

Institutional Independence and the Effectiveness of the Regional Representative Council of The Republic of Indonesia Powers in the Formulation of the State Budget Law

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Abstract: *This study examines the relationship between institutional independence and the effectiveness of the Regional Representative Council's authority in the formulation of the State Budget Law. The main issue lies in the limitations of the Regional Representative Council's authority, which results in its limited influence in the legislative process. This study employs a normative legal approach, involving an analysis of legislation, constitutional theory, and relevant literature. The findings indicate that the limitations on the effectiveness of the Regional Representative Council's authority are not only due to normative aspects but also to the weakness of institutional independence within the constitutional structure. In this context, the existing institutional design has not been able to create an effective mechanism for the balance of power. Therefore, strengthening the role of the Regional Representative Council requires a reconstruction of the institutional design capable of systematically integrating authority, independence, and effectiveness within the national legislative system.*

Keywords: *Regional Representative Council, institutional independence, effectiveness of authority, legislation, State Budget.*

Introduction

Law-making in modern constitutional systems occupies a strategic position as the primary instrument in determining the direction of public policy and the distribution of state resources. In Indonesia, the State Revenue and Expenditure Budget Law plays a fundamental role as it forms the basis for state financial management, which directly influences the relationship between the central and regional governments. The function of the budget is not merely administrative, but also reflects legal and political choices that determine development priorities and the distribution of welfare (Ginsburg and Huq, 2018). Consequently, its formulation process cannot be understood solely as a legislative procedure, as it is inherently a forum for the articulation of interests within the state's power structure.

Within Indonesia's constitutional framework following the amendment of the 1945 Constitution of the Republic of Indonesia, the establishment of the Regional Representatives Council forms part of the effort to introduce territorial representation into the national

representative system. This institution is designed to bridge regional interests in the policy-making process, particularly in relation to central-regional relations and the distribution of resources. The existence of the Regional Representative Council also marks the implementation of a bicameral model within Indonesia's constitutional system, albeit in a form that is not entirely symmetrical (Ganghof, 2018). In this design, the Regional Representative Council is not positioned as an institution with legislative powers equivalent to those of the People's Representative Council, but rather as an institution with a limited role through mechanisms for deliberation and the provision of recommendations on specific draft laws, including the State Revenue and Expenditure Budget Law.

This structure of powers raises issues regarding the effectiveness of regional representation. Normatively, the existence of a second chamber in a bicameral system is expected to create a balancing mechanism through the differentiation of the basis of representation. However, several research findings on bicameralism indicate that the strength of the second chamber is not determined solely by the formal powers it holds, but is supported by its institutional capacity to influence the decision-making process. Meg Russell asserts that "the policy impact of second chambers depends not only on their formal powers, but also on their political and institutional context." (Russell, 2013). This statement indicates that the effectiveness of representative institutions cannot be measured solely by the text of the constitution and must be viewed within a broader power dynamic.

When examined from a comparative perspective, the asymmetry of powers between chambers in bicameral systems is a phenomenon commonly found in various countries. Research on bicameralism shows that many modern constitutional systems deliberately design differences in powers between the first and second chambers to create functional differentiation and prevent duplication of legislative roles (Saalfeld and Strøm, 2014). However, such an asymmetrical design still requires institutional capacity to enable the second chamber to perform its balancing function effectively. Without the support of such capacity, the existence of a second chamber risks becoming merely symbolic and failing to make a significant contribution to the quality of legislation.

This issue is relevant in the context of the Regional Representative Council, which, in the practice of Indonesian governance, is often regarded as having limited influence over legislative outcomes. The Council's involvement in the drafting of the State Budget Law tends to be confined to procedural stages, without it having significant bargaining power in the decision-making process. This situation highlights a gap between the institution's intended purpose as a territorial representative body and the reality of how its powers are exercised.

