Morality in the Arrangement of Regional Budget as an Effort to Reduce Flypaper Effect: a Critical Habermasian Perspective

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ARTICLE INFO

Article history
Received 1 January 2022
Revised 17 May 2022
Accepted 30 April 2023

Keywords
Regional Budget;
Preconventional Level;
Critical Habermasian.

ABSTRACT

A condition where there is a difference in the decision to spend money earned for free and money raised privately is a flypaper effect. The aim of the research was to map morality level of Regional Head, Regional Government Budget Team, the members of Regional Parliament, and Regional Apparatus Work Unit in the arrangement process of Regional Budget in the Regency of Selayar Islands. The research used critical paradigm, especially Habermas critical theory starting from social evolution based on the theory of Kohlberg’s morality consciousness development. The result of the research indicate that the morality level of executive and legislative members is still in the first two steps of preconventional level as the reflection of public space morality. Preconventional morality level explains that the dominant opportunistic behavior of executive and legislative members in Regional Budget is a symptom and evidence of waning, limited access, exclusivity, hegemony, and disintegration of public space. The role of flypaper effect is a picture of fiscal decentralization system which even burdens communication process in lifeworld named local government. Another finding reveals that patron-client theory has accompanied agency theory in forming executive legislative interaction. Habermas proposes publicity principles and communicative action to improve morality consciousness development level that leads to communication in lifeworld without domination.

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1. Introduction

Flypaper effect is a term that consists of two words. First, literally a flypaper is interpreted as a sticky paper, while an effect is defined as a result. In public sector, flypaper effect refers to a condition that occurs when money that is transferred by the central government (flypaper) will have an effect on the amount of spending in the regional government. Flypaper effect itself is spending on public goods and services from local governments that are more responsive to intergovernmental transfers, rather than to increase their own revenues [1].

https://doi.org/10.34199/ijracs.2023.04.02  http://ijracs.rumahpeneleh.or.id  ijracs@rumahpeneleh.or.id
Such conditions are identical to the reality of the regional income and expenditure budget (APBD) of the Selayar Islands district, where the general allocation fund (DAU) increased by 51% and the regional original revenue decreased by (88%) in the range 2008 to 2012, has implications for an increase in indirect expenditure (BTL) by 81%, on the other hand direct expenditure (BL) has decreased by (17%) in the same year. Sour & Giron (2009), explain this reality as a flypaper effect, in which free resources provided to local governments have a greater positive effect on public spending than their own revenues.

Modernity is the result of the modernization process, in which the social world is under the domination of aestheticism, secularization, universal claims of instrumental rationality, differentiation of various fields of world life, economic bureaucratization, political and military practices, and the modernization of developing values [2]. The modernity of regional financial management is also marked by the differentiation of various types of transfers. There are two groups of intergovernmental transfers, namely unconditional transfers and conditional transfers. In addition to the two groups of grants, there is also a differentiation of transfers based on dimensions, namely matching or non-matching grants [3]. In Indonesia, unconditional transfers are better known as general allocation funds (DAU).

The modernity project of regional autonomy, which inadvertently produces the phenomenon of the flypaper effect in the APBD as a public space, has a role in changing the mindset of the executive and legislature in local government in responding to unconditional transfers from the central government. Both (executive and legislative) are more eager to spend without trying to increase their own income, and do not think about where they will get funding for this expenditure. Several general criteria then become the basis for rationalizing transfers, namely autonomy, adequate acceptance, fairness, transparency and stability, simplicity, and incentives [4].

Regional autonomy is a project of modernity or enlightenment. Habermas in Lubis (2006), argues that in the enlightenment project there is an interest in freeing humans from superstitions, religious dogmas, traditional beliefs, and other claims to power. What Habermas put forward to liberate humans from claims to power is in line with the initial goal of regional autonomy to liberate regions in Indonesia from fiscal centralization which lasted for 32 years. But after 15 years of implementation of regional autonomy. Communities in the regions are again under the hegemony of legislative and executive opportunism in the form of a flypaper effect during the APBD preparation process. Horkheimer in [5], calls this opportunism a new form of irrationality that places humans under economic demands.

