

In the decision-making process and the implementation of public policy, accountability decreases the level of confusion. This is because the dissemination of different data that can only be obtained by the government can provide opportunities to engage in decision-making for various components of society. It should also be remembered that this information is accessible to the public and is important and understandable. This openness will also help to narrow the chances of corruption among public officials by being open to the broader community in all decision-making processes. (Tutunea 2014)

In a democratic constitutional state, the creation of these regulations is no longer merely an area of government dominance. Even, it has also been part of the duty of the public to engage in it. As a subject that would have the effect of enforcing these regulations, without community input in its creation, it is difficult for a code to be adopted and applied correctly. Public engagement is one of the crucial prerequisites for creating responsive legal items. Nonet and Selznick claimed that in the participatory creation process, the importance of community participation in the construction of standard goods must be seen by inviting as much involvement as possible from all elements of society, either from the viewpoint of individuals or community groups. Besides that, it also has to be aspiratory, which comes from the desire or will of the society. (Tutunea 2014)

This implies that a legitimate commodity is born not only in order to satisfy the will of the monarch to legitimize his influence, but for the purpose of a more systematic management of state life. Where rules are made to meet society’s needs. Public engagement is to elicit valuable feedback and opinions from people and communities of interest (public interest) in order to enhance decision-making within the scope of that aim. Decision-makers may capture the opinions, desires, and appreciation of the community and communities by including citizens impacted by policies and interest groups, and then translate them into a policy definition or legislation. Public engagement thus defines the nature of a partnership or relationship between the society and the legislature and the laws and regulations that inform the government. (Pratikno 2005)

This partnership is of course, intended to provide advantages for the creation of responsive laws and regulations. At any point of the development of laws and regulations, public engagement must occur, not only in the form of formalized rights in the form of rules, but also in the real transmission of the desires of the society must be enforced and responded to by legislators. The development of sensitive laws and regulations that derive from the expectations of the community and have long-term actions and practical usage for the good of all levels of society is the foundation of community involvement implementation. (Pratikno 2005)

Article 12 of Law No 2 of 2020 on the Stipulation of Government Regulation instead of Law No 1 of 2020 on State Financial Policy and the Stability of the Financial System in Managing the 2019 Pandemic of Corona Virus Disease has given the President space to issue an APBN focused solely on the Presidential Regulation. This is similar to the abolition of checks and balances, one of the basic aspects of democratic life. Without the consent of the people through the DPR, this requirement would inevitably provide an opportunity for the President to act completely in deciding the state financial budget. (Pratikno 2005)
One of the major ideas of the reformation movement 22 years ago was opposition to executive absolutism. Substance of Article 27 of Law Number 2 of 2020 on the Stipulation of Government Regulations instead of Law Number 1 of 2020 on State Financial Policy and the Stability of the Financial System in the Handling of Corona Virus Disease 2019 A pandemic involving a number of constitutional oversights carried out by the DPR and the judicial authorities in hearing cases involving irregular cases Article 27 is deemed to provide all the parties referred to in the law, including budget consumers, with immunity or legal immunity. Any action, including actions taken on the basis of the law, is not the subject of a suit brought before the Administrative Court. (Zakariya 2020)

This is definitely contrary to Article 1(3) of the 1945 Constitution of the Republic of Indonesia, which states that 'Indonesia is a law-based state,' as well as to a breach of the concept of the rule of law, of which equality before the law is an integral aspect. Thirdly, Article 28 of Perppu No. 1/2020 excludes the participation of the DPR in the making of the APBN. According to this Perppu, changes to the 2020 State budget are governed only by the Presidential Regulation, namely Perpres No. 54/2020. APBN is a method of financial management by the state. There is the participation of people in it, reflected by the DPR, in other words. In addition, Article 23, paragraphs (1), (2) and (3) of the 1945 Constitution of the Republic of Indonesia also strictly governed the creation of the national budget. Thus this article has implicitly removed the involvement of citizens in this country as holders of sovereignty. (Sosial and Pandemi n.d.)

Law No 2 of 2020 on the Stipulation of Government Regulations instead of Law No 1 of 2020 on State Financial Policy and the Stability of the Financial System for the Handling of the 2019 Pandemic of Corona Virus Disease also has an approach that does not characterize unique needs relevant to the Indonesian handling of Covid-19. It is not explicit in this law how the public health policy of the government is supposed to be handled by the community in this pandemic. (Zakariya 2020)

In the context of facing threats that endanger the national economy and/or Fiand/or System stability, there is no specific definition of what is called "Financial System Stability for Handling the Corona Virus Disease 2019 (Covid-19) Pandemic" or In the Context of Facing Threats that Endanger the National Economy and System Stability." There are no requirements in the articles of this law that determine the two above conditions. This lack of comprehension would influence the leniency of policy implementers without any metrics to state the case for financial instability. The enforcement of the law has the potential to be misused in such a situation. (Juliani 2020)

