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Article

EFFICIENCY FISCAL AND CONTESTATION INTERESTS: ANALYSIS POLITICAL BUDGET IN PROVINCE PAPUA MOUNTAINS AS A NEW AUTONOMOUS REGION

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Abstract: This research aims to analyze the relationship between fiscal efficiency policies and the dynamics of interest contestation in the process political budget in Papua Province Mountains as area new autonomy. In condition capacity Limited fiscal resources and high priority development needs have very negative implications for the acceleration of development. regional progress. This study uses a qualitative approach with a descriptive study design. case through analysis of APBD documents 2023–2026, interview deep with Team Budget Government Area, Budget Agency, and the Papua Mountains People's Assembly. The research results show that a significant decline in fiscal capacity not only has implications for adjustments shopping area with framework expenditure term medium regional, integrated budgeting and performance-based budgeting but more determined by power relations and priority of interests. Contestation of interests, reflected in the allocation adjustments regional spending based on bargaining executive interests And legislative. Occurrence budgetary slack , namely proportion structure Regional Budget more dominated by transfer funds to regions compared to local original income, the realization of which often does not reach the target, as a result of resources which has the potential to be controlled by the central government. The absence of involvement of the Mountain Papuan People's Assembly (MRPP) as an institution cultural. Recommendations study This, the need for the involvement of non-governmental actors from MRPP in stages Determination of priority for temporary budget ceiling (PPAS), especially in the distribution of sources of Autonomy Funds Special. Novelty study This, is efficiency fiscal No only It functions as a technocratic instrument for budget adjustment, but also as a mechanism that directly triggers and shapes the contestation of interests in the budgetary political process between Executive, Legislative and MRPP actors. This differs from previous research which tend separate between fiscal efficiency and budget politics, this study shows that these two aspects interact with each other. in a way dynamic, especially in condition pressure fiscal and limited institutional capacity.
Keywords: Efficiency fiscal, Political Budget, Contestation interest, Regional Budget, Papua Mountains, a New Autonomous Region. Asymmetrical.

1. Introduction

Management finance area is Wrong One pillar main in governance Which effective, efficient, accountable, And sustainable. In framework fiscal decentralization, local governments are given the authority to managing resources financial resources and determine development priorities through Regional Revenue and Expenditure Budget (APBD). This authority is not only intended to increase the effectiveness of public services, but also to accommodate community needs based on local characteristics. This means that The Regional Budget (APBD) is not merely an administrative and operational instrument, but also reflects the direction of development policy and the fiscal capacity of a region on an annual basis.

In practice, not all regions have adequate fiscal capacity due to limited regional revenue sources. potential managed by the region making it difficult for management to execute this authority effectively. optimal. Inequality between need development And ability fiscal become problem general, especially in new autonomous regions. In fact, at this stage, local governments are not only required to For provide public services and encourage inclusive development. But also must build system bureaucracy, regulations as well as mechanism management finance Regional governments refer to the Regional Government Information System (SIPD), which integrates E-Planning , E-Budgeting , E-Administration, E-Reporting, and E-SAKIP. Meanwhile, the human resources of the apparatus managing them do not yet possess reliable regional financial management competency standards. This condition makes APBD management in new autonomous regions more complex than in established regions in terms of institutions, human resources, and relevant regulations.

Reality the can observed and dissected in the Province Papua Mountains as one of the a new autonomous region that is asymmetrical in nature in Indonesia. In the early period of its formation, province This face challenge simultaneous in the form of height need development, limitations source Power apparatus as asset valuable as well as dependence on fiscal support from the central government. The Regional Revenue and Expenditure Budget of the Papua Mountains Province, in the regional revenue structure, experiences fluctuating dynamics and shows a significant downward trend. In 2023, regional revenue was recorded at IDR 2.00 trillion (BPPKAD, 2023), then increased to IDR 2.21 trillion in 2024 (BPPKAD, 2024). This increase initially indicated existence capacity building fiscal. However, condition the No continued, on 2025 income declining areas become as big as Rp1.88 trillion (BPPKAD, 2025), and experienced a sharper decline in 2026 to IDR 1.24 trillion (BPPKAD, 2026).