Developments in modern constitutional theory suggest that the effectiveness of state institutions can be determined not merely by the extent of formal authority, but through institutional design that regulates the relationships between actors within the political system. In their study on the resilience of constitutional democracy, Tom Ginsburg and Aziz Z. Huq observe that an institution's capacity to maintain stability depends heavily on how its institutional design manages to strike a balance between autonomy and accountability within power relations (Ginsburg and Huq, 2018). Within this framework, institutional independence is a key variable that determines the extent to which an institution can exercise its powers effectively. Independence is not merely a matter of formal freedom from

interference, but also encompasses the structural capacity to maintain one's position within the decision-making process. Thus, the issue regarding the Regional Representative Council does not lie solely in the limitations of its powers. Fundamentally, it is the institutional conditions that influence the effectiveness of the exercise of those powers (Landau, 2013).

Based on this description, this paper proceeds from the premise that the main issue facing the Regional Representative Council in the formulation of the State Revenue and Expenditure Budget Law is not merely related to normative limitations on authority. A more significant issue is the weakness of institutional independence, which affects the effectiveness of the exercise of these powers. Therefore, this study aims to analyse the relationship between institutional independence and the effectiveness of the Regional Representative Council's powers, as well as to examine its implications for the role of this institution within Indonesia's constitutional system. Unlike previous studies, which tended to focus on formal aspects of authority, this study positions institutional independence as a key variable in explaining the effectiveness of the DPD's authority, particularly in the context of the formulation of the State Budget Law. Thus, the study This offers a more integrative perspective on the relationship between institutional design and institutional effectiveness within Indonesia's constitutional system.

Literature Review

A study of the position and role of representative bodies in modern constitutional systems cannot be separated from the discourse on bicameralism as an institutional design. In contemporary literature, bicameralism is understood as a mechanism for the division of legislative functions aimed at creating a balance in the political decision-making process. The existence of two chambers in parliament is not, in essence, intended to duplicate functions. The existence of two chambers is intended to provide differentiated representation and to strengthen the quality of deliberation in policy-making (Saalfeld and Strøm, 2014).

In recent developments, studies on bicameralism no longer assess the strength of the second chamber solely based on the extent of its formal powers. Meg Russell's research demonstrates that the effectiveness of the second chamber is significantly influenced by the surrounding political context and institutional capacity (Russell, 2013). Consequently, the measure of an institution's strength cannot be reduced to normative aspects alone and must take into account the factors that enable the institution to play a substantive role in the legislative process.

In line with this, comparative research on bicameralism indicates that the asymmetry of powers between chambers is a common phenomenon across various constitutional systems. Steffen Ganghof explains that modern institutional design tends to adopt a form of functional differentiation between institutions as part of a strategy to maintain political stability and the effectiveness of government (Ganghof, 2018). In this regard, the existence of a second chamber with limited powers does not necessarily indicate a weakness in the system; rather, it can be part of a deliberate design to create a certain balance.

However, the literature also indicates that such an asymmetrical design still requires institutional conditions that enable the second chamber to perform its balancing function effectively. Research by Sarah Mueller, Adrian Vatter, and Silvano Dick developed a

bicameralism index that emphasises the importance of the dimensions of legitimacy and institutional capacity in determining the strength of the second chamber (Mueller et al., 2023). These findings suggest that the success of the second chamber in a representative system is not merely determined not only by formal structures, but also by the level of public trust and the ability of institutions to make use of the available scope within the legislative process.

In terms of institutional independence, modern literature identifies this concept as one of the key factors in determining the effectiveness of state institutions. Independence is no longer understood narrowly as the absence of intervention, but as a condition that enables institutions to perform their functions optimally within complex power relations. Tom Ginsburg and Aziz Huq assert that effective institutional design must be able to maintain a balance between autonomy and accountability, so that state institutions can operate independently without losing democratic legitimacy (Ginsburg and Huq, 2018). Furthermore, studies on constitutional design indicate that institutional independence is closely linked to an institution's capacity to influence public policy. Rosalind Dixon emphasises that an institution's effectiveness is determined not merely by the powers it holds, but by the institutional position that enables it to exercise those powers strategically (Dixon, 2011). In this context, independence serves as a prerequisite for the optimisation of authority; thus, without adequate independence, formal authority risks losing its substantive meaning.

