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Urban Planning in Decentralization and Local Autonomy Era: A Case Study on the Relationship Between Local Government and Civic Group in Development and Budget Planning in Malang City (Indonesia)

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Additional information is available at the end of the chapter

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Abstract

This study aims to explore the relationship between local government and civic groups in the budget planning process of the government of Malang during 2015. Using a grounded theory approach, qualitative methods are applied in this study. The unit of the study is Malang, East Java, Indonesia. Malang is selected as the unit of study because of the many civic groups. The findings of this study show that there exists a relationship between local government and civic groups but that the relationship does not represent the principles of democracy (equality, participation, and justice) in the budget planning. Local government has dominated civic groups in budget planning so that the budget policy does not take public interest into consideration. However, civic groups such as Malang Corruption Watch (MCW) and Education Forum of Society (FMPP) have developed different strategies to develop collective lobbying to direct the development of public awareness through education. These findings contribute to developing budget planning in Malang that establishes a democratic budget policy process that is more responsive to public needs. The local government should realize that public participation is a way to achieve democratic budget process. In this context, elected and appointed officials should provide access for civic groups to be involved in all stages of budget planning. At the same time, civic groups should build civic awareness and a willingness to participate in budget planning.

Keywords: budget planning, local government, civic groups, local autonomy

1. Introduction

In 1998, Indonesia underwent political reform. At that time, there arose a great awareness of good governance in Indonesia, following on from the multidimensional crisis experienced by the country in 1997. One of the major factors in the crisis was weak public sector governance resulted in corruption, collusion, nepotism, and monopolistic behavior. Consequently, the Indonesian government has changed several regulations, from rules based on an authoritarian system to rules according to the democratic system. However, a democratic system has not been successfully implemented, including in terms of budget planning affairs at the local level [15].

This issue has been illustrated by the results of research conducted by scholars such as Franklin et al. [3], Davenport and Skandera [1], Vissanu and Salahudin (2016), Souza [11], and King et al. [9]. They have indicated that local government has dominated civic groups in the budgetary process. Vissanu and Salahudin (2016) revealed that local government's domination in arranging budget and expenditure policy (APBD) was very resilient. The findings of the research indicate that the aspirations of the people, supported by civic groups, do not feature as part of the policy design, as people are not invited or asked to participate in determining budget policy documents, and civic groups are considered as rivals rather than partners. In line with Jainuri's research, Souza [11] noted that local government dominated budget planning. The local government applies a bureaucratic system during the budget planning, a system which does not provide an opportunity for civic groups to take part. In addition, Souza explained, according to his research conducted in a local government in China, the budget process is based on a political paradigm in which the involvement of politicians, such as via political parties and parliament, is part of the civic group participation. This means that civic groups in the budget process are represented by politicians.

In addition, Souza [11] reveals that the relationship between local government and citizens is dominated by the role of government officials. They arrange the budget established on legal procedures, commonly designed to map the bureaucratic budget. In this context, civic groups have a limited time to become involved in the budget process. Therefore, the final approved budget may be seen as taking the side of the administrators of public affairs. As highlighted by Franklin et al. [3], budget planning is underlined by the actions of administration officials. This causes a disproportionate distribution in favor of government over social affairs in budget policy [15].

Referring to these issues, Franklin et al. [3] suggested that, in accordance with democratic values, budget planning should be related to citizens, public services, and public goals. Hence, public participation in the budgetary process is an important way to ensure that budget policy is responsive to citizens' needs. They recommend that local officials select a participatory mechanism more deliberatively once the outcomes desired from citizen participation in budgetary decision-making are articulated. Davenport and Skandera [1] assert that relevant civic groups play a distinctive and vital role in a democratic society. They develop core virtues and values that enable individuals to contribute to society's needs and to help design political institutions adopting public policies supportive of citizen preferences [15].

A democratic political system requires the active role of civic groups in carrying out their respective functions in shaping and determining public policy, including budgetary policy. As recommended by Huntington [6], the active role of society in the political process is to minimize the political interests of political and bureaucratic elites. Locke [10] believed that through public participation, the problems of life in a society could be solved. In addition, a society would gain knowledge and understanding, develop a sense of social responsibility, and reach new perspectives beyond the boundaries of personal life.