This revenue decline is not only fluctuating, but also reflects a significant fiscal contraction trend. Between 2024 and 2026, revenue declined by more than 40%. This sharp decline in a short period indicates existence pressure fiscal Which Serious, influence stability finance area and the government's ability to finance development programs. Crucial issues this, no only correlated with magnitude income For spent, but Also concerning the sustainability of regional fiscal in the medium term and has degraded the level of trust public to role Government Province Papua Mountains as Representative of the Central Government in area.

Further elaboration shows that the fiscal capacity ratio of the Papua Mountains Province is still highly dependent on central government transfer funds. In 2023, 2024, 2025, and 2026, transfer revenue to the region dominates the income structure or an average of Rp. 1.8 trillion, Meanwhile, the contribution of Regional Original Income (PAD) is relatively small, only Rp. 18 billion (2023); Rp. 147 billion (2024); Rp. 171 billion (2025). And Rp 189 billion (2026). Condition This confirm existence budgetary slack, Which involved in The structure of the regional revenue budget is still dominated by central government transfers while the proportion of Regional Original Income is still relatively small. The Papua Mountains Province Regional Budget (APBD). The implication is that regional fiscal independence remains low, thus limiting the discretionary space of regional governments in determining development priorities. complicated. This dependency, indicates that any changes in central transfer policy will impact direct to stability fiscal area. Implications join in other, is a multiplier effect , the potential for creating new jobs is very small, eradication of extreme poverty and support economic growth healthy and sustainable local government in new autonomous regions.

In facing these conditions, the regional government made policy adjustments. development Which loaded in Plan Long-Term Development Intermediate The Regional Medium-Term Development Plan (RPJMD) of the Papua Mountains Province for 2025-2030. This is reflected in changes in the allocation of revenue, expenditure, and financing within the APBD structure. APBD data shows that under conditions of fiscal pressure, adjustment shopping is not done in a proportional across all sectors. Operating expenditures tended to be maintained or even increased, while capital expenditures, particularly in certain sectors such as building and construction, experienced significant increases. Conversely, spending on certain infrastructure sectors, such as roads and networks, actually decreased. This pattern suggests that the fiscal efficiency process is not solely based on technical considerations but also reflects selective, subjective policy priorities.

In perspective political budget, this phenomenon can understood as part of the dynamics of contestation of interests. Public budgets are essentially the result of a negotiation process. and compromise inter-actor Which own preference, interest, and different powers. In stable fiscal conditions, the room for compromise is relatively wider. However, in conditions pressure fiscal, limitations source Power precisely narrow down room the, so that the contestation interest become more intense And crucial in determination priority. Every actors try to maintain budget allocations that are considered important and a priority, so that the budgeting process becomes arena of tug of war of interests. In addition to facing In addition to fiscal limitations , this region is also in the process of establishing institutional structures, restructuring the bureaucracy, and distributing authority among regional agencies. This situation creates uncertainty while also opening up greater room for negotiation in the decision -making process. magnitude allocation budget between Head Area, TAPD And Body Budget. As a result, the policy efficiency fiscal No only become instrument management finance, but Also become a political arena that reflects the power relations between actors in regional government that reflect weak transparency and accountability to local communities.

Although studies on fiscal efficiency and budget politics have developed in the literature administration public, part big study Still discuss second draft These issues are discussed separately. Fiscal efficiency studies tend to focus on performance and budget optimization, with a technocratic approach based on the New Public Management approach . Meanwhile, budget politics studies place more emphasis on power dynamics. in process budgeting, However generally done in context area which already has a relatively stable institutional capacity. Thus, there are still limitations in the literature that are integrative and holistic. examines the relationship between fiscal efficiency and contestation of interests, particularly in the context of new autonomous regions, is asymmetric Which currently experience process consolidation institutional And fiscal as well as vulnerable security situation to criminal group disturbance armed (KKB) Free Papua.