In the literature on the distribution of power, contemporary approaches are beginning to shift the focus from a rigid division of power towards a more flexible and adaptive design. Bruce Ackerman's thinking on the development of modern models of the separation of powers suggests that constitutional systems no longer rely on a symmetrical division of power, but rather on configurations that allow for mechanisms of checks and balances through diverse institutional designs (Thiruvengadam, 2019). Further development of this idea can be found in modern literature which emphasises the importance of institutional design in maintaining the balance of power. David Landau demonstrates that weaknesses in institutional design can create opportunities for the abuse of power, even though the constitutional structure has been formally designed to create checks and balances (Landau, 2013). This indicates that the effectiveness of an institution is determined not only by the norms governing its powers, but also by how those norms are implemented in institutional practice.

In Indonesia, studies on the Regional Representative Council (DPD) within the Indonesian constitutional system generally focus on the issue of powers within the framework of the bicameral system. One relevant study was conducted by Muhammad Farhan and Mustakim (2021), which highlights that the status and The DPD's authority remains in a weaker position compared to the People's Representative Council (DPR). This study indicates that the root of the problem lies in a constitutional framework that does not provide sufficient scope for the DPD to carry out its legislative functions effectively, meaning the DPD tends to be under the dominance of the DPR in the law-making process (Farhan and Mustakim, 2021). In line with this, more recent research by Muhammad Fadhil et al. (2024/2025), from a bicameralism perspective, also confirms that the design of the DPD's powers within Indonesia's constitutional system is limited and unbalanced. In their

analysis, the DPD is positioned as part of a 'soft' bicameral system, where the powers it holds do not enable the institution to play a significant role in legislative decision-making (Fadhil et al., 2024).

Based on these two studies, a general pattern can be identified: the majority of studies on the DPD still focus on the limitations of formal powers as the primary variable in explaining the institution's weak role. Consequently, the DPD's challenges tend to be understood as a normative issue related to constitutional design and the distribution of powers within the bicameral system. However, this approach has not fully succeeded in explaining why, in practice, the powers granted to the DPD still fail to yield a significant influence in the legislative process. In other words, there is a tendency in the literature to oversimplify the issue by focusing solely on the aspect of authority, without conducting an in-depth examination of the institutional dimensions that affect the effectiveness of the exercise of those powers.

Building on this gap, this study offers a different approach by positioning institutional independence as the primary analytical variable. From this perspective, the effectiveness of authority is determined not only by the extent of formal authority, but also by the institution's ability to operate autonomously within power relations. Thus, this study not only complements existing research focusing on the aspect of authority but also develops a more integrative analysis by linking authority, institutional independence, and institutional effectiveness within a single, coherent conceptual framework, whilst providing a stronger foundation for understanding the factors influencing the effectiveness of the institution's role in the formulation of the State Revenue and Expenditure Budget Law.

Methodology

This study employs a normative legal research method, focusing on an analysis of the legal norms governing the powers and institutional position of the Regional Representative Council within Indonesia's constitutional system. This approach is used to examine the alignment between the normative framework set out in the constitution and the practical exercise of powers in the formulation of the State Budget Law. Normative legal research allows for an examination of principles, doctrines, and the legal structures underpinning the formation and exercise of state institutions' powers, thereby providing a systematic analytical framework for understanding the relationship between norms and practice (Marzuki, 2011).

In its implementation, this study employs several approaches. First, the statutory approach, which involves an analysis of the provisions in the 1945 Constitution of the Republic of Indonesia, particularly those relating to the powers of the Regional Representative Council in the legislative process (Marzuki, 2011). This approach aims to identify the normative boundaries and the scope of authority held in the formulation of the State Revenue and Expenditure Budget Law, thereby clarifying the institution's formal position within the national legislative system.