Davenport and Skandera [1] explain that the main role of community organizations is to empower the people so that they have room to advocate their aspirations to government. In the principle, the core role of civic groups is to empower the people and advocate to help the people to have access and to defend their rights. The contribution of civic groups, including NGOs and non-political organizations, covers advocacy and their performing role as a catalyst in the process of public participation toward good governance in Indonesia. This means increasing the awareness of the executive and the legislature in order for them to open up to public participation or involvement, thus increasing the awareness of citizens regarding their rights and needs, in order for them to participate in the regional regulations drafting process.

Thompson [12] asserts that the relationship between local government and civic groups in the regional budgetary process (budget planning) should be related to the democratic principles of justice, equality, propriety, and proportionality. Therefore, Franklin et al. [3] state that democratic values are fostered when public bodies and the implementation of government are open, when opportunities and procedures exist for civic groups to permeate the system and when responsibility is assured.

The Indonesian government has established laws to foster democratic values in government processes and affairs, including budget planning at the local level. Law Number 12 of 2011 on the establishment of legislation aims to ensure participation and transparency in the relationship between the state (including local government) and civic groups in the preparation of public policy (budget planning): "The principle of 'openness' is that the process of establishing legislation, starting from the planning and drafting, through to discussion, are transparent and open, whereby the whole of society (relevant stakeholders) have the widest possible opportunity to provide input into the legislative processes."

Law Number 17 of 2003 on state finances declares "State finances (including local government finances) should be managed and in order, be subject to laws and regulations, be efficient, economical, effective, transparent, and accountable with regard to fairness and propriety." This position is reaffirmed in Law Number 33 of 2004 on Financial Balances: "Regional finances should be managed in order, be subject to laws and regulations, be efficient, economical, effective, transparent and accountable with regard to fairness, propriety, and benefit to society."

In addition, Law Number 37 of 2014 legislates guidelines for the preparation of the regional budget for 2015, stating that the preparation of regional budgetary policy should be showing the following principles: "(1) The budgetary policy should be prepared in accordance with the needs of the regional administration; (2) the budgetary policy should be prepared in a timely manner according to the stages and schedules; (3) the preparation of the budget is conducted

in a transparent manner, which allows people to find and gain access to information about the budgetary policy; (4) the budget planning should involve the community; (5) the budget should consider fairness and propriety; and (6) the substance of the regional budget should not be contrary to the public interests, higher regulations and other regional regulations." Furthermore, Law Number 14 of 2008 on the public disclosure of information backs the principle of openness in public affairs, including the preparation of the budgetary policy (the budget planning of local governments).

Unfortunately, the laws have not been implemented optimally, proceeding from previous studies such as those conducted by Jainuri and Salahudin [7], Salahudin (2012), Wijaya (2003), Widowati [14], FITRA [2], and Wahyudi and Sopanah [13]. The relationship between local government and civic groups in budget planning at the local level in Indonesia does not reflect democratic values. This is due to the lack of socialization on the part of city governments and parliament, the fact that the mechanism at development planning meetings is just ceremonial and the fact that the awareness of the people, especially middle- and low-income groups, is still relatively small. Civic groups' access to active participation is also undermined by local government. Local government, from the executive (regional head and the administration officials) through to the legislative members (parliament), fully controls and directs the major body of budgetary policy. Consequently, budget policy does not incorporate citizens' needs [7].

The research in the current study was focused on this core issue, divided into two main points. These were (1) to explore the relationship between local government and civic groups in budget planning and (2) to explore efforts to build relationships with local government to design a budget policy to meet citizens' needs. In short, the results of this study indicate that local government dominates budget planning, while civic groups do not participate actively in the budget process.

2. The relationship between local government and civic groups in budget planning (the *Musrenbang* process) in Malang City

2.1. The *Musrenbang* process and the political interests of elites: politicians and bureaucrats

Under the government law of Indonesia Number 13, 2006, about guidelines for local budget planning, the purpose of the *Musrenbang* (Public Consultation on Development Planning) is to formulate development programs based on the aspirations and needs of the community and the integration of the cross-sector development programs, among regional-level work units (SKPDs), realizing a pro-people budget. However, as indicated by the findings from the fieldwork of this study, these objectives cannot be properly achieved due to the power of the politicians and bureaucrats, who have a low level of willingness to determine a direction for development in Malang that is pro-people.

