



Efficiency or Illusion? Reading the 2025 DIPA Block and TKD Reserve from the Perspective of Spending Review and Ibn Khaldun

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Abstract

Budget efficiency in 2025 has become a key term in Indonesia's fiscal governance as spending space narrows, while the need for public services and priority programs increases. However, efficiency is often debated: is it really spending better or just administrative cuts that risk suppressing productive spending and shifting the burden of adjustment to the regions? This study aims to analyze the design of the 2025 efficiency policy and its implications for spending composition and governance integrity, using a synthesis of the spending review framework and the perspective of Ibn Khaldun (mulk, adl, umran, taraf, fasad). The method used is qualitative with directed qualitative content analysis of policy documents and supporting documents on budgeting and supervision (Presidential Instruction 1/2025, operational provisions for adjustments, and summaries of related documents). The findings show that efficiency is designed as a front-loaded spending control regime through DIPA blocking at ministries/agencies and TKD reserves, with a focus on cutting bureaucratic transaction costs in the regions. This policy has the potential to improve spending discipline, but it also poses the risk of false efficiency if it is not accompanied by program evaluation, protection of basic services, transparency of criteria, and risk-based oversight that prevents wasteful substitution.

BACKGROUND

Budget efficiency has once again become a key word in Indonesia's fiscal management as spending space is narrowed by simultaneous pressures: the need to finance priority programs, global economic volatility, demands for fiscal stability, and public expectations for basic services that must not decline in quality. The government issued Presidential Instruction (Inpres) No. 1 of 2025 on spending efficiency in the implementation of the State Budget (APBN) and Regional Budgets (APBD)(BPK, 2025) , with a large national aggregate efficiency target and a broad mandate for tightening across ministries/agencies and local governments. However, from the outset, efficiency in fiscal policy practice has always been a matter of debate: it can be a strategy for *spending better*, but it can also turn into spending cuts that reduce the state's capacity to finance development, especially when it is productive spending and public services that are cut (Khusaini, 2019) .

The main controversy surrounding efficiency policies is not merely the amount of savings, but rather their definition and mechanisms: whether efficiency is understood as improving allocation, improving the quality of spending, and eliminating waste; or as quick cuts that are easy to execute because they target the most administratively flexible items (business trips, meetings, goods purchases, and even project delays). This debate is important because cross-country experience shows that fiscal consolidation is neither economically nor socially neutral. The impact of austerity policies is greatly influenced by the composition of the spending being corrected and how the government manages the transition whether spending reforms are accompanied by program evaluations, protection of basic services, and restructuring of bureaucratic incentives; or whether they are merely administrative tightening that shifts the burden of adjustment to the weakest levels (e.g., local governments) without mitigating public service risks.

The public policy and fiscal economics literature makes a clear distinction between *ad hoc* spending cuts and systematic *spending reviews* (Alesina et al., 2019; Ilzetzi et al., 2013; Nikijuluw & Serang, 2014). *Spending review* is understood as a structured analytical process to assess existing spending, find room for efficiency, and reorganize priorities based on evidence (Bandiera et al., 2009; Bank, 2020). It is at this point that efficiency policies should become the gateway to improving spending quality: reducing waste, closing gaps in inefficiency and leakage, strengthening accountability, while protecting spending that supports long-term welfare and productivity. However, the shift from cutting to improving spending quality requires governance prerequisites: clear operational definitions, transparent criteria, program evaluation capacity, and oversight mechanisms capable of distinguishing between non-essential spending and spending that should be maintained (Lewis, 2023; Ramdany & Chaeriyah, 2023).

The problem is that research on budget efficiency in Indonesia still shows three limitations. First, many studies stop at normative descriptions, such as calling for savings without analyzing how policy instruments (such as presidential instructions) change the relationship between authority, budgeting procedures, and the discretion of implementation in ministries/agencies and local governments. Second, studies that link efficiency with growth and welfare often rely on aggregate indicators (deficit, debt ratio, spending) but fail to trace the causal mechanisms of policy: which items are cut, how the process works, and what the consequences are for governance in the field. Third, ethical-political readings of fiscal policy, particularly from the classical Islamic tradition, often appear as moral commentary but are rarely operationalized into a replicable analytical framework that can systematically test policy documents for evidence (Kristiantoro et al., 2018; Lewis, 2023).