Secondly, the conceptual approach is used to analyse the concepts of institutional independence and the effectiveness of authority from the perspective of modern constitutional theory. This approach involves a review of academic literature discussing institutional design, bicameralism, and the distribution of power within a constitutional

democracy. In this context, independence is positioned as an analytical variable that influences the institution's ability to exercise its authority effectively, so that the analysis does not merely focus on normative aspects but also encompasses institutional dimensions (Muhaimin, 2020). Thirdly, a limited comparative approach is employed to provide an additional perspective on how the concepts of the second chamber and institutional independence are applied in other constitutional systems. This approach aims to enrich the analysis by examining practices that have developed within various modern political systems, particularly in relation to asymmetrical institutional designs, without intending to conduct a comprehensive comparison between countries.

The legal sources in this study consist of primary and secondary legal materials. Primary legal materials include the 1945 Constitution of the Republic of Indonesia and legislation relevant to the powers of the Regional Representative Council. Meanwhile, secondary legal materials include books, journal articles, and academic publications discussing bicameralism, institutional independence, and modern constitutional design. The selection of secondary legal materials was carried out selectively, prioritising scholarly publications issued between 2011 and the present, to ensure the relevance and currency of the study.

The collection of legal materials was carried out through a literature review by tracing credible academic sources indexed in scientific databases. Subsequently, the analysis was conducted qualitatively using legal reasoning and conceptual analysis to construct the relationship between legal norms and the theoretical framework employed. In this study, the analysis focused on the relationship between institutional independence as an institutional variable and the effectiveness of the Regional Representative Council's authority in the formulation of the State Revenue and Expenditure Budget Law. This approach aims to produce a systematic argument regarding the factors influencing the effectiveness of the institution's role within Indonesia's constitutional system.

Result dan Discussion

The Construction of the Regional Representative Council's Authority in the Formulation of the State Budget

The scope of the Regional Representatives Council's (DPD) powers in the formulation of the State Budget Law (APBN) cannot be separated from the constitutional provisions of the 1945 Constitution of the Republic of Indonesia, particularly Article 22D. Under this provision, the DPD is granted the authority to propose certain draft laws, participate in deliberations, and provide input on draft laws relating to regional autonomy, central-regional relations, and the management of state finances, including the APBN.

However, upon systematic examination, the provisions of Article 22D do not grant the DPD the authority to participate in the final decision-making process in the legislative process. The decisive legislative authority remains with the People's Representative Council (DPR) together with the President, as stipulated in Article 20(2) of the 1945 Constitution. Thus, constitutionally, the DPD is positioned merely as a limited co-legislator (limited participant), not as the primary actor in the legislative process.

This framework is further reinforced in statutory provisions, particularly in Law No. 13 of 2019 on the MPR, DPR, DPD, and DPRD (MD3 Law), which positions the DPD in a participatory role in the deliberation of draft legislation without the authority to determine final approval. In the context of the formulation of the State Budget, the DPD's involvement is even more limited, being restricted to providing input on the State Budget Bill without holding any bargaining power in the final determination of the budget's substance.

This situation indicates that from the constitutional design stage through to statutory provisions, the DPD's role was indeed designed within a framework of non-decisive participation. Consequently, the function of regional representation—which theoretically forms the basis for the DPD's establishment—is not fully translated into policy influence in legislative practice, particularly in determining the direction of national fiscal policy through the State Budget.

From the perspective of modern bicameralism, this configuration reflects an asymmetrical bicameral model. As explained by Steffen Ganghof, modern political systems often adopt a differentiation of powers between chambers as part of a design to maintain a balance between effectiveness government and political representation (Ganghof, 2018). Nevertheless, an effective asymmetric design still requires institutional instruments that enable the second chamber to exert real influence, such as mechanisms for delay, revision, or the right of objection carrying political consequences.