Mahfud, a member of Malang Parliament (the regional legislature or DPRD) elaborated "The Musrenbang is not as imagined in the academic literature and in the existing law. The Musrenbang theoretically is an attempt to accommodate the aspirations of the community to serve as a benchmark for budget policy. Nevertheless, the Musrenbang is often ineffective. The results of the Musrenbang appear to demonstrate a low commitment to serving as a reference budget policy. The results of the Musrenbang are disconnected because of the many invisible interests of the elite and the effect on the circles of power. The Mayor should understand the interests of the elite; if not, the preparation of the budget policy may not proceed well, and it may cause several protests. Consequently, the Mayor fully understands it and follows the political climate (Interview, 2 March 2016)."

The legislator's statement above shows that the Musrenbang is ineffective due to the behaviors and attitudes of a pragmatic political elite and the status quo as supported by the regional head (the Mayor of Malang). The Mayor of Malang has reduced the power of civil society groups deemed willing to criticize his performance and leadership by providing a budget faithful to pragmatic groups or individual politicians in Malang. Furthermore, Mahfud said "The Mayor of Malang is very influential. He is able to control the executive, judicial, and legislative branches. Three institutions have been established by the Mayor to follow and obey orders well. One of the many ways of the Mayor is to control the three institutions is specifying the format of a stable political coalition. The PDIP as the biggest political party in Indonesia embraces influential parties such as the Democratic Party and Golkar Party. With a strong political format, the Mayor is able to control the three institutions, retaining an impact on political stability. In this present era, the interests of a political opponent are very important. This interest has been controlled by the Mayor through budget policy (Interview, 2 March 2016)."

Indeed, based on the explanation of the above key informant, the political power of local elites, for example, the Mayor of Malang, is very influential in terms of creating a pseudo-democratic space included in the Musrenbang process. Overall, the local elite leadership's behavior, as stated above, greatly affects the dynamics of the Musrenbang process. Politicians and bureaucratic elites at the village level, subdistrict, and even the neighborhood level have implemented the Musrenbang without incorporating the real meaning of democracy as explained by Thompson [12], namely, social justice, participation, and transparent governance. Suaib, an activist of the Learning Community Forum (FMPP) of Malang, revealed "People have never been involved, even the organizers of public participation. Local government already involves the community leaders, but it is just a normative commitment. Even if there are programs, they are not really completed for the reason of limited budgets. Even if there is one, it is not in accordance with the quota (programs) filed by communities. One example is house repair, as part of the Musrenbang process (Interview, 10 March 2016)."

Moreover, political and bureaucratic elites at the level of subdistricts and villages do not require people to be involved in the Musrenbang process. This stance is caused by elite behaviors that do not make democratic sense. It is also influenced by a lack of public understanding of the meaning of the Musrenbang process. For instance, Suaib noted "The public does not understand the goals of the Musrenbang process. Nevertheless, the practice may be different

from that. Society does not know the Musrenbang processes and the objectives; the community has very limited understanding of the Musrenbang process. They do not understand. Even the neighborhood chiefs just do not know about this (Interview, 10 March 2016)."

Most people do not understand how to become involved in budget planning. This is influenced by a lack of elected and appointed officials willing to build the social capacity for civil society to take part in the budget process. In fact, the administrators apparently believe that the budget policy process should be conducted without citizen participation. However, when the local government officials write reports of the actual budget planning, they state that it is based on democratic values. This means that the democratic principles are only on paper, not in the actual planning system. Furthermore, Suaib explained "In each report by local government it is stated that the Musrenbang has been implemented according to democratic principles because it involves public figures, whereas in practice, people perceive that this has not been delivered yet. Finally, I know those criteria; I read them all. It turned out what is written (the reports of the Musrenbang) do not match the real situation in the field when it states the Musrenbang has been implemented by actively involving the community leaders of five people from each village. On the contrary, I have never been involved. This is fictitious. Therefore, there must be a reform-driven improvement of society (Interview, 10 March 2016)."

The active role of the elite at the Community Empowerment Organization at the village level (LPMK) is expected to be a companion and the voice of the community. However, they build a collusive relationship between the formal structure of the village and subdistrict government. Suaib lamented "LPMK is one of civic group organization. People hope that the LPMK can involve actively in the Musrenbang process. In fact they participate actively in Musrenbang process, however, they just build the collusive relationship with the elected government officials. It is the character at the grass root communities, the bottom level. When they are put in such a structural situation, they would join and become passive. This is due to their interests to obtain benefit from the budget policy (Interview, 10 March 2016)."

