

BUDGET POLICY FOR COMMUNITY EMPOWERMENT TOWARDS ADVANCED VILLAGES: A CASE STUDY OF HILIAURIFA VILLAGE, SOUTH NIAS

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ABSTRACT

This study aims to analyze community empowerment budget policy as a strategic instrument in accelerating rural development, with a case study in Hiliaurifa Village, Maniamolo Subdistrict, South Nias Regency. The focus of the study is on the implementation of budget policy in supporting empowerment programs and its impact on rural progress. The approach used is descriptive qualitative with data collection techniques through in-depth interviews with the Village Head, BPD Chair, Hamlet Head, and community members, field observations, and analysis of the 2023–2024 APBDes documents. The results of the study show that the allocation of Village Funds has contributed significantly to empowerment programs and village development. Over the past two years, the Village Fund budget of Rp1,020,176,000.00 (2023) and Rp1,092,267,000.00 (2024) has been allocated to two main areas: village development and community empowerment. The utilization of these budgets has had a positive impact, particularly in enhancing community capacity and advancing village infrastructure. The study's conclusions emphasize the importance of transparency and participation in the budget planning process. Recommendations include budget management training for village officials, guidance from the district government, and strengthening village deliberative forums as a collective decision-making mechanism supporting empowerment toward a progressive and self-reliant Hiliaurifa Village.

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INTRODUCTIONS

Villages are an important pillar in the structure of the Indonesian state which has a central role in national development. Since the enactment of Law Number 6 of 2014, villages have been given broad authority, including in

the management of Village Funds which began to be rolled out through the State Budget in 2015. This policy marks a shift in the development paradigm from the center to the periphery, while making the village a subject of development, not just a policy object (Ibrahim et al., 2023).

However, the implementation of the Village Fund policy is not always optimal. Many villages focus more on physical development, such as basic infrastructure, while non-physical empowerment aspects such as community capacity building, counseling, or strengthening village institutions are often neglected (Dewi, 2023). This condition shows that there is an imbalance between budget allocation and the real needs of the community at the grassroots.

Hiliaurifa Village in Maniamolo District, South Nias Regency, is one example of a village that underwent a significant transformation from a very disadvantaged village status in 2020 to a developing village in 2023, even targeting "advanced village" status by the end of 2024 (BPS Kabupaten Nias Selatan, 2023). This progress is supported by the allocation of Village Funds which reaches more than one billion rupiah per year, but the effectiveness of its use is still a question due to the low participation of residents and the dominance of physical development alone.

Budget politics is an important instrument in understanding how village budget allocations are compiled and utilized. From a political science perspective, the budget is not just a technocratic document, but is loaded with interests, power, and ideology. According to Wildavsky & Caiden (2012), budgeting basically answers the classic question: "who gets what, when, and how?" That is, budget politics reflects the dynamics of power and the actors involved in the distribution of resources.

Various parties have an interest in this process, ranging from the village government, BPD, to the community. In practice, community involvement is often symbolic, such as in formalistic village deliberations (*musrenbangdes*). In fact, public participation is the spirit of participatory budgeting, which is a system where citizens have a direct voice in public budget planning and supervision (Eko & Dkk (2015); Wampler (2007))

The problems raised in this study include three main points: first, how to form and practice budget politics in the implementation of community empowerment in Hiliaurifa Village; second, how is the mechanism for preparing and allocating the budget from the Village Fund; and third, what is the impact of budget politics on efforts to realize Hiliaurifa Village as a developed village. These three aspects are interrelated and form the basis of critical analysis in this study.

The purpose of this research is to analyze the political dynamics of the budget in community empowerment, examine the process of preparing the Village Fund budget allocation, and evaluate the real impact of budget policies on the status of village development. Practically, this research is expected to contribute to strengthening village budget governance and developing an inclusive and participatory empowerment model.

Theoretically, this article enriches the study of local political science, especially in terms of the intersection between public budgets and village development. This research also contributes to the literature on fiscal decentralization, village governance, and community-based sustainable development. Practically, these findings can be a reference for village governments, academics, and policymakers in designing more effective empowerment strategies.