Various studies on the flypaper effect with a positivist paradigm have tried to find the right answers as to why this phenomenon occurs in almost all regional budgets in Indonesia. [6], which only examines the effect of personnel spending on the flypaper effect phenomenon. [7] Which only examines the tendency of fiscal illusions in districts/cities throughout Central Java. Broadly speaking, the conclusions from the above studies only arrive at the answer that the flypaper effect phenomenon affects regional spending. The limitations of the answers that were born were due to the view that positivism too limited the notion of rationality by only identifying it with logical, mathematical and scientific criteria [8].
Budgets are considered as value-free neutral technology, which is used to facilitate rational decision making [9]. The use of Habermas' theory by accounting researchers is based on the fact that there is a link between accounting and rationality issues, as a matter of modern society [9]. One of the concerns of the theory of communicative action is to develop the concept of rationality which is no longer bound by, and limited by, the subjectivity and individualistic space of modern philosophy and social theory [10].

Considering that this study uses the habermas critical paradigm approach, this research then focuses on the opportunistic behavior of the legislature and executive in the Selayar Islands district government in the form of flypaper effect. On this basis, the aim of further research is to map the moral level (Regional Head, Local Government Budget Team or TAPD, Members of DPRD, & SKPD) Pemkab. Selayar Islands.

2. Method
2.1. Types and Research Paradigm

This type of research is a qualitative study which is intended to seek the underlying answers of a phenomenon, with a critical paradigm, especially Habermas's critique. This study is basically very concerned about how oppressed people can be dis-alienated, only after then, their lives are changed in a better direction [11]. Habermas's theory of the cognitive field adopts the classification of the study process into three groups namely as analytical empirical science, hermeneutic historical science, critically oriented science [8].

2.2. Site, Participation and Data Collection

This qualitative study was conducted at the Selayar Islands district government. Participants were selected based on pragmatic or purposive methods with consideration of the individuals involved in the APBD preparation process such as the local government budget team (TAPD), DPRD budget agency (BANGGAR), regional work unit (SKPD) and Deputy Regent as one of the decision makers. The object of analysis in this study is the behavior of the individuals involved in the APBD preparation process. Data collection was carried out from April to August 2015, using in-depth interviews with several individuals who I considered represented the social structure in the APBD preparation process.

2.3. Analysis Techniques

The analysis carried out in this study was intended to map the moral level of the social actions of individuals involved in the APBD process. This analysis technique was intended to investigate the development of moral awareness (or more precisely the cognitive side, namely the ability to make moral decisions). Habermas uses the scheme developed by Kohlberg about the stages of moral consciousness to start aspects of his social evolution [12]. Kohlberg's scheme of the stages of moral awareness can be summarized into three levels and seven stages, namely; The pre-conventional level has two stages, the legal and compliance orientation stage, and the instrumental relativist orientation. The conventional level is divided into two stages, namely the individual adjustment orientation stage or good child orientation, and law and order orientation. The post-conventional level is also divided into two stages, namely the legalistic orientation of social contracts and the orientation of universal ethical principles; religious orientation stage.
3. Results and Discussion

3.1. Flypaper Effect: Level of Development of Preconventional Moral Awareness, Evidence of Fading Public Space

The phenomenon of public space that appears in simple interactions is the mysterious power of intersubjectivity to unite different elements without eliminating the differences between them. Observing the opinions above, it can be said that the APBD is basically formed by the power of intersubjectivity. The reason is because the APBD is a social action network that is formed as a result of shared interests in the interaction of the executive and legislative as well as the community.

Likewise with the emergence of the flypaper effect in the regional budget due to the common interests of various parties for the welfare of the people in the regions. Even though the flypaper effect is actually a phenomenon that explains the formation of fiscal illusions due to free resources from the central government. The role of the interaction of various individuals in the executive and legislative branches makes the flypaper effect an anomaly in regional financial management. The interaction is of course built from the process of communication between them. The flypaper effect is the difference between having hard earned money and getting money for free, has a different impact on the decision to spend it.

