

Attraction of Executive Interest in the Establishment of Regional Regulation Number 3 of 2011 in Medan City

Zakaria, Badaruddin, Heri Kusmanto and Fikarwin Zuska
Faculty of Social and Political Science, Universitas Sumatera Utara, Medan, Indonesia

Keywords: Perda (Regional Regulation), Executive, Community, Political.

Abstract: Public policy is absolutely necessary as a guideline for implementation and technical guidance and also applies internally in the government bureaucracy and required public service standards, elaboration on the community of services to which they are entitled, who can get them, what are the requirements, and what form of service. This will bind the government (state) as the service provider and the community as the service recipient. In making public policy, the Medan City government must prioritize the interests of the community rather than the personal interests or interests of certain groups. And the government should give more time in the socialization of the making of this Perda or regional regulation and better accommodate all proposals and suggestion from the public.

1 INTRODUCTION

Regional Regulation is one of the legal products or regulations that are legally made by the Regional Government in carrying out the administration in the region consisting of the Regional Head and the Regional People's Representative Assembly (DPRD). Regional Regulations have a position in the hierarchy of laws regulations as regulations governing regions in accordance with the conditions and interests of each region. In the establishment of a Regional Regulation, it must consider several aspects and existing provisions to create a good regulation for each region. One of the implementation of public policy in Medan City is the birth of Regional Regulation No. 3 of 2011 where there are several interests such as economic, political and social. This factor is often the main consideration and greatly influences the process and content of public policy. There is a political mission of policy makers that cannot be avoided. Likewise, an understanding of public policy also affect the attitudes of policy makers. One of the policies regarding Regional Regulations that was successfully issued by the Medan City Government and DPRD of Medan City was Regional Regulation No. 3 of 2011 concerning Land and Building Taxes.

Conditions that occur in the Medan city show a pattern of interaction between bureaucracy and

politics in the context of the preparation of regional regulations that contains political interests and the role of interest groups to intervene, and try to influence political decisions between the Mayor of Medan (executive) and the DPRD of Medan City (legislative) so that the bureaucracy and politics like two currencies that will never be separated from each other, although these two institutions have very different characters, they must co-exist. Characteristic of bureaucracy is the form of tiered institutions, recruitment based on expertise, and is impersonal. While politics, is an effort to determine regulations that are acceptable to some citizens to bring the community towards a harmonious common life. Bureaucracy still needs the support of politicians to carry out the public policies that it establishes. On the other hand, politicians also need bureaucratic support which at the real level functions as executors or implementers of public policy (Haryatmoko, 2003).

The Medan City Government through the mechanism of the Regional People's Representative Assembly (DPRD) has compiled and poured a regulatory policy relating to the Land and Building Tax into a Medan City Regional Regulation No. 3 of 2011 concerning the PBB of Rural and Urban. From the observations in the field, various interest groups were identified because these agencies have legal authority as policy makers, and have an impact on the interests of individuals and groups. Researchers try to

explain and explore the role of interest groups through Political Parties, DPRD and Medan City Government.

2 REVIEW OF LITERATURES

2.1 Public Policy

Keban (2004) provides an understanding of public policy can be seen from the philosophical concept, as a product, as a process, and as a framework. As a philosophical concept, policy is a set of principles, or desired conditions, as a product, policy is seen as a series of conclusions or recommendations, and as a process, policy is seen as a way through which an organization can know what is expected of it, that is, programs and mechanisms in achieving its products, and as a framework, policy is a process of bargaining and negotiation to formulate issues and methods of implementation.

While Woll (1966) public policy is a number of government activities to solve problems in society, both directly and through various institutions that affect people's lives. In the implementation of public policies there are three levels of influence as the implications of these government actions namely; 1) there are policy choices or decisions made by politicians, government employees or others who aim to use public authority to influence people's lives, 2) the existence of policy outputs, where policies implemented at this level require the government to make arrangements, budgeting, personnel formation and make regulations in the form of programs that will affect people's lives, 3) the impact of policies which are the effects of policy choices that affect people's lives.

2.2 Interest Groups

Interest groups have an understanding as an organization formed by a number of people because of the similar attitudes, beliefs, and / or goals. The interest groups are basically organized human associations, having membership, leadership patterns, financial resources to finance activities, and communication patterns inside and outside the organization. In the political system, as is the functional structural theory proposed by Almond and Bingham (1995).