In the Indonesian context, the DPD does not possess such instruments. There are no constitutional or legislative mechanisms that allow the DPD to delay, amend, or veto draft legislation, including the State Budget. Consequently, the DPD's powers have not developed into an institutional force capable of influencing the decision-making process. This places the DPD in a position that tends to be subordinate within the national legislative structure.

Furthermore, this situation also highlights a discrepancy between the objective of establishing the DPD as a territorial representation and the design of the powers granted to it. In theory, the existence of a second chamber within a bicameral system is expected to serve as a mechanism for checks and balances, particularly in ensuring that regional interests are accommodated within national policy. However, without decisive powers or at least effective instruments of influence, this function becomes difficult to realise in substance.

In line with this, studies on the power of the second chamber indicate that an institution's effectiveness is determined not only by formal powers but also by its ability to influence the decision-making process. Meg Russell asserts that “formal powers alone do not determine a chamber's influence” (Russell, 2013), suggesting that without adequate institutional support, the powers held do not automatically result in significant influence. In this regard, the limitations of the Regional Representative Council stem not only from the design of its powers but also from the absence of mechanisms that would allow those powers to be exercised effectively.

Thus, the structure of the Regional Representative Council's powers in the formulation of the State Budget Law reveals structural limitations. These limitations relate not only to

the scope of the authority granted, but also to the absence of institutional instruments that would enable such authority to be converted into influence within the legislative process. This situation is also consistent with a number of studies indicating that the position of the Regional Representative Council within Indonesia's constitutional system remains constrained by limited authority to influence the national legislative process (Law No. 17 of 2003 on State Finance).

The Issue of the Effectiveness of the Regional Representative Council's Authority

Unlike the analysis of the structure of authority in the previous section, this discussion focuses on the legal and practical consequences of this design in the context of the formulation of the State Budget. The effectiveness of the Regional Representatives Council's (DPD) authority in the formulation of the State Budget Law (APBN) must essentially be measured by its ability to influence the substance of fiscal policy, not merely by its involvement in legislative procedures. Within a normative framework, the status of the State Budget as the primary instrument of state financial policy is explicitly regulated in Article 23 of the 1945 Constitution of the Republic of Indonesia, which places the deliberation and approval of the State Budget within the primary domain of the People's Representative Council together with the President. This configuration directly limits the scope of the DPD's intervention in determining the direction of national fiscal policy.

Normatively, the DPD's involvement in the APBN formulation process is limited to the stage of providing recommendations, as mandated by Article 22D(2) of the 1945 Constitution. However, this provision is not accompanied by legally binding consequences regarding the outcome of APBN deliberations. In other words, the recommendations provided by the DPD have no normative power to influence or alter the substance of the draft budget if they are not accommodated by the DPR and the government. This situation indicates that, by legal design, the DPD's authority in the context of the State Budget is non-decisional and lacks coercive power in the legislative process.

The implications of this normative framework are evident in the practice of drafting the State Budget, which tends to relegate the DPD to a marginal role. Its procedural involvement is not commensurate with its ability to influence budget allocations, including those directly related to regional interests such as transfer payments, special autonomy funds, and other fiscal schemes. In this situation, the regional representative function inherent to the DPD is not effectively articulated in national fiscal policy, as it is not supported by mechanisms that enable the conversion of aspirations into budgetary decisions.

Legally, this issue of effectiveness cannot be separated from the structure of authority set out in legislation, particularly Law No. 17 of 2003, which systematically position the DPR as the primary authority in budgetary functions (Huda, 2016). Within this framework, there are no provisions granting the DPD scope to make substantive interventions in the structure of the State Budget, whether in the form of changes to allocations, the postponement of approval, or binding objection mechanisms. Consequently, the powers held by the DPD have no direct implications for the final outcome of fiscal policy.

