

The Effect of Budget Planning, Fiscal Capacity to Education Capacity (Sharia Maqashid Review)

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Abstract:- This study discusses budget planning, fiscal capacity to education capacity from the point of view of sharia maqashid study in research locations in Gorontalo with stakeholders in the budget, quantitative and qualitative research methods produce hypotheses of no influence and significant influence on planning on educational capacity directly or indirectly through fiscal capacity.

Keywords:- Budget Planning, Fiscal Capacity, Capacity of Education, Islamic Maqashid.

I. BACKGROUND

Humans as servants of God are destined to develop enormous tasks as representatives of God on earth as khalifatul fil lillah on earth persada, in the process of transformation and enjoyment of God's laws sent by prophets and apostles as pioneers of da'wah and education.

Education is one of the forms in the spread of the extent of the rules of God's laws and becomes something that is essential for humans. Education is a process of direction and guidance to realize the whole person; mind and heart; spiritual and physical, moral and skillful so that they are ready to live a good life wherever and whenever based on values. Education is one of the most basic human rights. Humans find their essence in their intellectual potential. Education was born as a systematic way created by social agreements, efforts to uphold the humanitarian process.

The budget is a policy instrument that is owned by the Government to draw a comprehensive statement of the country's priorities. The budget also has the understanding as a statement about the estimated performance to be achieved over a certain period of time expressed in financial measures.

The financial budgeting system has not been neatly organized during the period because the budget preparation process was adjusted to the characteristics of the Indonesian people. Phase budgeting becomes very important, because the budget is not effective and performance-oriented will be able to thwart the plans that have been prepared. So the purpose of budgeting must be understood by budget policy makers

The Province of Gorontalo, which is based on custom based on syara, syara with Islamic scriptures has implemented budgeting according to the law, so the basic thought is whether Gorontalo has implemented the budget planning process and its fiscal capacity has been able to realize the educational capacity of the Gorontalo community as desired. the mandate of the education law,

Based on the phenomenon and description of the background of the problem, there are a number of problem formulations as follows:

- Does budget planning have a direct and indirect effect through fiscal capacity positively and significantly on community education capacity?
- Does fiscal capacity directly and significantly influence the capacity of public education?

➤ Research Purposes

- To analyze budget planning has direct and indirect effects through fiscal capacity positively and significantly on the capacity of public education.
- To analyze fiscal capacity, it has a direct and significant effect on community education capacity

➤ Theoretical Review

The theoretical review is based on the basic theories and theories that will be the reference for the formulation of the problem in each discussion, in a theoretical review there are two basic theories that are used in the effects of planning and fiscal capacity on community education capacity in Gorontalo Province.

First, the theory used in compiling this paper is the al-Ghazali's basic needs theory approach (w.505 / 111M) and As-Syathibi (w.790 / 1388 AD) about *ad-dharuriyyat alkhams*, which explains that the basic needs of humans in Islam is guarding the faith, soul, intellect, honor, and wealth. Then it was abstracted by Abdul Mun'im Affar in *at-Tanmiyyah wa at-Takhtit wa Taqwim al-Masyu'at fi al-iqtishad al-Islam*, (1991) who explained these basic needs in the preparation of the budget both the household budget, and government budget. Secondly, the theory of zakat and the basic needs of As-Syatibi in determining the functional distribution of income which he offers that an effective and good zakat institution will help increase the income of the population both locally and globally. Third, Abraham Maslow's Basic Needs Theory (Robbinson & Marycoulter, 1996) which explains the level of human

needs there are five, namely: psychological needs, safety needs, social needs, the need for appreciation, and self-actualization needs.

Maqashid comes from the words qashada, yaqshidu, qashdan, qashidun, which means strong desire, holding fast, and deliberately. This meaning can also be interpreted intentionally or intended to (qashada ilaihi). Whereas the Shari'ah linguistically shows three meanings, namely the source of drinking water, the straight and clear road and the beginning of the execution of a job. From the meaning of al maqashid and al sharia in language, we can take the understanding that maqashid al sharia is the goals and secrets which are put by God and contained in every law for the purposes of fulfilling the benefits of the people.

The essence of the implementation of shari'ah is to realize the benefit of humans. The benefit can be realized if the five main elements can be realized and maintained. When God commands to do something, of course there is wisdom behind it all, as well as when God commands to leave something, of course there is also wisdom behind it all.