The interest group has 4 (four) roles in state life, namely (1) catalyzing system change by advocating and trying to form a collective awareness of the community on important issues in life. Through this

role, interest groups try to develop political will and community initiatives so that they can jointly influence policy; (2) Monitoring or supervising government administration. Conduct criticism to protest if there are indications of abuse of authority and law violations by state officials; (3) facilitate the reconciliation of citizens with justice institutions. This interest group often defends the general public who are often victims of violence and victims of legal injustice by the government, and (4) realizing a number of programs in the context of community empowerment (Gaffar, 1999).

In conveying interests, interest groups may turn into pressure groups if efforts to deliver demands are conveyed intensively by launching extraordinary tactics and political pressure to influence policy, so that the government and political officials are willing to approve their demands (Duverger, 1984). There are also tactics or strategy of the movement carried out by interest groups in conveying their demands through the following methods:

- a. Conveying demands/aspirations to political parties
- b. Participation in the policy formulation process
- c. Lobbying and negotiating with political officials
- d. Make use of personal relationships with the political elite
- e. Submitting criticism and aspirations through the mass media
- f. Non-conventional movements, namely forms of political participation by means of violence such as demonstrations, strikes, blocking roads, large-scale convoys and other acts of violence.

Based on the tactics or strategy of the movement above, the effectiveness of the implementation of the role of interest groups is very dependent on the intensity of the movement, public support for the issues raised, the strength of argument and communication in lobbying and negotiations, interpersonal relations and how much ability to gather as much mass as a source of movement authority in exerting pressure so that it forces the government to follow demands from interest groups (Duverger, 1984).

An interest group is a group of people who form an alliance that is driven by certain interests. These interests can be in the form of general or public interest or interests of certain groups. Examples of alliances that are interest groups, namely mass organizations, alumni associations of a school, groups of origin, and certain hobby groups. Interest groups aim to fight for something "interests" by influencing political institutions in order to obtain favorable decisions or avoid adverse decisions. The interest

group does not try to place its representatives in the House of Representatives, but rather influences one or several parties in it or the competent agency or minister.

2.3 Executive Institutions

An executive institution is an institution that implements laws, in daily life an executive institution is an institution that runs the wheels of government. In democratic countries the executive body usually consists of heads of state such as kings or presidents, and their ministers. According to Budiardjo(2008) stated that: "The Executive Board in a broad sense also includes civil servants and the military. The task of the executive body, according to the traditional interpretation is *azatriaspolitica*, only implements policies that have been determined by the legislature and enforces the laws made by the legislature.

However, in the implementation of the executive institution very freely in the space of motion ". The function of the Local Government is to make policy, development and social. Article 25 of Law Number 32 Year 2004 concerning Regional Government states that the Regional Head has the following duties and authorities:

1. Leading the administration of regional government based on policies determined by the regions
2. Submitting draft of Regional Regulation.
3. Establish a Regional Regulation that has been approved by the DPRD.
4. Arranging and submitting a Regional Regulation plan on the APBD to the DPRD to be discussed and determined together
5. Strive for the implementation of regional obligations
6. Representing the area inside and outside the court, and can show the authority of attorney to represent it in accordance with statutory regulations, and
7. Carry out other duties and authorities in accordance with statutory regulations.

Regional authority as regulated in Law Number 22 Year 1999, article 7 states:

1. Regional authority encompasses authority in all fields of government, except authority in the field of foreign policy, defence, justice, monetary and fiscal affairs, religion and authority in other fields.
2. The authority of other fields, as referred to in paragraph (1) includes policies on macro national development planning, financial balance funds, state administration systems and state economic institutions, development and human resources, utilization of natural resources and strategic high

technology, conservation and national standardization.

Seeing from the authority of autonomous regional government, government can be divided into three groups (Manan, 1996)

1. Government in the strict sense of the administration of executive authority or state administration.
2. Government in a rather broad sense, namely the implementation of certain executive and legislative authority attached to autonomous regional government.
3. Government in the broadest sense which includes all spheres of state positions in the executive, legislative, and so on.