Whereas Law No 17 of 2003 on State Finance states that the power to manage state finances, that the right to manage state finances is retained by the President as Head of Government and empowered as Budget Users/Property Users of State Ministries/Institutions by the Minister of Finance and the Minister/Head of Institutions. The government government has a supervisory apparatus as the holder of the power of state financial management. Government institutions/agencies/units which have the role and purpose of carrying out supervision, namely the Government Internal Supervisory Apparatus (APIP), consisting of the Inspectorate General, the Finance and Development Supervisory Agency (BPKP). (Juliani 2020)

Furthermore as regards the audit of State finances, Article 23 E of the 1945 Constitution provides that a free and impartial Audit Board is set up to investigate the administration and accountability of State finances. With regard to the audit and supervision of the State's finances, the BPKP and the State Financial Audit Agency, namely the BPK, it is best to compare what is meant by supervision and what is meant by the audit itself before addressing the above issues. The definition of control, as articulated by Stephen Robin, is controlling activities to ensure that any major divisions are scheduled and corrected. (Juliani 2020)

The definition is meant by supervision, according to Stephen Robin above as a process of observation (monitoring) of a job to ensure that
the task can be done by correcting many related thoughts as intended. Maintenance is one of management's functions. In order to accomplish the objectives, monitoring must be carried out to ensure that the execution of activities meets the predetermined schedule. Through management, it can be determined if an agency has carried out its activities in an economic, productive and effective manner, following its responsibilities and duties and following the plans, policies defined and regulations in force. Thus, information on the performance, efficacy, and effectiveness of the implementation of activities can be obtained by supervision. This data can be used by the leadership to strengthen conditioning and decision making. In addition, according to Muchsan, the following elements are necessary for the presence of a supervisory action: (Prastiwi, Hukum, and Pamulang 2020)

- a) There is apparent authority possessed by the supervisory apparatus.
- b) There is a solid plan to test the implementation of a task to be supervised.
- c) Supervisory action can be carried out in ongoing activities and the results achieved from these activities.
- d) The supervisory action ends with the formulation of a final evaluation of the activities carried out and matching the results achieved with the plan as a benchmark.
- e) Henceforth, surveillance measures will be continued.

**Problems with State Budget Despite Covid 19**

In recent years, Covid-19's spread is becoming more and more massive and has shown no signs of slowing down. The World Health Organization (WHO) estimates that the number of positive cases of Covid-19 reached 5,934,936 individuals worldwide and 367,166 individuals died on May 31, 2020. These cases increased by 33.81 percent on June 16, 2020, estimated from the number of cases since May 31, 2020. Acceleration Task Force for Treating Covid-19, 2020). This distribution exists nationally in 34 provinces (covid19.go.id, 16 June 2020). Many components, including social and economic variables, have been affected by the creation of the very rapid spread of Covid-19. The government has implemented a social distancing strategy and suggested working from home to limit the spread of Covid-19. In many industries, including tourism, transport, manufacturing, banking, public services and other sectors, this has resulted in a reduction or temporary stoppage of their operations. (Prastiwi, Hukum, and Pamulang 2020)

The implication is that on a macro and micro scale, an immense effect on the economy of the country is imminent (Feb.unpaid.ac.id, 10 June 2020). Several government policies and adaptation initiatives have been adopted, both by central and local governments. The Covid-19 pandemic is having a major effect on the financial situation of the state at a macro level. One study, for instance, notes that this effect is the possible shortfall in the state budget for 2020, which is expected to hit IDR 1,028.50 trillion or 6.72 percent of the gross domestic product (GDP). (Mufida 2020)

In a case like this in order to resolve the effects of the Covid-19 pandemic and finance many other sector policies, the financial status of the state will continue to be depressed. Based on these issues, this paper discusses the results of the Covid-19 reaction to pressure on the state budget. The factor that is significantly affected by the Covid-19 pandemic, apart from public health, is state finances in the 2020 State Budget. (Mufida 2020)

As a consequence, in the midst of declining state income, state financial resources to support various stimuli to cope with Covid-19 appear to be depressed. Finance Minister Sri Mulyani estimates that the deficit in the 2020 state budget could expand to IDR 1,028.5 trillion, or 6.27 percent of GDP. The strain on the 2020 State Budget continues to grow as the previous
government extended the deficit in the 2020 State Budget from 1.76% to 5.07% of GDP or reached IDR852.94 trillion (Annex to Presidential Decree No.54 of 2020). The widening of the 2020 state budget deficit was due to the increasing need for Covid-19 countermeasure funds, explained Sri Mulyani. More precisely, this year's state revenue is expected to fall from the government's projection of Rp2,233.20 trillion to Rp1,760.88 trillion. Just IDR 1,462.63 trillion is tax revenue, and IDR 297.75 trillion is Non-Tax State Revenue (PNBP). (Mufida 2020)