II. EARLIER RESEARCH EMPIRICAL STUDIES

- Research conducted by Sri Kusreni and Sultan Suhab (2009) on APBD Policy and Community Welfare in South Sulawesi Province which took variable fiscal capacity, capital expenditure and regional financing on the welfare of district / city communities in South Sulawesi Province in 2003-2007, obtained results that fiscal capacity has a greater effect on people's welfare than the allocation of capital expenditure. While regional financing is negatively related and not significant to the welfare of the community. These results are not in line with public finance theory.
- Research from Rudy Badruddin (2011) on the effect of fiscal decentralization on capital expenditure, economic growth, and community welfare, results that fiscal decentralization has no significant effect on capital expenditure, fiscal decentralization has a significant effect on economic growth and public welfare, capital expenditure has no significant effect on economic growth and social welfare, and economic growth have a significant effect on people's welfare.
- Research conducted by Paramitha (2012) on the effect of the realization of the APBD (Capital Expenditure and Maintenance Operational Costs) and the General Allocation Fund (DAK) on the Human Development Index in Makassar City in 2000-2009, obtained the result that the variable realization of the APBD (Capital Expenditures and Maintenance operational costs) are more influential on the Human Development Index than DAK because the use of DAK budgets must always be in accordance with the objectives and instructions of the central government. Whereas in the realization of APBD (Capital Expenditure and Maintenance operational costs), regional / city governments have more freedom in using their budgets so that they can be more in line with the needs of the people in their regions.
- Denni Sulistio Mirza (2012), conducted research on the effect of Poverty, Economic Growth and Capital Expenditures on the Human Development Index in Central Java in 2006-2009 which resulted in the conclusion of capital expenditure successfully realized for the needs of public goods in order to lead to a better quality of human resources well. The poverty variable has a negative and significant effect, while the economic growth variable has a positive and significant effect on the Human Development Index.
- Hadi Sasana (2012), examines the influence of Regional Government Spending and Per capita Revenues on the Human Development Index (Case Study in Kabupaten / City of Central Java Province) which results in the conclusion that district / city regional government spending in Central Java Province has a positive and significant effect on Human Development Index. The variable income per capita community district / city government in Central Java Province does not have a significant effect on the Human Development Index.

❖ Hypothesis

Budget planning has a direct and indirect effect through fiscal capacity in a positive and significant way on public education capacity.

❖ Population

The population in this study is the "SKPD and decision makers" who are in Gorontalo Province, district and city, who are willing to provide a response or response to the budget.

❖ Research Samples

Sampling is done through surveys with non probability sampling techniques, namely: **Convenience sampling** (sample based on convenience) in the sense that the sample is a person or element that is easily found or is at the right time when the research instruments are distributed. Samples are taken usually because they are expected to be at the right time and place

III. DISCUSSION

➤ Analysis of Budget Planning Variables

Planning is the heart of the activity as well as an initial guideline. An activity in one unit of activity Therefore, in general budget planning should animate all aspects of the program to be carried out in one budget period. The Budget Planning variable in this study was built by (6) six indicators as listed in the table below

Indicator	N	LAMBDA
Aizzah (glory) (X1.1)	200	0.7452
Al Jamiah (whole) (X1.2)	200	0.7988
Iradat (will 0 (X1.3)	200	0.5007
Al Furqan (separator) (X1.4)	200	0.5921
Marsalah (parable) (X1.5)	200	0.6132
Al Mizan (Scales) (X1.6)	200	0.5386

Table 1:- Description of Budget Planning Variables Indicators (X1)

Source: Primary Data Processed, 2019

Indicator X1.1. Al Izzah (glory). Indicators illustrate that budget planning is always built on the basis of glory, that anything that will be done or done in the future in achieving organizational goals or goals is always based on essential glory based on divine glory. After testing the reliability and validity of the SPSS program shows a valid and reliable value and the value of the Loading factor is ; 0.745 > 0.5 means that it meets the requirements of the processed data and the second highest of the 6 (six) indicators.

Indicator X1.2. Al association (overall) is an indicator that gives a comprehensive overview and integrated program arranged in budget planning as well as a full program of integral and inseparable part of each other. This indicator makes a perspective in solving problems by seeing that each unit influences one another and has the same position, in the sense that the presence and absence are important in achieving the desired goals

and objectives . In this study the X1.2 indicator has the highest loading factor value of 0.7988.

➤ *Analysis of Fiscal Capacity Variables (Y1)*

Economics knows the *Need and Want of the needs* and desires of these two words directing people to always be creative, innovate and look for sources of livelihood or economic resources that will meet their needs and desires, this is the rationale for Fiscal Capability, how one region can meet all regional needs for the community by managing the resources that are available or owned by the region, whether natural resources or human resources or other resources generated from affiliation of the two resources. The fiscal capacity in this research not only looks at these two resources but also looks at how humans as the caliph of tul fil ard develop the leadership potential that is based on their partnership in prospering the earth without being limited by general economic principles.

Indicator	N	LAMBDA
Worship (Y1.1)	200	0.4042
Fair (Y1.2)	200	0.6994
Siddiq (Y1.3)	200	0.7994
Amanah (Y1.4)	200	0.6025
Basic rights (Y1.5)	200	0.4478
Sincerely (Y1.6)	200	.3658

Table 2:- Description of Fiscal Capacity Variable Indicators (Y1)