Some neighborhood leaders cheat when determining the village-level development program, with collusive action among them. The game of power and authority of the lower level colors the process of designing development programs. The collusive manner of bureaucratic structures at lower levels is increasingly visible during the implementation and management of a program. They support each other in the bad management, as it is beneficial for them to multiply the income of each other. Every effort is made, including falsely claiming positive results for governmental programs and making false statements. Wahyudi, the manager of a group of houses in the same neighborhood (RT) in Merjosari, Lowokwaru, explained "The village development program is only used and enjoyed by village officials, such as LPMK staff, village government staff, and other figures that come into play. The budget is available and it is given, but government officials cut it. We got only 10–11% of the budget. However, we must report it as 100% of the budget and village officials request blank receipts. They cooperate to lie about the budget. They take a photo of the development site before the proposed development, that is, a destroyed building. Well, we do it independently. Budgets from villages go straight to our independent programs; a photo is taken, copied, and made into a report.

Well, we were making blank receipts for villages and reports. We do not complain about it. This attitude means that even if we complain, it may be overlooked. I once made a complaint, and my neighborhood has not received any programs since then. This happens everywhere (Interview, 15 March 2016)."

This collusion is so strong that it causes development programs to lose direction and brings no positive results for the people. Development programs are only used as a way for those in power to embezzle money from the country. The political and bureaucratic elites are not responsible for the fact that the programs often do not correspond to the needs of the community. In addition, Wahyudi stated "These existing programs were done last year. The program has no budget. The program is not the result of our proposal. We do not know anything, as we are not invited. This is fake. The budget is also made carelessly as it does not cost that much for the pavement program. If such a budget is released, we would be happy and the development program would be very successful. We pay ourselves for the development program as much as IDR 350,000 per home, please ask the people here. Some development programs depend on the contacts, family, friends, acquaintances; you know, collusion among them. If you do not collude, then you could fall on hard times (Interview, 15 March 2016)."

Referring to the explanation of Wahyudi above, the Musrenbang process has been manipulated by local government officials and some politicians. In addition, they have pressured society to accept their programs. One example is in Merjosari village as part of the subdistrict in Lowokwaru of Malang. There, we can find a development program that is not responsive to the need of the local community: the development of a landfill wastewater treatment plant. This development, by the company Pall, was not very important because the villagers still have an area for sewage. However, because of the interests of the elite, including the head of the neighborhood and the village officials, the construction continues despite opposition from local residents.

Furthermore, Wahyudi noted "There is a program in our area but not required by our citizens. The Landfill Wastewater Development of the World Bank has a budget of approximately IDR 300 million. We do not need Pall because our housing is still very spread out. The Landfill Wastewater is only suitable for a small residential area. There is no area for sewerage. In our neighborhood, each resident has sewerage. In addition, our area has no running water, and The Landfill Wastewater needs water flowing. The Landfill Wastewater development project is only seeking profits through the purchase of facilities and infrastructure. Well, it is really a risk for future housing residents. Since the residents refused, they finally moved into other neighborhoods, but the people continue to object, even though some agreed. This causes serious problems, the people refuse it and want to stop it; the government has spent a lot of money (Interview, 20 March 2016)."

The key informant's explanation above shows that the relationship between government officials and society communities in arranging the local programs is not a good relationship in terms of democratic principles and of collaborative governance principles (Emerson, 2011; Thomson, 2010). In addition, Wahyudi revealed "Residents living around the construction of The Landfill Wastewater want to build a Mushollah, a place of worship for Muslims. So, residents' plan cannot be realized because the construction site for the Mushollah was used

for The Landfill Wastewater building. The Landfill Wastewater development replaces the Mushollah development. The residents have a plan to build a small mosque, and they had collected IDR 3 million in savings from the villagers. The people were happy when they saw the place was cleared, thinking that the government will build their Mushollah. They came to see, and they were disappointed as it was the Landfill Wastewater being built (Interview, 20 March 2016).”

As can be seen, the development programs provided by the local government are not proposed by the community and not in accordance with the needs of the community. The people have resisted this program. This creates new problems in terms of regional development. The collusive manner at the bottom level of the decision-making structure, including neighborhood heads, means that every development is part of efforts to gain personal advantage (Figure 1).