State spending, meanwhile will grow to Rp2,613.82 trillion, from just Rp2,540.42 trillion previously. Government spending has risen to 1,851.10 trillion IDR. However, Transfers to Regions and Village Funds dropped to IDR 762.72 trillion, from IDR 856.94 trillion previously (Presidential Decree No.54 of 2020 concerning Posture Changes and Details of the State Budget for Fiscal Year 2020). Until the end of May, the realization of state revenue amounted to Rp.664.3 trillion, or 37.7 percent of the APBN target, which was amended to IDR 1,760.9 trillion by Presidential Decree No. 54 in 2020. (Junaidi et al. 2020)

Instead of Law No. 1 of 2020, the government has released a government regulation to raise the spending allocation of the 2020 state budget. The National Economic Recovery (PEN) program is budgeted with funds of Rp.695.20 trillion. As stipulated in Presidential Decree No. 54 of 2020, the PEN program budget consists of several elements, including corporate financing and local government assistance, K/L and local government assistance, health budgets, social security budgets, business incentives, and MSME assistance. IDR 203.90 trillion of the overall PEN program budget was allocated to social security. (Junaidi et al. 2020)

The Harapan Family Program has a budget of Rp37.40 trillion, the Basic Food Cards are budgeted at Rp.43.60 trillion, the Energy Subsidies are budgeted at Rp.6.90 trillion, the Non-Jabodetabek Cash Assistance is budgeted at Rp32.40 trillion, the Jabodetabek Staple Food Social Assistance Program is budgeted at Rp. The BLT Village Fund is budgeted at Rp. 6.80 trillion, 31.80 trillion is budgeted for Rp, the Pre-Work Card. Logistics / Food / Staple Food is budgeted at Rp. 20 trillion, and Uh. 25 trillion. (Junaidi et al. 2020)

The shortfall in the 2020 state budget was also triggered by a fall in income due to a drop in the economic activity of citizens after March 2020. At the same time, government expenditure, especially in the health and social sectors, was extensive. The government, at the same time, needs to improve the domestic economy. The APBN posture rise is not directly proportional to the number of patients recovering from Covid 19. An additional 69 Covid-19 patients died in the period 5 to 6 August 2020. Thus, 5,521 Covid-19 patients have died in total since the pandemic. The improvement in the number of Covid-19-related patients recovering and dying has meant that 37,587 individuals are now being treated. (Saleh, Trishuta Pathiassana, and Faturrahman 2020)

Meanwhile, 91,219 individuals are officially registered as the number of offenders. It is currently known that Covid-19 cases occur in all provinces or in 34 provinces in Indonesia, from Aceh to Papua. In particular, out of 34 areas affected by the spread of the corona virus, there are 479 districts / towns. The number exceeds 90 percent of all regencies/cities in Indonesia, making 118,753 Covid-19 cases in Indonesia the total positive covid in Indonesia. This high pace caused Indonesia's economic growth to be just 2.97 percent in the first quarter of 2020, according to the Central Statistics Agency (BPS). (Saleh, Trishuta Pathiassana, and Faturrahman 2020)

This figure is also well below the previous government estimate, which estimates that economic growth in the first quarter will still be in the range of 4 percent. On a year-on-year basis, this achievement also saw contraction, which previously amounted to 5.07 percent (first quarter 2019) and quarter-on-quarter (q to q), which was only 4.97 percent (fourth quarter 2019). Economic growth in Q2 2020 was prompted by a contraction in its various components.(Nugroho 2020) For example, the expenditure portion.
Household consumption, which has a 57.85% share of GDP, increased by minus 5.51%. There was also minus 8.61 percent of the Gross Fixed Capital Formation (PMBT) or investment metric, which contributed 30.61 percent of GDP. Exports, which carry a share of 15.69 percent of GDP, rose by minus 11.66 percent. Imports with a 15.52 percent component increased by minus 16.96 percent. (Mufida 2020)

Government consumption increased by minus 6.9 percent with a share of 8.67% percent of GDP. Consumption of non-profit household serving institutions (LNPRP) rose by minus 7.76 percent with a share of 1.36 percent. BPS also noted in Q2 2020 that most sectors were experiencing negative growth. Knowledge and communication, financial services, agriculture, real estate, education services, health services, and water supply are those that are still positive. (Mufida 2020)

3. CONCLUSION

In the material of Law Number 2 of 2020 on the Stipulation of Government Regulations in Location of Law Number 1 of 2020 on State Financial Policy and Stability of the Financial System for the Handling of the Corona Virus Disease 2019 Pandemic, there are several materials to weaken the oversight of the openness of the use of the coronavirus 19 financial budget, while Muchsan recalled that the loosening of the coronavirus virus 19 financial budget Nonet and Selznick claimed that in order to address this issue, the importance of community involvement in the creation of legal goods must be seen in the process of participatory formation by inviting as much participation as possible from all elements of society, both from the point of view of individuals and community groups.

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