Source: Primary Data Processed, 2019

The table shows that the indicator that best describes the spirit of fiscal capacity is Siddiq (Y1.3) with a value of 0.7994 which indicates that it is desirable to explore available resources, of course, carried out correctly in accordance with existing procedures without forgetting creativity and innovation. , the truth or truth as what should be a solid basis in sustaining fiscal capacity is in line with the fair indicator (Y1.2) with a lambda value of 0.6994 which is a very good indication to empower regions or independently with the ability to allocate the economy of natural resources and Human resource economics and the Amanah indicator (Y1.4) with an average value of 0.6025 which is also perceived as a good level of confidence and indicates in efforts to improve the economy. While indicators that have a lambda value of less than 0.5 are Worship (Y1.1) with a value of 0.4042 illustrating that in the imposition of a budget for fiscal capacity management becomes the basis for the transfer of autonomy capabilities based on service or worship, this means that the intention in the burden of the budget needs to be more strengthened in

carrying out economic activities. On the other hand other indicators such as the indicator of basic rights Y1.5, sincere indicator Y1.6, are very below the standard value and the relationship with indicator Y.11 greatly influences each other and gives a picture of the existence of the region in implementing siddiq, trustworthy and fair.

➤ *Analysis of Education Capacity Variables (Y2)*

Educational capacity is a condition where the quality, quantity and elements that support the realization of our human beings can be formed which refers to the formation of a wider community with a blessing atmosphere by always being bound by legal rules that have been governed by Allah the Almighty regulator (Maqhasid Sharia) construct used to measure the impact of independent variables built through a structural model with SEM analysis. Descriptive analysis results for each indicator of the Education Capacity variable can be seen in the following table.

Indicator	N	LAMBDA
Human rights (care for offspring) (Y2.1)	200	0.3940
Program (preserving lives) (Y2.2)	200	0.8447
Facilities (maintaining assets) (Y2.3)	200	.7261
Basic education (maintaining mind) (Y2.4)	200	0.3873
Guarantees (raising offspring) (Y2.5)	200	0.2945
Morality (preserving religion) (Y2.6)	200	0.2387

Table 3:- Description of Educational Capacity Variables Indicators (Y2)

Source: processed research data

The table above shows that the biggest indicator contributing to the construct is the program (preserving the soul) (Y2.2) with a value of 0.8447 which indicates that the program or something implemented with the main focus of preserving the soul of each individual becomes a very large contributor in improvement of community education capacity Facility indicators (preserving assets) (Y2.3) with a value of 0.7261 are also perceived to indicate good educational capacity where facilities or matters that are highly related to improving the quality of education and quantity of graduates' outputs Indicators are also expected to contribute well on the construct but it turns out that the value is very less than the expected value even below the lambda standard value is the indicator of Asazi (Y2.1) with a value of 0.3940, and Collateral (Y2.5) with a value of 0.2945 both these indicators are to be indicators (raising offspring) are perceived poorly and have not been shown in dizziness increase education capacity Likewise the basic education indicator (maintaining reason) (Y2.4) with a value of 0.3873 and the indicator of character (preserving religion) (Y2.6) with a value of 0.2387 are perceived to be still low so it does not contribute to the contribution that can increase community education capacity.

➤ *Budget Planning has no Effect Either Directly or Indirectly (Through) Fiscal Capacity on Education Capacity (H1)*

Budget Planning has no direct or indirect influence through fiscal capacity on Education Capacity, this relationship is meaningful if Budget Planning through indicators will not have an impact on increasing the level of Community Education Capacity in Gorontalo Province either directly or indirectly through the variable Fiscal Capacity . Hypothesis test results showed a path coefficient of 0.005 and a t-value of 0.037 < 1.96 at a significance level of 0.05 and a sobel test value of 0.78704340 < 1.96 even if viewed from the loading factor of the budget planning variable shows good position or important in the budget planning construct, this is also supported by a direct relationship to the Fiscal Capacity variable that has a significant effect, this is shown from the path coefficient of 0.351 with a t value of 3.233 > 1.96. Budget planning is very much determined from the philosophy of need (basic need) where the wheels of life of individuals, organizations and even regions or countries are very urgent to start with good planning.

This research, especially in proving the Budget Planning variable (X1), looks at how the indicators that form the operational foundation have a high (lambda) value as well as when related to the Fiscal Capacity (Y1) variable

very well so that it supports the pillars of the formation of the basic theory, but when in the subsequent processing system when $X1 \rightarrow Y2$ and $X1 \rightarrow Y1 \rightarrow Y2$ statistical results provide results that have no effect, this if examined from observations in the field through a deep interview that a region, organization or individual can be drawn one assumption alone that the research, studies and focal points of observation of budget planning that are linked to fiscal capacity are still at the Materialistic or Capitalist-based level and these have not touched the spiritual joints.

IV. CONCLUSION

Budget Planning has no direct or indirect influence through fiscal capacity on Education Capacity, this relationship is meaningful if Budget Planning through indicators will not have an impact on increasing the level of Community Education Capacity in Gorontalo Province either directly or indirectly through the variable Fiscal Capacity . although if viewed from the loading factor of the budget planning variable shows a good or important position in the budget planning construct, this is also supported by a direct relationship to the Fiscal Capacity variable that has a significant effect on this shown from the path coefficient.

SUGGESTION

Following up on the spiritual budget planning paradigm so that fiscal capacity is efficient and not only touches on the Quantity side but also the quality of the Divine

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