Based on this gap, this study fills the gap in the literature by comprehensively examining the relationship between fiscal efficiency policies and the dynamics of interest contestation in process budget politics in Province Papua Mountains. This research views fiscal efficiency not only as a technical policy but also as a governance practice fraught with internal political dimensions, emphasizing the partnership between the government, customary law, and religion. In the context of customary law, religion, and women, the actors are represented by the cultural institution of indigenous Papuans, namely the Mountainous Papuan People's Assembly (MRPP), established by law. Thus, this study provides a theoretical contribution. in integrating perspective fiscal efficiency And political budget, as well as empirical contributions through analysis in the context of new autonomous regions, which are asymmetric in nature in Indonesia, which are still relatively rarely studied.

Stand on on description above, research This focus on the question main: how fiscal efficiency policies interact with the dynamics of contestation of interests in the political budget process in the Papua Mountains Province as a new autonomous region that is asymmetrical. Study This expected can give understanding Which more deep about connection between pressure fiscal, change structure budget, And power dynamics in transparent, accountable and participatory regional financial governance.

2. Literature Review

2.1 Efficiency Fiscal in Perspective Management Finance Public

Fiscal efficiency is a fundamental concept in public financial management, relating to the government's ability to optimally utilize resources to achieve maximum results. In the context of regional government, efficiency fiscal No only interpreted as effort savings budget, but also includes how public spending is allocated appropriately and in accordance with development priorities. Thus, fiscal efficiency has a quantitative dimension. And qualitative, that is No only focus on magnitude expenditure, but also on the quality, benefits and impact of the use of the budget.

In modern public finance literature, fiscal efficiency is often associated with the principle of value for money, which emphasizes three principles, namely economy, efficiency and effective. With these principles, local governments can increase their productivity and competitiveness in public services, allowing the public to feel the presence of their local government. Afonso et al. (2019) emphasized that public sector efficiency does not can released from quality institutions And order manage, Because allocation budget which is efficient depends heavily on institutional capacity in planning and implementing policies [1].

However, the implementation of fiscal efficiency in practice does not always run ideally. Gupta and Verhoeven (2017) show that under conditions of fiscal stress, governments often do not implement spending cuts evenly, but instead select certain priority sectors as targets for adjustments [9]. This suggests that that efficiency fiscal in practice No fully nature rational and technocratic, but is influenced by other strategic considerations. Mardiasmo (2018), fiscal efficiency is a central government intervention that results in [15]: increasing emergence budgetary slack, which is impact weak local government planning and budgeting processes, which are caused by the structure budget income area Still dominated by transfer government As a result, local governments exercise discretion in increasing local revenue, which can burden the public and trigger protests/demonstrations against local governments, leading to stagnation in governance.

In line with this, Bahl and Bird (2018) and Smoke (2020) emphasized that regions with high dependence on central transfers tend to have low fiscal flexibility [2] [25]. This condition limits the scope for policy innovation and makes local government more nature adaptive against central policy Which top -down rather than being proactive in designing efficient fiscal policies. Thus, efficiency fiscal No only is problem technical, but Also related closely related to institutional structures and fiscal relations between levels of government.

Political Budget as Arena Contestation Interest

In contrast to the technocratic approach to fiscal efficiency, the political perspective budget put process budgeting as arena interaction between actors with different interests, preferences, and power. From this perspective, the budget is not seen as the result of rational calculations based solely on a logical framework, but rather as the product of a complex, interest-driven political process that ignores real needs.

Rubin (2020) explains that public budgeting is a process that involves negotiation And compromise between various actor, including executive, legislative, and other interest groups [20]. Each actor seeks to maximize its interests through budgeting process, so that budget allocation decisions ultimately reflect the distribution of power in the government system.

In condition normal, process This can walk relatively stable because resource availability allows for broader compromises. However, under conditions of fiscal stress, these dynamics change significantly. Raudla and Douglas (2022) show that in budget constraints situation, conflict distribution becomes more sharp Because No all interest can accommodated in a way simultaneously [21]. Condition This forces actor to compete more intensely to maintain or obtain budget allocations.