To sum up, the relationship among the stakeholders illustrated above shows that *Musrenbang* process is not implemented according to the existing regulations. These problems are caused by (1) the leadership behavior in favor of the status quo by local elites, (2) the pragmatism of the local elites, and (3) the collusive manner among government structures. These factors have led development programs to be implemented contrary to the needs of society, and the programs do not have a significant impact on the regional development of Malang. These findings confirm other researches suggesting that although the democratic system has been

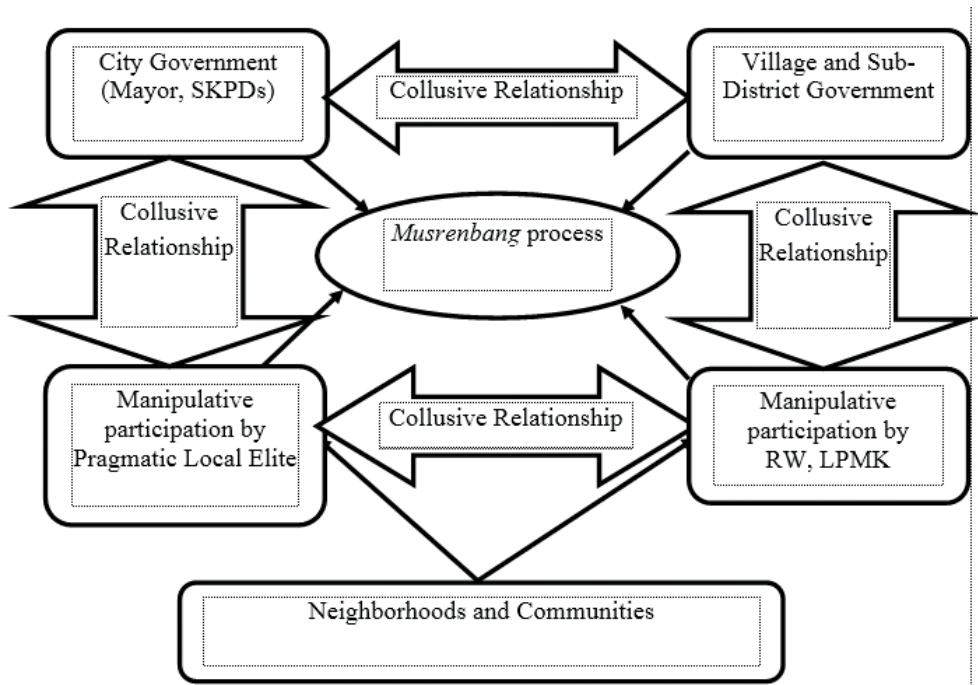


Figure 1. The relationship between citizens and government officials in the *Musrenbang* process.

implemented, there may be no guarantee that local government can implement the entire system successfully. To conclude, the local government has arranged public policy according to the conventional participation that society participation in the public policy process is limited [5, 7, 9, 11].

2.2. The civic groups' efforts build the relationship with local government in budget planning

Based on the laws of the government of Indonesia, the budget is the main delivery mechanism for public welfare. However, based on the data described previously, the main factors in planning the budget do not favor the community. The issues are caused by (1) a lack of access to the public in order for them to get involved in the preparation of *Musrenbang* due to a lack of information and awareness, as well as the decision of government to limit the elements of the community becoming involved in planning forums and (2) the strong influence of political elites (regional legislatures/DPRD and local heads) in directing the budget toward their own interests. Below are the viewpoints and efforts of civic groups to realize the budget in accordance with the system and in favor of people.

2.2.1. Optimization of the rule of law, moral force, and growth of goodwill

The legal regulations of the Indonesian government have already given the public an opportunity to become involved in state policies, including the budget policy process. Nevertheless, the regulations and laws have not been implemented optimally due to there being no responsibility shown by the government, especially the DPRD as representatives of the people. Therefore, the key steps that must be completed are to optimize the rule of law and strengthen moral force through the improvement of political behavior when choosing a member of the DPRD. Suaib elaborated "If we look at the legislation and laws from public services and human rights, they are good but have little or no moral structure. The next question is how to build a moral structure? We begin by fixing the politics—although we do not participate directly in political parties, we are partisans. Politics has three functions: controlling government officials, making laws, and making budget policy. We are governed by politics, including budget planning meetings and part of the political process, only our political process is still not good. The *Musrenbang* process was a procedure to provide input on existing programs in the area, one of which should include members of DPRD, as legislators are powerful allies. We should involve the DPRD and the teachers (Suaib, personal communication, 20 July 2016)."