Adi Ansar: “So far, we have questioned the large amount of personnel expenditure budgeted for direct expenditure. For example, on average so far, when viewed from the structure of direct spending, personnel spending is still around 20% of total direct spending. For example, to carry out a capital expenditure of 300 billion, 60 to 70 billion in personnel expenditure is needed, that's huge. In my opinion, personnel expenditure is almost immeasurable, in the sense that there is no set standard. For example, there are activities where the budget is 20 million, the director's fees are 2 million, but in other activities, which are 600 million, the director's fees are actually 1.5 million” (Interview on 4 May 2015).

Fiscal decentralization then only gives an illusory effect on increasing people's welfare. This is because Illusion is closely related to the existence of intergovernmental grants which trigger the flypaper effect. This fact shows the reality that local governments do not yet have the good will to improve people's welfare.

Musitari: "For me, we tend to just give cash so that the program doesn't bother us" (Interview on 27 May 2015).

The materialist capitalist ideology that is so thick adorns the legal system, and its derivatives such as the administration system and accounting system that have been built by the central government, will certainly foster the growth of utilitarianism during the APBD process from planning to implementing programs and activities. So that in principle it is difficult to avoid distortions of the ultimate goal of fiscal decentralization. Like the flypaper effect that forms by itself due to the dominance of grant transfers as the biggest source of income in the APBD. What do we know that grant transfers are a product of fiscal decentralization.

Jufri: "Commission members without preamble mentioned a value of 500 million for saving. In addition to saving options, Commission members provide different and more..."
extreme options by asking for cash. The amount mentioned by members of the Commission is 75 million” (Interview on 25 April 2015).

The reality of utilitarianism above is also a condition that occurs where DPRD members feel the need to "return the capital" that has been spent during the candidacy process to become DPRD members. In my opinion, utilitarianism is not just a matter of fulfilling personal desires for material things from local strongmen, but rather a matter of morality. So what I later found was that the executive and legislative moral levels in the Selayar Islands district were still at the stage of pre-conventional moral development. The reality is that social assistance, grants and projects in the regions are often used as joint savings between bureaucrats and members of parliament, so that the people only become objects of suffering.

Saiful Arif: “in the end the discussion between the executive and the legislature, who gets how much. Who gets how much there is no regulation that limits them” (Interview on 20 August 2015).

The conditions described by the participants above are referred to as elite capture, which is understood as an attitude or action taken by a person or group of people to influence policy or decision making so that the results benefit them. Elite capture is a form of utilitarianism rooted in capitalism. This then causes the transfer of grants in the regional budget to be distorted from the ultimate goal of fiscal decentralization. Until finally away from the will of the community as the owner of public funds. Eventually accounting has become a tool to legitimize and support the materialist capitalist ideology of local strongman elites (executive and legislature).

3.2. Discussion

This research shows evidence of the level of development of preconventional moral consciousness. Where the executive and legislature image the condition of the public space that has faded, because the APBD is no longer used as a space to fight for rational arguments about the welfare of the regional community. In addition, the reality of political patronage is that the APBD is merely material and not public space. Shows that the public space has been integrated with the interests that are in the private sphere. The entry of various interests from the private sphere into the public space reflects the acute moral problems that occur in the life world.

The affair between the executive and the legislature that takes advantage of the new situation in the form of a flypaper effect allows for disintegration in the public space. This affair also indicates that there has been integration between public space and private space. This integration can be seen from the mutual upholding of the executive and legislature, none other than because they want their personal interests to be accommodated in the APBD. In addition, the stages of pre-conventional moral development reinforce evidence that the APBD as a public space is no longer a confluence of various ideas or rational arguments that are characterized as having no interest.

All programs or activities that decorate the APBD become full of personal and group interests. As a result, the APBD becomes very exclusive and very closed to the public. Information asymmetry and opportunism that occur in APBD are a form of limiting access to public spaces for the people who own these public spaces. This exclusive public space is
also reflected in the behavior of the executive and legislature which prioritize personal interests in the allocation of APBD expenditures as a way to acquire wealth with the ultimate goal of maintaining hegemony over society. The existence of the APBD as a very exclusive public space makes the flypaper effect in the APBD only a compromise of personal and group interests.

Habermas begins his critique of morality from the development of moral consciousness. The logic of social evolutionary development describes a hierarchical order of levels of learning about society, just as the logic of cognitive and moral development describes a hierarchical order of levels of individual learning [13]. Social evolution can then be considered as a learning process with multiple dimensions (cognitive/technical and moral/practical), the stages of which can be described structurally and arranged according to developmental logic [12].