Empirical studies also support this argument. Brender and Drazen (2018) and Veiga and Veiga (2017) show that governments often use budgets as an instrument to maintain political support, particularly in the context of political cycles [4] [29]. Meanwhile, Drazen and Eslava (2017) found that budget reallocation can be selective to support specific groups or sectors deemed politically strategic [6].

At the local government level, the dynamics of budget politics are more complex due to the involvement of various local interests. Borge and Rattsø (2020) show that fiscal pressures drive local governments to make spending adjustments that are not always proportional, reflecting sectoral priorities influenced by particular interests [3]. Thus, budget politics is a crucial factor in understanding how fiscal policy is formulated and implemented.

2.2 Interaction between Efficiency Fiscal And Political Budget

Although fiscal efficiency and budget policy are often seen as two different approaches, in practice these two concepts are complementary. interact closely. Fiscal efficiency provides a normative framework for how the budget should be managed. in a way optimal, while budget politics explains how this process actually occurs in the reality of government.

Under ideal conditions, fiscal efficiency policies are expected to improve the quality of shopping public in a way rational And objective. However, in in practice, Decisions about which sectors to maintain or reduce are often influenced by political considerations. This creates a gap between the theoretical concept of fiscal efficiency and its practical implementation.

Kickert et al. (2020) show that in conditions of fiscal crisis, the government does not only face pressure economy, but Also pressure political in determine budget priorities [12]. Budget reduction decisions are often not based on analysis efficiency solely, but Also on ability actor in influence decision-making process. Thus, fiscal efficiency in practices can be understood as the result of the interaction between technical considerations and political dynamics and intervention government center Which nature top-down And ignore principle bottom-up.

2.3 Efficiency Fiscal And Political Budget in Context Area Autonomous New.

In the context of new autonomous regions, the interaction between fiscal efficiency and budgetary politics becomes more complex. New autonomous regions generally face limited fiscal capacity, low revenue independence, and limited institutional structures. Which Not yet stable. Condition This create pressure double for regional government, namely the need to finance development based on the Regional Development Plan Term Intermediate Region (RPJMD) And Plan Strategic Region (Renstra) at the same time build system government based on principles general good governance.

Fitrani et al. (2022) show that new autonomous regions in Indonesia tend to be highly dependent on central transfers, thus limiting flexibility in budget management [8]. Nasution (2023) also emphasized this. that in condition the, policy fiscal more nature adaptive rather than strategic, Because government area must adapt policy with limited resources the power that available [16]. Mardiasmo (2018), Government Area become weak because of accountability and level of dependency in the central government [15]. Regional governments do not have the creative spirit to initiate development based on self-generated income.

In this situation, fiscal efficiency policy becomes not only a financial management instrument but also an arena for contested interests. Limited resources force local governments to selectively prioritize, ultimately creating room for conflicts of interest between actors. Thus, new autonomous regions provide a relevant context for understanding how fiscal efficiency and budget politics significantly interact.

2.4 Synthesis And Research Gap

Based on the above description, it can be concluded that fiscal efficiency and budget politics are two complementary perspectives in understanding regional financial management. Fiscal efficiency provides a normative framework for how budgets should be managed, while budget politics explains how this process is influenced by power dynamics and interests.

However, most research still discusses both perspectives. in a way separated. Studies efficiency fiscal tend focus on aspect technocratic and performance budget, temporary studies political budget more emphasize on power dynamics in a relatively institutionally stable context. As a result, there are still limitations in the literature that are integrative and holistic examines the relationship between fiscal efficiency and contestation of interests, particularly in the context of new autonomous regions.

Therefore, this study fills this gap by comprehensively examining how fiscal efficiency policies interact with the dynamics of interest contestation in the budgetary political process in the Papua Highlands Province. This study provides a theoretical contribution by integrating the efficiency perspective. fiscal And political budget, as well as contribution empirical through analysis on the context of new autonomous regions which is still relatively rarely studied in previous literature.