To address this gap, this article develops an interpretation of the 2025 budget efficiency policy through two conceptual bridges. The first bridge is the *spending review* framework as a standard of spending governance: efficiency is understood not as reducing numbers, but as restructuring spending based on performance evaluation, value of benefits, and the risk of waste. The second bridge is Ibn Khaldun's perspective, which emphasizes the relationship between power (*mulk*), socio-economic prosperity (*'umran*), and the quality of governance

(justice and administrative discipline). In Khaldun's framework, the stability and sustainability of a country is not only determined by its capacity to collect and spend resources, but also by its ability to limit bureaucratic waste, avoid unproductive fiscal burdens, and maintain fairness in the distribution of the burdens and benefits of policies. This perspective is relevant for interpreting efficiency policies as an arena of conflict between two directions: (i) efficiency that strengthens *'umran* through productive spending, basic services, and integrity; versus (ii) pseudo-efficiency that increases distortion, normalizes administrative cuts without program evaluation, and ultimately weakens the capacity of the state and regions.

Based on this framework, this article poses the following research questions: (1) How does the 2025 Presidential Instruction on Efficiency construct the definition of efficiency and its implementation mechanisms in central and regional spending? (2) What patterns emerge from policy documents regarding spending items prioritized for correction, and what are the implications for the protection of basic service spending and productive spending? (3) How can this efficiency policy be understood through the lens of Ibn Khaldun regarding administrative discipline, bureaucratic waste, and the sustainability of *'umran*? With this focus, the article does not intend to morally judge the rightness or wrongness of efficiency, but rather to map policy mechanisms, implementation patterns, and governance risks arising from the design of instruments and bureaucratic practices.

This research provides three main contributions that affirm its academic added value. First, a theoretical contribution: operationalizing Ibn Khaldun's concepts into a fiscal policy reading tool that can be traced in documentary evidence, so that the classical perspective does not stop at moral narratives but becomes a replicable analytical framework. Second, empirical contribution: mapping how the 2025 efficiency instruments shape spending control mechanisms and implementation discretion, and identifying spending items most vulnerable to administrative cuts. Third, policy contribution: formulating the implications of an efficiency design that is more in line with the principle of *spending better*, namely efficiency based on program evaluation and the risk of waste, so that savings do not sacrifice basic services and productive spending that support *'umran*.

METHOD

This study uses a qualitative design with a *directed qualitative content analysis* strategy to assess how the 2025 efficiency policy is constructed and implemented through official documents (Husna & Suryana, 2017). The *directed* approach was chosen because the analysis is guided by a conceptual framework that has been established by *spending reviews* and Ibn Khaldun indicators, but still leaves room for new themes that emerge from the data. Case and unit of analysis This study focuses on one case of national policy, namely the implementation of the 2025 budget efficiency at the central and regional levels (Dewi et al., 2023). The units of analysis are policy texts (dictums, clauses, attachments, and technical provisions) and implementation traces reflected in budgeting and oversight documents. The corpus includes: (1) Presidential Instruction 1/2025 and derivative/technical documents related to efficiency; (2)

budgeting documents (summary of DIPA/RKA or publicly available information on K/L-local government expenditure adjustments); (3) performance documents (summary LKjIP/LAKIP, if available) to link efficiency with service output; and (4) oversight/audit documents (summary of findings or relevant audit reports) to capture signals of waste and non-compliance. All documents are collected from official websites (JDIH, ministries, local governments, audit institutions) and archived with metadata (date, publisher, document type, URL). Validity is maintained through document triangulation (policy, budgeting, audit), audit trail of coding decisions, and *negative case analysis* to test findings that contradict the dominant pattern(Asyari, 2017; Puteri, n.d.) .

RESULTS AND DISCUSSION

Regulatory design and efficiency execution mechanisms

The first finding shows that Presidential Instruction 1/2025 defines efficiency as a mandate-based expenditure review that covers three areas simultaneously: K/L expenditure in the state budget (APBN), regional budget (APBD), and transfers to regions (TKD). This instruction is not merely a call for savings, but rather a *command-and-control instrument* that sets national efficiency targets and distributes adjustment obligations through the central-regional fiscal command chain. The Presidential Instruction was signed and came into effect on January 22, 2025, marking the start of an efficiency regime with a very tight execution timeframe (weeks, not semesters).