The development of moral consciousness begins with isolating the central aspect and properly examining self-development, namely moral awareness [14]. Even here I will only consider the cognitive side, namely the ability to make moral decisions [14]. Kohlberg defines six stages in rational development that can reconstruct moral awareness [14]. Moral awareness expresses itself in decisions about conflicts of morally relevant actions, I call those conflicts of "morally relevant" actions capable of providing resolution by consensus [14]. Moral action conflict resolution excludes the actual work of cheap compromising power that can be understood as a continuation of communicative action.

Likewise, moral criticism of the process of drafting the APBD began with the development of Kohlberg's moral developmental foundations. Given the many conflicts of moral action in various decisions on the preparation of the APBD which are adorned with executive and legislative moral hazard behavior. Moral hazard behavior is triggered by hiding information on the amount of transfer grants from the central government, which allows the executive and legislature to increase local spending, this phenomenon is called the flypaper effect. Where the flypaper effect occurs in a public space called APBD. Public space is in the area (space) of communication, a series of conversations/conversations and debates of many people, it is also an important measure/dimension of civil society [15]. Considering that the APBD is a series of talks by many people and is an important measure of people's welfare.

To solve the various problems mentioned above, first, there is a proposal of a dual politics, namely social movements that simultaneously pursue offensive and defensive goals [14]. "Offensive," is a social movement that seeks to bring relevant issues to the rest of society, to determine how to approach a problem, to propose possible solutions, to provide new information, to interpret different values, to mobilize good causes and criticize the bad [14]. "Defensive," are social movements that seek to maintain existing structures of association and public influence [14].

Second, Habermas proposes communicative action to arrive at the level of development of post-conventional moral consciousness. The theory of communicative action is based on a formal analysis of communication pragmatics, it is intended to uncover the "know-how" any competent speaker uses in communicative practice, and this is the basis for his conception of communicative rationality [13].
Third, according to Habermas, we can restore public space to its function to fight for people's welfare issues, when the type of society he calls the modern age is achieved [13]. This type of society can be achieved or fulfilled when the level of development of moral awareness is at post-conventional stage two [12]. Habermas proposed discourse theory to solve this moral problem. The conception of discourse theory considers morality as an authority that crosses the boundaries between private and public spheres, these boundaries vary depending on the existing social structure [14].

Considering that communicative actions can only be carried out at the level of post-conventional moral development, the conditions for the level of development of executive and legislative moral awareness which are still at the pre-conventional level need to be improved to reach the intended level. In my opinion, building a legal system of an integrated moral system to increase the level of development of moral awareness is the most possible way at this time. Habermas sees the constitution as the main tool for unifying various desires and regulating power in a pluralist society [16]. Where the integrated legal system and moral system operate at the level of development of this moral awareness. Then the legal system, and its derivations such as the administrative and accounting systems which are subordinate to the moral system, will be integrated.

4. Conclusion

The level of development of pre-conventional moral awareness is evidence of the fading, exclusivity, and integration of public space with private space. In addition, this level illustrates that the prerequisites for communicative action in the public space have not been fulfilled, in other words, consensus in the public space will not be obtained at this level of development of moral awareness. The role of the flypaper effect, which should be able to ease the burden of communication in local government, has instead become a gap for private interests to enter the public sphere. Habermas proposes the principles of communicative action, dual politics and discourse to increase the level of development of moral awareness which ends in communication in a lifeworld without domination by building an integrated legal and moral system. Besides that, I also conclude that the agency theory that has so far underpinned the interaction between the Regent, DPRD members, & SKPD is no longer playing alone within the APBD frame.

There is a patron client model that comes into play in the interaction of the Regent Members of DPRD and SKPD in the Selayar Islands district. However, the patron client model does not see the APBD as an intermediary for contractual relations. Instead, they see that the APBD is nothing more than an economic resource that is fully controlled by the Regent as the patron. I suggested that it be investigated further, whether the moral system and the legal system which are built in an integrated way can increase the moral level of local strongmen in the APBD process from planning to accountability. Second, does the patron client association model have any connection with the principal agent theory.

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