The main theoretical foundation in this article is the political theory of budget according to Herzon (2021), which states that budget is an estimate of performance in financial measures, as well as the theory of Wildavsky which emphasizes the importance of actors and the negotiation process in budget formulation. In addition, the participatory budgeting model is an important analytical framework, which, according to Wampler (2007), is effective in improving accountability and fairness of distribution.

This research also refers to the study of village financial management based on Permendagri No. 20 of 2018 and No. 73 of 2020, which emphasizes the principles of transparency, accountability, participation, and budget discipline. In this context, villages are required to not only prepare budgets procedurally, but also be substantive and oriented towards the welfare of the community through equitable development.

Previous literature studies show that the success of the use of Village Funds is largely determined by the quality of planning, the capacity of village apparatus, and community involvement. Research by Ekawati, N., Agustar & Analia (2022) and Pratama WB & H (2023) shows that despite the progress of physical development, community empowerment has not been maximized because citizen participation in planning is still low. This emphasizes the importance of a political and participatory approach in budgeting.

Community empowerment, in the approach of Elliott & Dean (1999) dan Ife & Tesoriero (2006), is not just the provision of assistance, but the process of building awareness, capacity, and independence of the community in managing their lives and resources. Therefore, the village budget should not be monopolized by the village elite or used only for short-term projects, but should be a tool for social change that advances the quality of life of the community in a sustainable manner.

Taking into account the latest regulatory developments, such as the Village Law No. 3 of 2024 which affirms village autonomy and the importance of participation in development, it is time for village budget politics to be placed as a development political strategy. Villages must be a substantive democratic arena, not just implementers of development projects. Within that framework, this study is present to examine the extent to which budget politics in Hiliaurifa Village has answered these challenges.

By considering the complexity of budget politics and the dynamics of community empowerment at the village level, the purpose of this study is to provide a deeper understanding of how the practice of budget politics is applied in the implementation of empowerment programs in Hiliaurifa Village, as well as the extent to which the mechanism for preparing and allocating village budgets is able to encourage citizen participation and increase the socio-economic capacity of the community. In addition, this study also aims to evaluate the concrete impact of budget politics on the transformation of village status from disadvantaged to developed villages, so that the results of this finding are expected to be an important contribution to strengthening village development policies that are more inclusive, participatory, and equitable.

METHOD

This study uses a qualitative approach with a descriptive method, which aims to understand the phenomenon in depth based on empirical data in the form of words, narratives, and behaviors observed directly in the field. The research was conducted in Hiliaurifa Village, Maniamolo District, South Nias Regency, using observation techniques and structured interviews with the Village Head, BPD, Hamlet Head, and the community. The researcher acted as the main instrument (human instrument) and used triangulation techniques for data validity. Primary data was obtained through direct interviews, while secondary data came from relevant documentation and literature. This method was chosen because it is in accordance with the context of the phenomenon of budget politics in empowering communities towards developed villages (Sugiyono, 2018). The presence of researchers at the location is very necessary to obtain direct and complete data from various sources who understand the local context.

The data analysis technique is carried out through three main stages: data reduction, data display, and conclusion drawing. Data reduction is carried out by summarizing and focusing important information that is in accordance with the research objectives. Furthermore, data is presented in the form of narratives and inter-category relationships so that relevant patterns and themes can be recognized. The final stage in the form of drawing conclusions is tentative and will be verified as the data collection process continues (Rahmadi, 2011). This analysis is inductive, with the intention of interpreting the meaning of the social phenomena being researched based on the empirical realities found in the field. Through this approach, it is hoped that the results of the research will be able to provide a deep understanding of the relationship between budget politics and village community empowerment.