3. RESEARCH METHODS

This research use qualitative approach with study design case to analyze the relationship between fiscal efficiency policies and the dynamics of interest contestation in process political budget in Province Papua Mountains. Approach This study was chosen because the research focuses not only on changes in budget figures but also on the decision-making process, institutional considerations, and interactions between actors that influence regional spending allocations. A case study design was used to allow for in-depth exploration of the phenomenon within the specific context of the new, asymmetrical autonomous regions.

The focus of the research is directed at the process of preparing and discussing the Revenue Budget. And Shopping Area (Regional Budget) Province Papua Mountains period 2023–2026. This period was chosen because it represents the initial phase of fiscal consolidation in new autonomous regions, allowing for analysis of budget policy dynamics under conditions of fiscal pressure and limited institutional capacity.

Source data study consists of on data secondary And data primary. Data secondary obtained from document official government area, covering Regional Budget, Note Finance, and the 2023–2026 Budget Realization Report. This document is used to identify patterns of changes in regional revenue and expenditure composition, including shifts in allocations between types of budgets. spending and its implications for priorities regional development.

Primary data was obtained through in-depth interviews with selected informants. use technique purposive sampling, that is election informant in a way The interviews were conducted based on specific criteria, such as direct involvement in the preparation and discussion of the Regional Budget (APBD) and an understanding of the dynamics of budget decision-making. Informants included members of the Regional Government Budget Team (TAPD), officials from the Regional Financial and Asset Management Agency (BPPKAD), officials from the Regional Development Planning, Research, and Innovation Agency (Bapperida), members of the Papua Mountains People's Representative Council (DPRD) involved in the budget agency, and leaders of the Papua Mountains People's Assembly (MRPP) as representatives of the cultural interests of indigenous Papuans. Interviews focused on considerations in implementing fiscal efficiency, the negotiation process between actors, and the dynamics of determining which sectors to maintain or reduce under conditions of fiscal constraints.

Data collection techniques included documentation studies and semi-structured interviews. Documentation studies were used to obtain quantitative data on the structure of the regional budget (APBD), while interviews were used to explore the dynamics of the budget decision-making process. The semi-structured approach allowed flexibility in data exploration while maintaining a consistent research focus.

Analysis data done in a way gradually through technique analysis thematic. On In the first stage, document data is analyzed by comparing the structure of revenue and expenditure between years to identify patterns of change and indications of fiscal pressure. stage second, data results interview transcribed And encoded to in themes main, that is efficiency fiscal, priority budget, And contestation interest. Coding process done for identify patterns argumentation, differences views, and forms of interaction between actors in the budgeting process. In the third stage, document data and interviews analyzed in an integrated manner to explain the relationship between fiscal pressure and political dynamics in the budget decision-making process.

In this study, fiscal efficiency is operationalized as efforts to align regional spending with available revenue capacity, reflected in changes in spending composition and priorities. Meanwhile, contested interests are identified through differing perspectives, competing priorities, and arguments between actors in determining budget allocations.

Validity data guarded through triangulation source And method. Triangulation sources are carried out by comparing data from official documents with interview results, while triangulation method done with combine analysis document and interviews. Furthermore, the consistency of the findings was tested by examining the alignment between the policies outlined in the budget documents and the informants' explanations of the decision-making process. With this approach, this study seeks to produce a comprehensive and scientifically sound analysis.

4. RESULTS AND DISCUSSION

Pressure Fiscal And Contraction Capacity Budget Area

The results of the analysis show that the Papua Mountains Province is experiencing pressure fiscal significant in early period its formation. Trends The consecutive decline in regional revenues after 2024 indicates a contraction in fiscal capacity within a relatively short period.

Decline cumulative Which reach more from 40% No only reflect fluctuations budget, but show existence instability structure fiscal area. In terms of structural, this condition is closely related to the high dependence on transfer from government center. Dependence the causing capacity fiscal area No fully determined by ability internal, but rather greatly influenced by policy external. With Thus, fiscal pressure Which happen No only nature economy, but Also nature institutional,

4.1 Because room policy area become limited.

In context This, government area confronted on situation Which A dilemma. On the one hand, development needs remain high, especially in new autonomous regions that still require infrastructure investment and institutional strengthening. On the other hand, limited revenue forces the government to make rapid budget adjustments due to budget preparation deadlines. This situation creates a double pressure that not only affects the structure but also impacts the government's financial system. budget, but Also process taking decision by for actor internal actors who are part of the local government or non-government actors or non-formal actors originating from cultural institutions that have the potential to influence the continuity of effective governance.