The efficiency target is explicitly set at a total of Rp306,695,177,420,000, consisting of Rp256.1 trillion for K/L spending and Rp50.595 trillion for TKD(KEMENKEU, 2025c) . The setting of figures at the presidential instruction level is important because it locks in savings targets as a *fiscal anchor* that must be translated into revisions to the operational budget (DIPA block) and adjustments to TKD allocations. In other words, efficiency here is a *binding* quantitative target that forces changes in the execution of the current budget(KEMENKEU, 2025a).

The execution mechanism at ministries/agencies is built through three layers of control. First, ministries/agencies are required to identify efficiency plans in accordance with the amount determined by the Minister of Finance. Second, cuts are directed at specific items: office operational expenses, maintenance, business travel, government assistance, infrastructure development, and procurement of equipment/machinery, while personnel expenses and social assistance expenses are excluded. Third, the results of the identification must be brought to the DPR Commission partners for approval, then proposed as a revision in the form of a budget freeze to the Minister of Finance with a deadline of February 14, 2025, at the latest. The combination of the DPR's approval target and the DIPA freeze shows a design that places efficiency as a fast administrative process with a *hard deadline* and strong vertical control. The blocking pattern emerges as a key instrument of the(KEMENKEU, 2025c) . The Minister of Finance is instructed to revise the K/L budget by blocking the budget and listing it in the notes on page IVA of the DIPA. This is an important finding because it indicates that efficiency does not always mean the permanent elimination of programs, but can take the form of reserving/withholding spending space that reduces the flexibility of K/L execution throughout the fiscal year. In terms of

governance, DIPA blocking creates *front-loaded tightening*: K/L adjust early on by reducing spending commitment space.

At the regional level, the Presidential Instruction not only sets the amount, but also provides a list of spending behaviors that must be reduced (Detik.com, 2025). Governors and regents/mayors are instructed to: limit ceremonial spending, studies, comparative studies, printing/publications, seminars/FGDs; reduce official travel expenses by 50%; limit honoraria (the number of teams and the amount of honoraria refer to standards); to reduce supporting expenditures without measurable outputs; and to focus the budget on public service performance targets rather than on equal distribution among regional agencies or previous year patterns. This shows that regional efficiency is designed as a reduction in bureaucratic transaction costs and control of expenditures that are difficult to link to outputs/outcomes (Detik Finance, 2025).

Notably, the Presidential Instruction places the Minister of Home Affairs as the supervisor of APBD efficiency, and BPKP as the supervisor of the implementation of presidential instructions. In the closing section, the Presidential Instruction emphasizes implementation with full responsibility and maintaining good governance. Thus, the compliance mechanism is not only administrative (DIPA blocking), but also execution oversight (monitoring by the Minister of Home Affairs and oversight by BPKP), which indicates that efficiency is treated as a governance agenda, not merely an accounting agenda.

Patterns of reallocation and adjustment of expenditure composition (central/TKD)

The second finding shows that adjustments do not stop at cutting items, but also form a pattern of reallocation through the reservation of several transfer components. The Presidential Instruction explicitly orders the Minister of Finance to determine adjustments to TKD allocations from six sources: underpayment of DBH, DAU designated for public works, DAK Fisik, Special Autonomy Funds, DIY Special Funds, and Village Funds (Detik.com, 2025). This means that the TKD correction is designed to primarily reduce components that intersect with physical/infrastructure spending and regional fiscal space that depends on earmarked transfers.

The amount per source is also determined: Underpayment of DBH (Regional Revenue Sharing) of IDR 13.903 trillion, DAU (General Allocation Fund, whose use is determined for public works) of IDR 15.675 trillion, DAK Fisik (Physical Special Allocation Fund) of IDR 18.306 trillion, Dana Otsus (Special Autonomy Fund) of IDR 509.455 billion, Dana Keistimewaan DIY (DIY Special Fund) of IDR 200 billion, and Dana Desa (Village Fund) of IDR 2 trillion. Compositionally, the largest portions come from Physical DAK and DAU-PU, which are directly related to the capacity of regions to finance physical projects and infrastructure-based services. This indicates a classic consolidation risk: austerity tends to put pressure on capital/physical spending early on because these items are easier to hold back administratively than other mandatory spending (Ramdany & Chaeriyah, 2023).

Minister of Finance Decree No. 29 of 2025 is an operational tool that concretizes the mandate of the Presidential Instruction (KEMENKEU, 2025b). This Minister of Finance Decree stipulates detailed adjustments to TKD

allocations by province/district/city and confirms that the adjustments consist of: DBH, DAU, DAK Fisik, Otsus, DIY Special Privileges, and Village Funds underpayments. Thus, TKD efficiency moves from the aggregate level to the local government (regional) level with figures that can be traced in the appendix.