RESULT AND DISCUSSION

Desa Hiliaurifa, Kecamatan Maniamolo, Kabupaten Nias Selatan, merupakan desa yang memiliki kekayaan alam dan potensi sosial yang besar. Sejak dimekarkan pada tahun 2008 dan menjadi desa definitif pada tahun 2011, Hiliaurifa menunjukkan dinamika pembangunan yang signifikan. Desa ini memiliki luas wilayah 1.825,20 km² yang terbagi dalam lima dusun. Dari segi kependudukan, jumlah penduduk meningkat dari 1.060 jiwa pada 2020 menjadi 1.652 jiwa pada 2024, menunjukkan pertumbuhan tahunan rata-rata sebesar 3,8%.

Hiliaurifa Village, Maniamolo District, South Nias Regency, is a village that was expanded in 2008 which then officially became a definitive village in 2011. With an area of 1,825.20 km² divided into five hamlets, this village holds considerable natural and social potential. Based on population data, the population of Hiliaurifa Village has increased significantly from 1,060 people in 2020 to 1,652 people in 2024, with an average annual growth of 3.8%. The social composition of the community consists of 332 Heads of Families (KK), of which 15 families are classified as poor families who depend on social assistance for their livelihoods, 50 families are classified as middle economy with small businesses such as food stalls and grocery stores, and 267 families are classified as sufficient economic families who are able to meet their basic needs.

The majority of the residents of Hiliaurifa Village work in the agricultural sector. A total of 250 households are rice farmers, 180 households depend on rubber products, 120 households depend on coconut commodities, and 51 households manage cocoa plantations. The community's dependence on agricultural products is the main reason for the village government to prioritize programs to increase agricultural products in terms of production and marketing. However, the selling price of agricultural products in the village is still low compared to the market price of the district. It is stated in the BUMDes Aurifada Archive (2024) that the price of rice in the village is lower, at IDR 5,000 per kilogram, compared to the district market price of IDR 7,000 per kilogram.

From the government aspect, Hiliaurifa Village is led by the Head of the Village of Usaha Halawa, assisted by complete village apparatus and the Village Consultative Body (BPD) which actively supervises. Although formally the stages of budget preparation are carried out in accordance with the Village Regulation of PDTT Number 21 of 2022 through the Hamlet Conference (Musdus) and the Village Development Planning Conference (Musrenbangdes), practice in the field shows the dominance of village elites in decision-making. This condition is in accordance with the participatory budgeting theory Wampler (2007) which states that the budget process should involve the community from planning, implementation to supervision, but in reality it is often clogged by local power relations (Eko & Dkk, 2015). It is also emphasized by Sutoro, E., et al. (2023) that the dominance of the elite in village budgeting is still a challenge in participation-based development.

Data from the 2023 Village Revenue and Expenditure Budget (APBDes) shows that total village revenue is IDR 1,291,751,895, consisting of Village Funds of IDR 1,136,544,000 and Village Fund Allocation of IDR 155,207,895. Details of village expenditure are shown in the following Table 1:

Table 1. Hiliaurifa Village Budget in 2023

Field of Activity	Budget (Rp)	Percentage (%)
Implementation of Village Development	465.368.000	37,48
Implementation of Village Government	419.183.895	33,76
Community Development	118.600.000	9,55
Community Empowerment	70.600.000	5,69
Disaster Management & Urgency	108.000.000	8,7
Total	1.241.751.895	100

Interpretation of this table shows that almost 71% of the budget is more focused on physical development and the implementation of village government, while the portion of community empowerment is only 5.69%. In fact, according to the theory of empowerment Chambers (2006), empowerment should be the top priority to provide control of resources for marginalized groups.

In the 2024 fiscal year, the total village income has increased to IDR 1,257,270,000, consisting of Village Funds of IDR 1,092,267,000 and Village Fund Allocation of IDR 165,003,000. The budget allocation for each field changes, as shown in Table 2.

Table 2. Hiliaurifa Village Budget in 2024

Field of Activity	Budget (Rp)	Percentage (%)
Implementation of Village Development	619800000	49,3
Implementation of Village Government	416420000	33,12
Community Development	73000000	5,81
Community Empowerment	40050000	3,19
Disaster Management & Urgency	108000000	8,59
Total	1257270000	100

This table shows that the budget allocation for physical development increased sharply to almost 50%, while the portion for community empowerment actually decreased to 3.19%. This phenomenon shows a tendency for development to be more concerned with visible infrastructure than social investment and more sustainable economic empowerment (Eko & Dkk, 2015).