The executive and legislative relationship can be seen from two main alternatives, namely the parliamentary government system and the presidential government system. The government system is defined as a way of working relations as well as functional relations between state institutions. The parliamentary system is usually defined as a form of constitutional democracy possessed by the legislature. Thus, the executive can be dismissed through a vote of no confidence. In contrast to the presidential system, usually the chief executive is directly elected by the people through presidential elections. Because it is directly elected by the people, the president as chief executive cannot be overthrown through a motion of no confidence by parliament. According to the concept of "*triaspolitica*" authority in the state is divided into three namely, Legislative authority, Executive authority and judicial authority.

With the separation system, the concept of "*triaspolitica*" is an atmosphere of "check and balance" because each authority can supervise each other, test it so that it is impossible for the authority organs to exceed the predetermined authority. Thus there will be consideration of authority between these institutions. The concept of "*triaspolitica*" is a modification in the western system of government.

Based on the opinions of the experts above, the researcher argues that the participative dominance of the political legislature can lead to the dominance of the executive or legislative body in government. That is due to competition so that political parties are not united in supporting the government. This situation will make the executive unable to control the members of the council / legislature through the political party concerned (coalition), so that the members of the board will lose their authority over the executive.

2.4 Division of Executive and Legislative Authority

Indonesia adheres to an authority-sharing system which is greatly influenced by philosophical thoughts, especially by philosophers John Lock and Montesquieu. John Lock in the book titled *Treatises on Civil Government* in Ismail Suny (1985) separates authority in each country into legislative authority (the authority to make laws) and also executive authority (implementing laws). The two authorities between the executive and the judiciary must be separated. In addition, every country has other authorities, which are also called federative authorities. Half a century later a philosopher named Montesquieu in his book entitled *"L'Esprit des Lois"* perfected that in every government there are three types of authority namely executive, legislative and judiciary.

According to him, these three authorities must be separated from each other. Jennings (1956) discusses more about "Separation of Authority" and divides it into two meanings, namely the separation of material authority and also the separation of authority in a formal sense. The separation of material authority is the separation of authority in the sense that the distribution of authority is maintained firmly in the tasks or functions of the state which characteristically shows the separation of authorities in three parts (executive, legislative, and judiciary). Whereas what is meant by the separation of authorities in the formal sense is if the division of authority (executive, legislative and judiciary) is not maintained firmly.

The Indonesian constitutional system does not adhere to any state system, but is a unique system according to the personality of the Indonesian nation, but is inseparable from the teachings of *Trias Politica*. *Trias Politica* is a normative principle that authority should not be handed over to the same person to prevent abuse of authority by those in authority so that citizens' human rights are guaranteed and there is no arbitrariness from the authorities. *Trias Politica* which are now being widely applied are, the separation of authority to 3 different institutions: the Legislature, the Executive, and the Judiciary. The legislature is an institution for making laws; the executive is the institution that implements the law; and Judiciary is an institution that oversees the running of the government and the country as a whole, interprets the law if there is a dispute, and imposes sanctions on any institution or individual that violates the law.

With the separation of the 3 authorities in the 3 different institutions, it is hoped that the running of the government of the country will be unequal, avoid

government corruption by one institution, and will bring up a check and balance mechanism (mutual correction, mutual balance). Nevertheless, the course of *Trias Politica* in each country is not always smooth or without obstacles. According to the teachings of the *Trias Politica*, the authority of the State must be separated and each is carried out by its own organs. The separation of authority is not only differentiated and separated from one another, but must also be handed over and carried out by separate organs of the state. The separation of state authority is not in one hand or organ only, so it is feared that it can cause abuse by these organs.

3 METHODS

The research design used in this study is a descriptive method with a qualitative approach. The basic consideration of why a qualitative approach is used, namely: first, the researcher wants to find meaning, understanding, and understanding of a phenomenon, event, or human life by being directly and/or indirectly involved in the setting under study, contextual, and holistic.

The researcher is not collecting data once or all at once and then processing it, but step by step and the meaning is concluded during the process from the beginning to the end of the narrative activity. Second, researchers try to interact with people in these situations in other words researchers try to enter the subjective aspects of people's behavior to understand better on how and what meaning do they construct around events in their daily lives. Third, training sensitivity and adaptability by sharpening the mutual influence and value patterns encountered. The results of the data obtained were done using descriptive-analytical methods.