Interestingly, KMK 29/2025 shows that the adjustments are not merely net cuts, but are framed as ceilings + reserves in several items. For example, in the case of DBH Underpayments, the KMK lists a ceiling consisting of Underpayments and Underpayment Reserves with equal values. Similarly, for DAU: KMK displays the total DAU ceiling and separates DAU detailed by region and DAU Reserve sourced from DAU designated for public works. This reserve pattern indicates a *withholding* strategy: the central government holds back part of the transfer space as a reserve, so that effective distribution to the regions is reduced (or delayed) until further decisions are made.

For Physical DAK, KMK confirms a similar structure: the total Physical DAK ceiling is divided into allocations detailed by region and Physical DAK reserves. Physical DAK reserves are recorded as very large (tens of trillions), and their sources are further broken down (e.g., connectivity and other areas). This confirms that the efficiency instrument works as a reprofiling of subnational investment: physical projects that are generally financed by Physical DAK become the main target of reserves, which has the potential to delay work schedules, shift project priorities, or force regions to make adjustments to their regional budgets.

At the K/L level, the Presidential Instruction adds a priority logic that limits the scope for efficiency in certain areas: budgets from loans/grants, pure rupiah matching funds (with the exception of those that cannot be implemented by the end of the year), PNBP-BLU (except those deposited into the state treasury), and SBSN that are *underlying assets*. This finding is important because it shows that there is a protection zone for spending that is bound by contracts/financing commitments, while efficiency is more likely to burden flexible regular spending. Thus, in terms of composition, the pressure for efficiency tends to fall on operational spending, program support spending, and some development spending that is not bound by special financing schemes.

The combination of (a) blocking DIPA in ministries/agencies and (b) reserving TKD through KMK creates an asymmetrical realignment pattern: the central government controls fiscal space through administrative mechanisms, while the regions bear the adjustment through reduced transfers and the obligation to reorganize their regional budgets by cutting bureaucratic transaction costs (business trips, ceremonies, honoraria) and supporting expenditures without output. In the context of public spending, this is a reallocation from spending that is considered to be low in productivity to spending that is justified as public services, although the effectiveness of this shift is highly dependent on the quality of implementation and discipline in controlling spending at the work unit level.

Governance and integrity of implementation

The third finding concerns how efficiency instruments are designed to influence governance, and what are the implied integrity consequences of their mechanisms. First, the Presidential Instruction sets normative *guardrails*:

personnel expenditure and social assistance are excluded from K/L efficiency identification, which theoretically protects minimum redistributive functions and civil service remuneration obligations. However, this exclusion also means that the burden of adjustment tends to be concentrated on goods/services spending, maintenance spending, travel spending, and some capital spending, which often become areas for practice inflation as well as service innovation, so that the risks of moral hazard and service quality decline are equally possible.

Second, the formal governance of K/L efficiency forces an *accountability loop* with the DPR: the results of efficiency identification must be approved by the DPR Commission partner before being proposed as a block. This mechanism creates a clear procedural trail (review → approval → block), which on the one hand increases the political legitimacy of austerity, but on the other hand has the potential to make efficiency a negotiation of safe cuts rather than a performance-based program evaluation. With a deadline of February 14, 2025, this process risks prioritizing quick action over *deep program review*.

Third, at the regional level, the list of specific instructions—a 50% cut in official travel, restrictions on honoraria, restrictions on ceremonial activities/comparative studies/seminars—implicitly acknowledges that the weak point for waste lies in bureaucratic transaction costs. This demonstrates an orientation toward integrity: efficiency is directed at closing spending areas that (a) are difficult to measure in terms of output, (b) are easily manipulated, and (c) are often flexible items in budgeting practices. However, its effectiveness depends on how local governments translate measurable outputs and how internal controls prevent substitution of waste (e.g., waste that shifts to other items).

Fourth, institutional oversight is clarified. The Minister of Home Affairs is mandated to monitor the efficiency of regional spending, while the Financial and Development Supervisory Agency (BPKP) is tasked with overseeing the implementation of the Presidential Instruction. In the final section, the Presidential Instruction emphasizes implementation while maintaining good governance. Conceptually, this shifts efficiency from mere *budget cutting* to a *governance reform* agenda, at least at the document design level. However, because the main instruments at the central level are DIPA blocking and at the TKD level are reserves, the integrity of implementation will be largely determined by the transparency of the blocking/reserve criteria, the consistency of oversight, and the quality of reporting on the results of efficiency in public services.