However, an approach that merely emphasises the expansion of powers as a solution to the weak role of the Regional Representative Council is insufficient. The relationship between powers and effectiveness is not linear, as effectiveness depends heavily on institutional conditions that enable those powers to be exercised strategically. Without such conditions, the expansion of powers is unlikely to bring about significant changes in legislative practice.

This also has legal implications in that there is no constitutional obligation on the House of Representatives and the government to take the Regional Representatives Council's considerations into account when determining the State Budget. And this gap underscores that an analysis of the effectiveness of authority cannot stop at the normative aspect, but must encompass the institutional factors that influence how that authority is exercised. Consequently, institutional independence emerges as a key variable that requires further analysis to understand the limitations of such effectiveness. This issue of effectiveness is also evident in the weak link between the function of regional representation and the policy outcomes produced in the legislative process (Dewa et al., 2024). Studies on legislative institutions also indicate that the effectiveness of an institution is significantly influenced by its institutional capacity as well as the political structures supporting it (Saalfeld and Strøm, 2024).

Institutional Independence as a Determining Variable: A Distinction from the Approach of Expanding Powers

The debate regarding the strengthening of the role of the Regional Representatives Council (DPD) within Indonesia's constitutional system has, to date, tended to focus on the idea of expanding formal powers, particularly through amendments to the provisions of the 1945 Constitution of the Republic of Indonesia and its subsidiary legislation. This approach stems from the assumption that the limitations on the DPD's role are caused by the narrow scope of its powers; consequently, the proposed solutions focus on adding legislative functions, including involvement in final decision-making regarding laws, particularly in the context of the State Budget (APBN).

However, the approach of expanding authority has conceptual limitations. From a constitutional design perspective, the relationship between authority and effectiveness is not linear. Tom Ginsburg and Aziz Z. Huq explain that an institution's capacity to influence decision-making processes is largely determined by the institutional design governing power relations, not merely by the extent of formal powers (Ginsburg and Huq, 2018). Consequently, expanding powers without altering the structure of institutional relations is unlikely to yield a significant increase in effectiveness.

In contrast to this approach, strengthening the DPD through institutional independence focuses on the institution's ability to operate autonomously and strategically within the existing power structure. Independence in this context is not understood as absolute freedom from intervention, but rather as the capacity to convert limited authority into tangible influence in the legislative process, including in the formulation of the State Budget. In the literature on bicameralism, Meg Russell emphasises that the strength of the

second chamber is determined not only by formal powers, but also by the ability to influence the agenda, the deliberative process, and policy outcomes (Russell, 2013).

In practical terms, the difference between these two approaches can be explained through three main dimensions. Firstly, the basis for change: the expansion of powers focuses on changing legal norms through constitutional amendments or legislative revisions, whereas institutional independence focuses on strengthening institutional positions within the existing legal framework. Second, the mechanism of operation: the expansion of authority relies on the addition of formal functions, whilst institutional independence rests on enhancing the institution's capacity to influence processes through access, position, and strategy within power relations. Third, implications for the State Budget: in the authority-based approach, influence on the State Budget only occurs if the DPD is granted the right to participate in determining final approval as stipulated in Article 23 of the 1945 Constitution; conversely, in the independence-based approach, influence can be established from the planning and deliberation stages through the institutional capacity to shape the agenda and influence budgetary priorities. In this context, institutional independence functions as a variable that bridges the gap between formal authority and substantive effectiveness. Without independence, even expanded authority risks remaining ineffective as it is not supported by the institutional capacity to operationalise it. Conversely, with sufficient independence, even limited authority can exert significant influence in the decision-making process.

Thus, the framework of strengthening the DPD through institutional independence offers an approach that differs from the paradigm of expanding its powers. This approach is not only focused on changing norms, but also on institutional design that enables the institution to function effectively within the existing power structure. Within the framework of the formulation of the State Budget, this approach creates scope for the DPD to play a more substantive role without having to rely entirely on constitutional amendments, but rather through the strengthening of its institutional position, capacity and strategy within the state budgeting process.