4.2 Efficiency Fiscal as Mechanism Adjustment Which Selective

In response to fiscal pressures, local governments have implemented fiscal efficiency policies through spending adjustments. However, research shows that these efficiencies are not implemented proportionally across all sectors. Operating expenditures tend to be maintained, while capital expenditures experience a significant decline.

This pattern shows that fiscal efficiency in practice is selective. theoretical, efficiency fiscal should based on on optimization allocation resource For reach results Which maximum.

However, in context This, decision Regarding which sectors to reduce is not entirely based on technical analysis, but is also influenced by strategic considerations with political nuances. Furthermore, there are indications that some sectors continue to receive priority despite fiscal constraints, such as certain infrastructure sectors. This suggests that fiscal efficiency is not solely about budget cuts, but also about the redistribution of resources in line with top- down policy preferences.

Thus, fiscal efficiency in this context cannot be understood as process technocratic Which neutral, but as process selective Which influenced by various factor, including institutional interests, actor And priority political.

4.3 Contestation Interest in Condition Limitations Fiscal

Interview results indicate that under conditions of fiscal constraints, the intensity of contestation between actors' interests increases significantly. Limited resources force each actor to seek to maintain or secure budget allocations in accordance with their interests.

One important finding concerns the dynamics between the regional government and the Mountainous Papuan People's Assembly (MRPP). Budgetary constraints mean that the MRPP's allocations are only sufficient for routine expenditures, such as salaries and allowances, while its substantive functions, particularly oversight of special autonomy funds, cannot be optimally implemented. This situation has sparked protests and demands for additional funding from the MRPP, indicating tensions within the region. distribution source Power finance Which adequate. In side That, Not yet the existence of a Regional Regulation which regulates the distribution of special autonomy funding sources for eight regions regency as well as No involvement Assembly People Papua Mountains (MRPP) in providing considerations for the distribution of special autonomy funds, at the priority stage and the temporary budget ceiling (PPAS), may result in budget allocations for marginalized groups of indigenous Papuans not being accommodated proportionally in accordance with the aspirations expressed.

Besides That, there is indication that program priority Which has planned in document planning No fully can accommodated in Regional Budget. This matter reflect existence gap between planning And budgeting between the central government and the Papua Mountains Provincial Government, which ultimately strengthens the contestation of interests between technical regional apparatus as the vanguard in the implementation of regional government.

From a budgetary political perspective, this phenomenon shows that the budget is an arena for the distribution of power. Decisions regarding budget allocation... No only reflect need development, but Also results from negotiations and the tug of war of interests between actors.

4.4 Efficiency Fiscal as Trigger Contestation Interest

The main findings of this study indicate a causal relationship between fiscal efficiency and increasing contestation of interests. The more limited fiscal space, the higher the intensity of competition between actors for resources. finance Which adequate For realize plan Work (plan) which refers to the strategic plan of each regional device.

Fiscal efficiency policy that aim to adjust spending to capacity income actually creates pressure distribution. In the condition in where not all needs wrapped in interests can be met, every decision to reduce or divert the budget becomes very sensitive and has the potential to cause conflict between actors in the executive, legislative and MRPP.

Thus, fiscal efficiency does not only function as a management instrument finance, but Also as mechanism Which trigger dynamics politics in the budgeting process. This shows that there is a close relationship between pressure fiscal And intensity contestation interest inter-actor in new autonomous regions.

4.5 Tension between Approaches Technical And Reality Political

In a way normative, efficiency fiscal understood as process rational And Thematic approaches, aimed at increasing the effectiveness of budget use. However, the results of this study indicate that in practice, there is tension between technical approaches and political realities.