Reserves create uncertainty in cash flow for regions, which can trigger two conflicting responses: (1) a positive response in the form of rearranging priorities towards spending that has a real impact; or (2) a negative response in the form of program delays, weakening of service/infrastructure maintenance, and increased incentives to secure remaining spending through non-ideal practices. Thus, from a governance perspective, the success of the 2025 efficiency program is not only determined by savings figures, but also by blocking and reserve mechanisms followed by program evaluation, protection of basic services, and oversight capable of detecting wasteful substitution.

DISCUSSION

The findings in the results section show that the 2025 efficiency is built as a *front-loaded* spending control regime: at the central government level through the *DIPA blocking* mechanism and very fast deadlines, while at the regional level through a combination of instructions to cut bureaucratic transaction costs and TKD adjustments that make extensive use of withholding patterns. On the one hand, this design affirms the state's capacity to consolidate fiscal control when spending space narrows. However, on the other hand, this is precisely where the risk of pseudo-efficiency intensifies: efficiency becomes synonymous with administrative measures (blocking/reserves/cutting official travel) that are easy to implement, but do not necessarily reform programs, improve spending productivity, and even have the potential to suppress development spending that supports public services.

Ibn Khaldun's synthesis and spending review

From the perspective of *spending review* (OECD), efficiency is ideally a systematic analytical process of existing spending to create fiscal space, reallocate priorities, and increase program effectiveness, not just ad hoc cuts. If the Presidential Instruction is positioned as a *mandated spending review*, then success is not only measured by the amount of savings, but also by the ability to shift spending from high-cost but low-impact activities to spending with measurable outputs/outcomes. From this perspective, the DIPA blocking mechanism and TKD reserves are only entry points for control; they do not automatically result in *better spending* if they are not accompanied by program evaluations, priority criteria, and reporting on the impact of services (Affandi & Astuti, 2014).

At the same point, Ibnu Khaldun's perspective helps us understand that efficiency is not merely a matter of numbers, but also a matter of power relations, governance, and the sustainability of prosperity (*'umran*) (Azhar et al., 2024; Khaldun, 2014). *Top-down* instructions and the restructuring of budgetary discretion demonstrate the strengthening of the *mulk* (state authority) dimension: when fiscal pressure increases, the center tends to centralize control to keep spending under control. However, for Khaldun, strengthening authority will only benefit the state if it is directed towards maintaining *'adl* (fair governance) and avoiding *taraf* (luxury/bureaucratic waste) that weakens the community's productive base (Anwar et al., 2025). In other words, efficiency becomes *Khaldunian* when it curbs bureaucratic waste and improves the fairness of allocation, thereby increasing socio-economic capacity; conversely, efficiency becomes anti-*'umran* when it suppresses productive spending, delays basic services, and shifts the burden of adjustment to the weakest actors (e.g., regions) without structural correction (Alatas, 2014).

The risk of pseudo-efficiency (*administrative tightening without program reform*)

The first risk of false efficiency is substitution of waste. Instructions to reduce business trips, meetings, seminars, and honoraria do indeed close off areas of spending that often have no clear output. However, bureaucracy is adaptive: without performance-based controls, waste can simply take on a different form, such as shifting to other areas of spending that are more difficult to monitor. In

Khaldun's terms, this is a symptom of administrative *facade*: governance problems do not disappear, they only change form. Therefore, efficiency that only targets items that are easy to cut risks producing savings in numbers without changing behavior and incentives (Chapra, 2008) .

The second risk is the delay/reduction of productive spending. The reserve pattern in the Physical DAK and DAU, whose use is determined (PU field), indicates that the TKD adjustment mostly affects transfers that are usually related to physical projects and infrastructure support (Devarajan et al., 1996) . In the literature on fiscal consolidation, the composition of these austerity measures is important: when public investment is sacrificed, the contractionary effects and social costs tend to be greater than if savings focus on waste and low-productivity spending. For Khaldun, cutting spending that supports economic activity and basic services can erode *'umran* not because the state is being frugal, but because the local economy weakens, infrastructure quality declines, and public confidence in the state's capacity plummets.