Findings and Recommendations on Institutional Design for Strengthening the DPD's Role in the Formulation of the State Budget

The results of this study indicate that the limited role of the Regional Representatives Council (DPD) in the formulation of the State Budget Law (APBN) is not solely due to the limitations of its formal authority, but rather to the absence of an institutional design that enables such authority to be converted into influence within the fiscal decision-making process. Thus, the main problem lies not merely in normative aspects, but in the lack of institutional mechanisms linking authority to the power of intervention within the legislative structure.

This finding also corrects a tendency in constitutional studies that views the expansion of authority through constitutional amendments as the primary solution. This approach stems from the assumption that the effectiveness of an institution is directly proportional to the extent of its authority. However, in the development of modern constitutional theory, this assumption is not entirely accurate.

In the development of modern constitutional theory, the distribution of power is no longer understood within a symmetrical framework between state institutions. Through the concept of the 'new separation of powers', Bruce Ackerman explains that contemporary constitutional systems have, in fact, evolved towards the formation of complex institutional configurations, including the emergence of new institutions such as independent regulatory agencies and the integrity branch, which have specific functions in maintaining the balance of power (Isra, 2020). Within this framework, an asymmetrical distribution of authority is not an anomaly, but rather part of a modern institutional design that emphasises functional differentiation over structural equality.

This approach has significant implications for interpreting the position of the Regional Representatives Council (DPD) within Indonesia's bicameral system. The asymmetry between the DPD and the People's Representative Council (DPR) need not necessarily be understood as a constitutional weakness demanding the equalisation of powers. Rather, from an Ackermanian perspective, what is more decisive is whether the existing institutional design is capable of providing mechanisms that allow an institution with limited powers to retain influence in the decision-making process.

In the context of Indonesia's bicameral system, this framework has significant implications. The asymmetry between the People's Representative Council (DPR) and the DPD need not be resolved through a formal equalisation of powers; it can be addressed by establishing institutional mechanisms that enable the DPD to effectively fulfil its regional representative function in the process of drafting the State Budget. In other words, the main issue does not lie in the DPD's position as a second chamber with limited powers, but in the absence of instruments that would enable such involvement to exert substantive influence on fiscal policy.

Based on this framework, this study proposes a model for strengthening the DPD that is grounded in institutional design engineering based on institutional independence. Unlike previous studies, this approach does not require changes or amendments to the 1945 Constitution of the Republic of Indonesia; instead, the findings utilise the existing normative space to create mechanisms capable of enhancing the DPD's influence in the budgetary process. In this regard, the strengthening is achieved through the reorganisation of the DPD's institutional position within the stages of budget planning, discussion, and deliberation.

At the planning stage, the DPD should be given a more structured role in shaping fiscal policy direction, particularly in discussions regarding the macroeconomic framework and the key elements of fiscal policy. Legally, this can be accommodated through amendments to Law No. 17 of 2003 so that the DPD's involvement is no longer merely supplementary, but becomes an integral part of the budget prioritisation process.[16] Strengthening at this stage is important because the direction of fiscal policy is essentially determined before entering the formal parliamentary debate stage.

Furthermore, during the deliberation stage, a transformation is required in the nature of the considerations provided by the DPD. To date, these considerations have had no legally binding consequences, and thus have not exerted a significant influence on the

substance of the State Budget. To address this, a 'qualified consideration' mechanism needs to be established; that is, a mechanism requiring the House of Representatives (DPR) and the government to provide a written response to every consideration put forward by the DPD, accompanied by legal and policy justifications should they not accommodate it. This arrangement can be implemented through a limited revision of Law No. 13 of 2019 or through the strengthening of parliamentary rules of procedure. In this context, such a legislative change does not constitute a constitutional amendment, but rather represents an implementational strengthening within the framework of existing norms.