Budget decisions are not solely based on efficiency considerations, but are also influenced by the ability of actors to influence the decision-making process. This leads to a deviation between the theoretical concept of fiscal efficiency and its practical implementation.

Tension This show that compilation budget area No can be understood only through a technocratic approach, but must be seen as a political process involving the distribution of power and interests.

4.6 Implications Theoretical And Policy

Theoretically, this research shows that fiscal efficiency and budget politics are two inseparable concepts. Fiscal efficiency is not only a technical instrument, but also part of the political dynamics. in compilation budget Which rely on on domination budget transfers to regions compared to the proportion of regional Original Income, which is a relatively small proportion in the APBD structure.

Findings This enrich literature with show that in regional context autonomous new Which nature asymmetric, pressure fiscal can change the character of budget decision-making is becoming more political. Thus, an approach that combines economic perspectives, Politics and socio-culture are important in understanding regional financial management in the context of budgeting in new autonomous regions which are asymmetrical in nature.

From a policy perspective, the results of this study show the importance of strengthening regional fiscal capacity, especially through increasing Regional Original Income which is not burdensome economy public in group poor And marginal. Besides that, a mechanism is needed in a more transparent and participatory budgeting stage to reduce the potential for conflict in budget allocation.

4.7 Novelty (Contribution Study)

The novelty of this research lies in the revelation that in the context of new autonomous regions which are asymmetrical in nature, fiscal efficiency not only serves as instrument adjustment budget, but Also as mechanism Which directly trigger and shape the contestation of interests in the budget political process between actors executive and legislative as well as the Papua Mountains People's Assembly (MRPP)

In contrast to previous research which tends to separate fiscal efficiency and budget politics, this research shows that these two aspects interact with each other. in a way dynamic, especially in fiscal stress conditions and limitations in the capacity and duties and functions of regional institutions in interpreting regulations or Permendagri related to the budget preparation guidelines that apply generally in Indonesia.

5. CONCLUSIONS

This study found that fiscal efficiency policy in the context of the Papua Mountains Province does not only function as a technocratic instrument in the preparation of budget, but also becomes a mechanism that directly triggers and shapes the dynamics of contestation of interests in the budget political process. In conditions of fiscal pressure marked by a decline in revenue capacity area, government do adjustment shopping in a way selective, which ultimately narrows the distribution space for resources and increases the intensity of competition between actors.

This finding confirms that fiscal efficiency in practice is not neutral, but is influenced by the configuration of power and interests in the system. government area. In context area autonomous new, limitations Fiscal capacity, coupled with institutional consolidation, strengthens the interaction between technical considerations and political dynamics, so that budget decisions are the result of compromises between actors, not simply rational, performance-based calculations. Thus, fiscal efficiency can be understood as a political arena reflecting the bargaining power distribution in regional financial governance.

Theoretically, study This contribute to integrate fiscal efficiency and budget politics perspective by showing that fiscal pressures are not only influence structure budget, but Also change character Decision-making has become more political. This finding enriches public administration studies, particularly in understanding the dynamics of regional financial management in the context of new autonomous regions still undergoing institutional consolidation.

From a practical perspective, the results of this study demonstrate the importance of strengthening regional fiscal independence by increasing Regional Original Revenue, as well as the need for a more transparent, participatory, and priority-based budgeting mechanism to reduce potential conflicts of interest that could disrupt the implementation of general government affairs in the regions. Therefore, the need for the involvement of non-governmental actors from MRPP in stages Determination of priority for temporary budget ceiling (PPAS), especially in the distribution of sources of Autonomy Funds Special, throughout Not yet existence Regulation Area Special (Special Regional Regulation) which regulates the distribution of special autonomy funds for the Regency . In addition, strengthening function institutional And balance between shopping operation And Capital expenditure and unexpected expenditure are key factors in maintaining the quality of regional financial governance.

Study These own limitations on focus study Which limited on one area And period certain time. Therefore That, further research it is recommended to conduct comparative studies on other new autonomous regions and examine the role of actor non-governmental in process budgeting area use get understanding Which more comprehensive about dynamics political budget in Indonesia.

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