Agreeing with Suaib, Mahfud concurred that from the existing legal regulations, internal monitoring is required from within the government and for politicians. As said by Mahfud, the supervision is not through the government system but via the responsibility of government officials and politicians, who are to run the system or implement the existing laws so that rules are made to be obeyed. Mahfud explained "It was supervision but not the control, as we understand it, even until now. The people do not supervise the government, but it is defined as the attitudes and behaviors of controlling people. It is the attitude of the government, DPRD, and other elements to have the willingness to carry out the mandate in accordance with legal procedures. The government, the DPRD, and the public so far do not really

having the willingness. After the *Musrenbang*, programs are based on community needs; these results should be supervised by a pact of trust. We do not have this, so it is difficult to realize a good budget policy. Even Islamic parties are not guaranteed to have an attitude of trust (Mahfud, personal communication, 20 July 2016)."

In line with Suaib, many DPRD members do not have a good enough understanding to ensure good governance, including the governance of budget policy. Therefore, Suaib required "We need the political intelligence of the community in selecting DPRD members. Building political intelligence can be done through education." Moreover, Suaib explains, "We are going to give political education through the MCW, now we want to be involved. The goal is to improve voting patterns and to supervise the actions of candidates. I am involved there, and it is not easy work. MCW are outsiders, so they do not understand the character of Malang citizens and areas (Suaib, personal communication, 20 July 2016)."

Suaib acknowledges that amid the apathy of the community, the implementation of political education is not an easy job, as it requires the collective action of civil society such as the MCW and the mass media. Currently, the community benefits from the existence of a democratic political system that gives people the chance to publish publications that facilitate and strengthen political education. In addition, Suaib explained "Yes, as I said earlier, it is hard, especially as the political education of prospective voters only started in 1995. There was none before. Now political communication has been very broad through newspapers, TV, the Internet, seminars and workshops, and all sorts, they are already very open. The position of the public, however, is still weak (Discussion, 20 July 2016)."

Suaib's statement as an education activist, Sailendra's statement as a bureaucrat, and Mahfud's statement as a member of DPRD Malang focus on one issue, which is the lack of awareness and goodwill of the government, politicians, and the public to follow the existing laws. As noted by Suaib, government officials, politicians, and the society need to be made more aware through political education.

2.2.2. Organizing the community: MCW established FMPP

Political education is considered to be an important force in building a collective consciousness to become a hegemonic force to balance the power of the dominance of the state (local government). The step taken by MCW to form the FMPP (*Forum Masyarakat Peduli Pendidikan*) was an effort to build collective awareness to balance the power of the government and politicians in Malang through monitoring and advocacy activities. Faruk, an activist for the political education and anti-corruption measures of the MCW, explained "The *Education Forum* (FMPP) is under the supervision of MCW. The FMPP was established to carry out the functions of monitoring and advocacy, especially in the field of education. Established early on, the FMPP has a coordinator for the implementation of activities, but after an evaluation it was found out that the coordinator often cheated, so MCW eliminated this function. Therefore, the FMPP is supervised, but the FMPP retains autonomous in performing the roles and duties of advocacy and monitoring. There are situations where the FMPP takes action but it encounters problems in handling the case in which MCW intervenes (Discussion, 20 July 2016)."

In carrying out the functions of monitoring and advocacy, the FMPP is supported by a management partnership with MCW. MCW supervises, directs, and educates the FMPP so that advocacy and monitoring run in such a systematic, large-scale, and professional manner. In addition to the function of monitoring and advocacy, the FMPP becomes a public information center. Faruk stated "The FMPP is said to be the center for public information because it is available in each subdistrict. However, in running monitoring, FMPP members in each subdistrict coordinate and help each other. MCW oscillates between acting as a monitor and as a partner (Discussion, 20 July 2016)."

Therefore, the goal of FMPP is to balance the power of the government and politicians in Malang in the preparation, implementation, and evaluation of policies, including the budget policy. The partnership between FMPP and MCW is a testament to the vision and mission of ensuring good governance for the benefit of society, that is, the public interest. Recalling Gaffar (2005), civil society, based on a social movement, will be able to achieve hegemonic powers to influence state power, including the government and politicians in Malang. The existence of MCW and MFPP has made a major impact on the behavior of the bureaucracy in Malang as described in the last part of the discussion of this study.

2.2.3. The strengthening deliberative forum for civic groups

In various discussion forums, the researchers follow Jayadi, an activist of MCW, who always says that the importance of deliberative forums is to build the strength of civil society. Democracy without deliberative forums will make the political system and the government ineffective. Deliberative forums can be built through nonformal activities, such as informal discussion forums in coffee houses or formal discussions through workshops, focus group discussions (FGDs), and seminars. According to Jayadi, deliberative forums are directed at the public, politicians, governments, community organizations, NGOs, and businesses, for them to understand the nature of public policy for the welfare of society.