Descriptive analytical method is also a solution to the problem investigated by describing or describing the state of the subject or object of research (a person, institution, community and others), at the present time based on facts that appear or as they are. There are two characteristics of the descriptive method, namely: first, focusing on the problems that exist when the research is done or the problems that are actual; secondly, describing facts about the issues investigated as they are, accompanied by sufficient rational interpretations.

The location of this research is the Office of the Regional Tax and Retribution Management Agency (BPPRD) of Medan City, the Office of the Regional People's Representative Assembly (DPRD) of Medan City, the Office of the Mayor of Medan, and the

Office of the Land Agency of Medan City, State Enterprises/Private Companies, and the community in Medan City.

4 DISCUSSION

Regional autonomy has implications for governance that must be oriented to improving the welfare of society by always paying attention to the interests and aspirations that grow in society. Many aspects have emerged from regional financial reforms. However, the most common spotlight for regional financial managers is the aspect of fundamental changes in the management of local budgets (Regional Regulation No. 3 of 2011), namely the change from traditional budget to performance budget.

Changes in the regional budget paradigm are carried out to produce regional budgets that truly reflect the interests and expectations of the local community towards economic, efficient and effective management of regional finances. And reduce the role of both executive and legislative interest groups so that the Medan City Regional PAD target is achieved and avoided by dirty games that harm the people of Medan City.

While the rules that must be followed in the Regional Head's policy are Law No.32 of 2004, among others the direct election of regional heads will make the accountability of regional heads stronger than the accountability of DPRD. As a result of these conditions, there will be an emphasis on political authority that is not balanced, so that the position of regional heads is strengthened. That the consequences of direct elections, the DPRD and regional heads will be directly responsible to the voters. Therefore the regional head no longer submits the report.

The responsibility to the DPRD, but the mechanism is regulated in article 27 paragraph 2, therefore the mechanism of responsibility of the Regional Head is regulated as follows: a) Circumstances to the President. The Minister of Home Affairs in the form of LPPD (Regional Government Implementation Report), b) Next to the Regional People's Representative Assembly but in the form of LKPJ (Accountability Statement Report), c) Down to the community in the form of IPPD (information on the Implementation of Regional Government).

The DPRD will continue to have authority in the fields of legislation, budgeting and control if the DPRD is able to use that authority effectively, then the DPRD is expected to be able to create balance and

strength with the executive (Regional Head). Significant changes have occurred in the construction of the current Regional Government, where there is clarity between political officials (Regional Heads and DPRD) and career officials. Political officials are tasked with formulating political policy, while career officials operate the policy into public service.

Based on the description above it appears that with the direct election of regional heads by the people will be able to increase their political legitimacy in leading regional governments and at the same time create checks and balances in relation to the DPRD. However, if the DPRD is too weak or controlled by the same party as the regional head, it will create an authority shift towards executive heavy. For this reason, the empowerment of the DPRD and the community is very important to create a balance between the regional executive and the DPRD.

The Regional House of Representatives is a public policy maker while the Regional Government (Regional Head) is the implementer of public policy. But both have their respective duties and functions, as stated in article 25 of Law No.32 of 2004 concerning the duties and authorities of Regional Heads, as well as the duties and functions of the Regional House of Representatives listed in article 1 point four, which states that the DPRD is an institution people's representatives as elements of regional government organizers. The article shows that the Regional House of Representatives has a position that is as a people's representative and as an element of regional government administrators. These two positions often cause problems, especially in conflicts of interest which will complicate the position of the DPRD's political elite in the decision making process, especially in determining public policy.

The interest groups, especially the executive in the enactment of Regional Regulation No. 3 of 2011 in Medan, have an executive effort to influence the placement of articles on tariffs and tax targets whose results are then expected to be a tool for political campaigns and imaging to the public. While other interest groups include the legislative, property developers, land speculators, mass organizations in the city of Medan trying to influence the placement of articles on tariffs, the sale value of tax objects, the determination and reduction of tax targets that the end result of political transactions for the interests of the party, personal, colleagues and cronies who will benefit as much as possible from the difference in the rates and value of the tax object.