The third risk is that rapid cuts trump thorough evaluation. Tight deadlines (e.g., the obligation to identify efficiencies and block procedures) encourage a pragmatic approach: find items that can be cut immediately, rather than examining the overall effectiveness of programs. This results in policy bias: contractual/fixed spending tends to be protected, while flexible regular spending bears the brunt of adjustments. In fact, the programs most in need of evaluation are often found in regular spending: routine activities, government assistance, operational support, and items spread across many work units. Without explicit program evaluation, efficiency becomes a *cash management* technique rather than spending reform.

The fourth risk is central-regional fiscal inequality. When TKD is reserved and regions are required to organize their regional budgets by cutting bureaucratic spending, regions face double pressure: reduced fiscal space and the demand to maintain services. Without technical support (priority frameworks, minimum service indicators, and mandatory spending protection mechanisms), regions with weak capacities may pay for efficiency with a decline in service quality or delayed maintenance. In Khaldun's view, this is dangerous: the burden of unfair adjustments triggers an erosion of legitimacy and accelerates the cycle of governance decline.

Boundary conditions: when does efficiency become productive and *pro-'umran*?

Efficiency becomes productive when it meets at least four boundary conditions. *First*, the criteria for protecting productive spending and basic services must be explicit and measurable. If efficiency is left as a general cutback, capital spending and maintenance that support services often become silent victims. Therefore, productive efficiency requires minimal *ring-fencing*: basic services (health, education, water, sanitation, disaster management) and critical asset maintenance must be protected with clear output indicators. *Second*, efficiency must be guided by evidence-based spending reviews, not just lists of items. Lists of items such as business trips or seminars are important as *quick wins*, but Q1-level governance demands a further stage: program evaluation (what is effective and what is not), *cost drivers* (why it is expensive), and accountable reallocation

options. This is where the OECD is relevant: spending reviews are a systematic analytical process of existing spending to increase fiscal space and policy effectiveness. Without this analytical stage, efficiency is prone to becoming an annual accounting exercise.

Third, transparency of blocks and reserves must be accompanied by performance-based release mechanisms. If blocks/reserves do not have clear release rules, they become uncertainties that constrain planning, increase transaction costs, and encourage defensive behavior (securing spending). Productive efficiency requires: outcome-based release criteria, clear timelines, and public reporting on what is blocked, what is released, and the impact on services. *Fourth*, the integrity of implementation must be supported by risk-based audits and *accountability for results*. When waste is a problem, oversight is not sufficient for administrative compliance; it needs to target vulnerable areas (procurement, business travel, government assistance, and support spending) and ensure that waste is not substituted. In Khaldun's framework, this is the enforcement of *'adl* to prevent *facades*: improving administrative discipline so that state resources truly strengthen *'umran*.

Thus, Khaldun's synthesis and spending review send a clear message: healthy efficiency is not just about being smaller, but also about being fairer, cleaner, and more productive. The 2025 efficiency regime already has strong control mechanisms (blocks and reserves) and a list of bureaucratic cost-cutting measures. The challenge is to transform these controls into evidence-based spending reforms: protecting productive spending, ensuring measurable reallocations, and closing loopholes so that efficiency truly becomes a strategy for strengthening *'umran*, rather than merely administrative tightening that leaves a paper trail of savings.

CONCLUSION

In Ibn Khaldun's view, reading efficiency 2025 as more than just budget cuts. Within the OECD framework, *spending review* is a systematic analytical process of existing spending to create fiscal space, reallocate priorities, and improve program effectiveness, not just administrative savings. From Khaldun's perspective, fiscal policy is assessed based on its impact on *'umran* (economic and social vitality) and the quality of governance: strengthening *mulk* (authority) must be directed towards upholding *'adl* (justice), reducing *taraf* (bureaucratic extravagance), and preventing *fasad* (administrative corruption). Efficiency is considered healthy if it curbs waste while protecting productive spending and basic services. The main risk is false efficiency: savings that stop at blocking/reserves and cutting easy items (business trips, meetings, honoraria), but do not touch program evaluation, do not change bureaucratic incentives, and trigger the substitution of waste to other items. Another risk is composition bias: austerity tends to suppress physical/investment spending that actually supports service output, thereby weakening *'umran* in the medium term. Efficiency becomes productive when it meets the following conditions: (1) ring-fencing basic services and productive spending with output/outcome indicators; (2) reallocation based on program evaluation (not a list of items); (3) transparency of blocks/reserves and performance-based release criteria; and (4) risk-based integrity monitoring to prevent facades. Thus, the measure of efficiency success

is not only how much is saved, but whether spending becomes fairer, cleaner, and more effective.

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