Jayadi stated "Deliberative forums are very important to define the meaning and essence of a law (local regulations). Governments cannot explain the meanings in the regulations, such as the meaning of participation. The definition of participation should be clarified in the direction of democracy and for addressing the people as the subjects of a policy (local regulations). We also (MCW) have not fully understood the meaning of participation. During this time, we see participation as a form of generosity of individuals or groups such as community leaders for others (Discussion, 20 July 2016)." In addition, Jayadi suggested, "Although the present era is the era of democracy, we still find coercion in the behavior of state officials through policies including local regulations. There are cases where teachers are arrested by the police. In my opinion this is not good because teachers are teachers and it is inappropriate to prosecute them in the legal process. They deserve a special mechanism regulated by a regional regulation. The mechanism used is a persuasive approach (Discussion, 20 July 2016)."

Based on the results of monitoring conducted by MCW, repressive behavior by local governments occurs at every level of policies, including budget policy. Budgets, which were made unilaterally and applied to the public, represented a form of state coercion against citizens.

In this era of democracy, state coercion against citizens is forbidden. Therefore, Jayadi said “Well, this is actually the key. We really want to find out the mechanism as an executor so that the board of education has a role. The Parliament and the party must have the initiative to open up to the public, to do what is right. In Malang, there is no mechanism that regulates such matters (Discussion, 20 July 2016).”

Deliberative forums as explained by activists above are associated with the concept of the historical block as outlined by Thompson [12]. The historical block is a popular education forum for intellectual and moral reform toward collective strength as a counterweight to the coercive force, hegemony, and domination of the state.

2.2.4. Formation of the social movements of civic groups

The results of interviews with an activist from the FMPP demonstrated the positive effect of the social movements of MCW on the development of a public awareness to participate in public affairs, including budget policy. Suaib, an activist of the FMPP educated by MCW through FMPP, noted “I do not have any insight into it, but I had a passion for knowledge, and I learn from those understanding it, such as Faruk (Coordinator of Anti-Corruption Division of MCW). That’s my background, so I was often invited to seminars at UB, UM, UIN, UNISMA, UMM, in Widya Gama (all universities in Malang City) (Discussion, 20 July 2016).”

Suaib’s explanation above shows that there are changes in his mind-set before and after assistance from MCW. The intelligent mind-set provides a critical level of analysis and provides courage in monitoring and advocating further. As stated by Gaffar, intelligence, courage, and the criticality of the community are evidence of a productive social intellectual movement. The results of productive intellectual movement are apparent from the changes in the structure of the state because of activists’ intelligence, courage, and the criticality of the community. Suaib recounted “In 2010, Malang experienced problems in the *Musrenbang* process, as developments were not in accordance with the existing budget. Then I was thinking about encouraging people to demand their rights, so that they could depose the head of the village through audits. Although I did not understand the audit, I was using simple language—a program needs this much funding, then it will be announced, then the results expected are this much, just that simple. This way is how I could do it right, deposing a head of a village. MCW knows all of the problems (Discussion, 20 July 2016).”

In short, the efforts of civic groups emphasize the collective power of civic groups to build awareness, courage, and criticality to address political forces and government so that the budget policy formulations can be run according to the principles of democracy.

Finally, realizing the budget policy (APBD) in favor of society requires a good relationship between the civic groups and local government, reflecting democratic principles, namely, participation, equality, and justice as shown in **Figure 2**. Thompson [12] says that the participatory principle means civic groups, including organizations, being involved in the *Musrenbang* process for budget planning. The equality principle means that civic groups and local governments have the same position in the *Musrenbang* process. The justice principle