The view of Perda No. 3/2011 as the target of the Medan City government in realizing PAD determines the UN target based on its own will without academic

studies and consideration of its tax potential (it can be seen that the UN target jumped up 100% more in 2012 when it became a local tax). As a result, the Medan City Government's balance sheet has soared but the potential sources are unclear. By raising the tax target, especially the United Nations, it seems to indicate a good performance and successfully made a breakthrough in achieving PAD.

Policies that prioritize procedures for managing the budget by carrying out large-scale spending and accommodating it into the budget of the new Medan Municipal Government then determine its resources (buy/procure and then adjust the funds), resulting in the many Pemko Medan projects that cannot be paid for and camouflaged by the tax target as a source of PAD was not achieved, whereas on the one hand the determination was not based on academic studies and the potential value of the region. Determine the UN tax rate based on Perda No. 3 of 2011 only 2 tariffs, namely 0.2 for under 1 billion tax object sales value and 0.3 for NJOP above 1 billion, so that people are burdened with significant taxes without going through thorough study and calculation".

According to Ahmad Arif in an interview in July 2018 stated: "Because this is an interest of the Medan Municipal Government in adding PAD as a real support, our interests are only fighting for the aspirations of the people. Yes, there really is because the determination of the tax proceeds is too large so that changes to the Perda occur by issuing Perda No. 6 of 2012 as an amendment to Law No. 3 of 2011. At that time, the aspirations of our people were conveyed and an agreement was made to make important changes. Because this tax is a mainstay in the development of Medan City".

Seeing these conditions, we can analyze that the stipulation of policies or regulations that become the basis for running a governmental wheel based on the wants and needs of the people and to create good local government (good local government) is only an issue and phenomenon at the theoretical level and the result of relations between the executive and legislative branch in a discussion on Perda No. 3/2011 does not seem to have implications for the development and welfare of the people of Medan City, the results may be directly at the level of the bureaucracy and stakeholders.

Public policy issued after approximately nine months processed in the womb of the government plus the DPRD is an effort to tackle the problems faced by the community in an area, because it is an effort to tackle public problems, the policy should favor the interests of the people. It would be very logical if the problem and alternative solutions to the

problem also come from the people and this is where the function of development is not just a spark of thought or even imagination of the policy makers in the house of the people's representatives plus the government.

5 CONCLUSIONS

In the process of establishing Regional Regulation No. 3 of 2011 in Medan City, some of the main actors involved, that are the executive, legislative and various community organizations that seem to have a direct interest in the Regional Regulation, play the most dominant role, especially in providing suggestion on the legality aspects and information about whether or not a Regional Regulation is born. Whereas the legislature has more absorbent role than those who defend and fight for the interests of the community.

In making public policy, the Medan City government must prioritize the interests of the community rather than the personal interests or interests of certain groups. And the government should give more time in the socialization of the making of this Perda and better accommodate all proposals and suggestion from the public, so that the interests of the community can be a counterweight to the interests of the government.

REFERENCES

- Almond, G.A., Bingham, G.P., 1995. *Comparative politic today: A world view*, Little Brown. Boston.
- Budiardjo, M., 2008. *Dasar-dasar ilmu politik*, PT. Ikrar Mandiri Abadi. Jakarta.
- Duverger, M., 1984. *Partai Politik dan kelompok-kelompok penekan*, Bina Aksara. Jakarta.
- Gaffar, A., 1999. *Politik indonesia: Transisi menuju demokrasi*, Pustaka Pelajar. Yogyakarta.
- Haryatmoko, 2003. *Etika politik dan kekuasaan*, Buku Kompas. Jakarta.
- Jennings, I., 1956. *The approach to self-government*, Cambridge University Press. Cambridge.
- Keban, T.Y., 2004. *Enam dimensi strategis administrasi publik*, Gava Media. Yogyakarta.
- Manan, B., 1996. *Politik hukum otonomi sepanjang peraturan perundang-undangan pemerintah daerah*, Pustaka Sinar Harapan. Jakarta.
- Suny, I., 1985. *Pembagian kekuasaan negara: Suatu penyelidikan perbandingan dalam hukum tata negara Inggris, Amerika Serikat, Uni Soviet dan Indonesia*, Aksara Baru. Jakarta.
- Woll, P., 1966. *Public administration and policy*, Harper Torchbooks. New York.