Furthermore, during the budget deliberation stage, it is necessary to establish an institutionalised joint forum between the House of Representatives, the DPD, and the government as a space for substantive interaction in the discussion of fiscal policy. This forum enables the DPD not only to present its considerations but also to be involved in the policy negotiation process that determines the direction of budget allocation, particularly regarding regional interests.

In addition to the legislative route, the strengthening of the DPD's role can also be pursued through constitutional interpretation. In this regard, the DPD may submit a constitutional review of legislation to the Constitutional Court to broaden the interpretation of Article 22D of the 1945 Constitution of the Republic of Indonesia, particularly regarding the meaning of "participating in discussions" as a form of substantive participation (meaningful participation).[3] This approach allows for the strengthening of the DPD's role to be achieved without amending the text of the Constitution, but rather through a more progressive interpretation of existing provisions.

Thus, the theoretical synthesis and research findings of this study indicate that strengthening the role of the DPD need not be achieved through conventional approaches such as expanding its powers or amending the constitution. Instead, within the framework of the 'new separation of powers', such strengthening can be achieved through an institutional design that emphasises the differentiation of functions and the creation of mechanisms for influence within the power structure. Consequently, the DPD can remain in a position of formally limited authority, yet possess sufficient institutional capacity to influence the direction of national fiscal policy. This approach is not only more realistic from a legal and political perspective, but also aligns with developments in the theory modern constitutionalism, which regards institutional design as a key factor in determining the effectiveness of institutions.

Conclusion

The structure of the Regional Representatives Council's (DPD) powers in the formulation of the State Budget Law (APBN) reveals structural limitations, both at the constitutional level and within the statutory framework. These limitations are reflected in the DPD's position, which lacks authority in final decision-making, thereby relegating it to the role of a participatory actor without decisive influence in the legislative process. This configuration confirms that Indonesia's bicameral system is structured asymmetrically,

with the People's Representative Council (DPR) holding primary authority over legislative and budgetary functions.

However, this study found that the main issue does not lie in this asymmetrical nature, but rather in the absence of institutional mechanisms that would allow the DPD's authority to be converted into influence in the decision-making process, particularly in the formulation of fiscal policy through the State Budget (APBN). The DPD's procedural involvement is not accompanied by instruments that confer legal consequences on the outcomes of deliberations, meaning that the function of regional representation is not effectively articulated in state budgetary policy.

From the perspective of modern constitutional theory, particularly Bruce Ackerman's concept of the 'new separation of powers', an asymmetrical distribution of authority among state institutions is not an inherent weakness, but rather part of an institutional design that emphasises functional differentiation in creating mechanisms for the balance of power. Thus, asymmetry in a bicameral system need not be resolved through the equalisation of powers, but through the creation of institutional mechanisms that allow bodies with limited powers to retain influence within the power structure.

Based on these findings, this study proposes an alternative approach involving the strengthening of the DPD's role through institutional design reforms grounded in institutional independence. This approach does not require amendments to the 1945 Constitution of the Republic of Indonesia, but rather is achieved through the optimisation and restructuring of mechanisms at the level of legislation and institutional practice. This strengthening encompasses: (i) enhancing the DPD's role in the fiscal policy planning stage; (ii) establishing a 'qualified consideration' mechanism that confers legal consequences on the DPD's deliberations; and (iii) strengthening the deliberative forum between the DPR, the DPD, and the government in discussions on the State Budget.

Thus, the main contribution of this research lies in a shift in approach from a paradigm of expanding authority towards an institutional design approach that emphasises the independence and effectiveness of institutions. Within this framework, the DPD's powers need not be equated with those of the DPR, but its institutional capacity must be strengthened so that it can perform its function of representing the regions substantively in the process of formulating national fiscal policy. This approach is not only more realistic from a legal and political perspective, but is also in line with developments in modern constitutional theory, which identifies institutional design as the primary determinant of the effectiveness of state institutions.

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