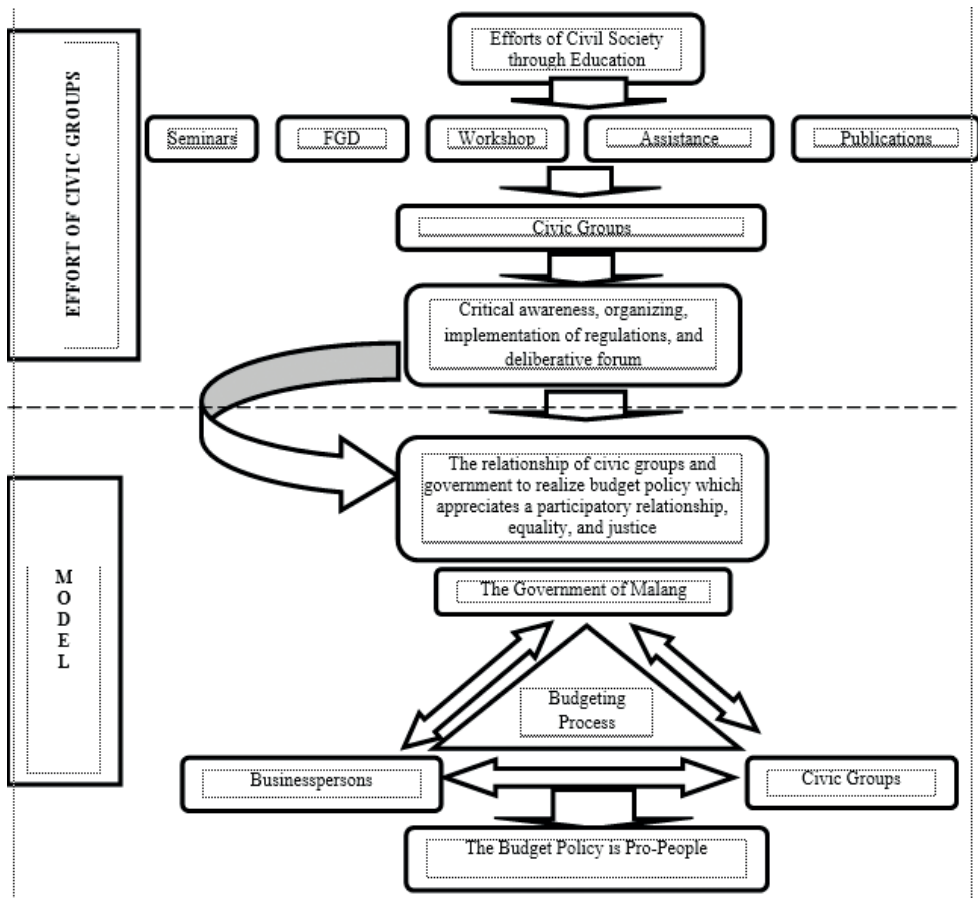


Figure 2. The relationship between local government and civic group in budget planning.

means that civic groups and local government interact to develop policy based on the principle of justice.

3. Conclusion

This study clearly indicates that local government dominated the civic groups and that the civic groups did not participate actively in the budget planning. The dominant role of the regional government in budget planning (the Musrenbang process) occurs through collusion between the Head of the Region, the Regional House of Representatives, and the Head of the SKPD (local government units). This finding is supported by a theory of state following Manan (2005), who argues that institutional states, like local government, tend to dominate all

the stages of the public policy process. In this case, the local government arranges the content of public policy based on officials and administrators' perspectives and interests. This is due to the local government having stronger authority and power than civic groups in the public policy process.

Therefore, civic groups, such as Malang Corruption Watch (MCW) and the Education Forum for Society of Malang (FMPP), work against the dominant role of the regional government through policy advocacy and civic education. The advocacy refers to supervision over the regional government during the establishment and implementation of the local government budget, while civic education refers to seminars, workshops, focus group discussions (FGDs), publications, training, and research. The purpose of education is to develop public awareness of good democracy and public participation in the establishment of the policy related to the regional government budget. In these ways, Gaffar [4], Jones [8], and Thompson [12] elaborate that the good ways to improve society's awareness are applying civic and political education and public discussion.

As indicated by the findings of this study, revealed above, the relationship between regional government (the executive-legislative) and civic groups in budget planning needs greater efforts toward creating a relationship based on democratic principles, such as participation, equality, and justice. There are some suggestions that would be useful for developing a constructive relationship between the local government and civic groups. Civic groups need to develop critical awareness to participate actively during the establishment of the regional government budget. Some methods to develop public awareness comprise education, seminars, workshops, FGDs, publications, training, and democratic schools for the society.

Firstly, civic groups should develop a collective force to make sure that the local government budget is allocated according to the public interest. Public awareness, as a collective force, should be able to compete against political force and bureaucracy so that the regional government budget emphasizes the needs of the local society. *Secondly*, instead of treating the regional government as opponents, local civil society should consider the government as partners in order to establish public-oriented regional government budgets. *Thirdly*, politicians and local bureaucrats should provide access to civic groups during the process of regional government budget policy-making so that the budget policy becomes a fair and responsible one.

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