According to the Hiliaurifa Village Companion Document (2024), the political impact of the village budget has been evident over the past five years, marked by increased community participation in Musdes, a 10% reduction in the stunting rate, and the establishment of 15 productive business groups. The APBDes (2023–2024) reports that village funds have been distributed to empowerment programs, including IDR 52,800,000 for Human Development initiatives such as youth training and early childhood education, IDR 110,650,000 for Business Development covering agricultural training, MSME support, and production tools, as well as IDR 832,603,895 allocated to Community Development through road cementation projects conducted over two years.

The village of Hiliaurifa is led by the Village Head, Mr. Berusaha Halawa, the economic sector has experienced the impact of the empowerment program, as reflected in the increase in community income from the previous range of IDR 1,500,000–2,500,000 to IDR 4,000,000–6,500,000 per month. However, the difference in crop prices between the village and the district market is still a significant obstacle to optimizing the welfare of residents.

In the health sector, basic services have stagnated because since 2018 the village auxiliary health center has not functioned. According to Mr. A. Nurdin Dakhi (2025), who serves as the Head of Dusun I in Hiliaurifa Village, this condition reflects political inequality in budget allocation, which is overly concentrated on the physical sector without being accompanied by improvements in basic social facilities. He also pointed out that the limited capacity of village apparatus human resources poses a challenge to the effective implementation and accountability of the budget. This information was obtained through an interview conducted on Wednesday, April 16, 2025, at 14:00 WITA at his residence in Hiliaurifa Village, Maniamolo Subdistrict, South Nias Regency.

Overall, the practice of budget politics in Hiliaurifa Village runs with fairly good accountability, but community participation still needs to be strengthened. It is documented in the Hiliaurifa Village Archive (2020) that

efforts to maintain transparency through open reporting and the involvement of BPD in financial oversight have been actively implemented by village heads. Nevertheless, elite dominance still presents a significant obstacle. Even so, the strong tradition of mutual cooperation or gotong royong has become an important social asset in upholding the community's confidence in the village administration.

The various achievements of the last five years give optimism that Hiliaurifa Village can achieve the status of an Advanced Village in 2026. It was conveyed by the Hiliaurifa Village Head (2025) that in order to achieve this, village budget management must be balanced between physical infrastructure projects and socio-economic empowerment initiatives, while also improving the competence of village human resources through ongoing training and mentoring efforts.

CONCLUSION

Overall, the politics of the community empowerment budget in Hiliaurifa Village shows a positive contribution to village development, especially in improving infrastructure and skills training. However, its effectiveness and sustainability still face significant challenges. The analysis shows that budget planning is not fully based on the real needs of the community, with the dominance of village elites in the Musrenbang process and the lack of comprehensive socio-economic data utilization. Community participation is also still low due to the lack of socialization and access to information, where marginalized groups such as women and youth are often underrepresented actively in decision-making. In addition, accountability for fund management remains weak despite transparency efforts, hindering public access to detailed reports on budget use and weakening internal oversight mechanisms. Although empowerment programs have had a positive impact, their distribution has not been evenly distributed, indicating the need for more systematic program evaluation and a region-specific needs-based approach to achieve overall village progress.

To improve the effectiveness and sustainability of the empowerment budget politics in Hiliaurifa Village, several strategic suggestions are proposed. First, the village government needs to strengthen the budget planning process through periodic socio-economic mapping and involve independent facilitators, as well as optimize the Musrenbang so that it truly becomes a forum for community aspirations. Second, community participation must be increased through more inclusive and transparent approaches, such as group discussion forums, the use of social media, and the active involvement of vulnerable groups. Third, budget management accountability can be strengthened by utilizing digital platforms for the publication of real-time financial statements and the establishment of independent oversight bodies. Fourth, increasing the capacity of village officials and community leaders through financial management training and program evaluation is crucial. Finally, periodic evaluation with a participatory monitoring and evaluation system (monev) needs to be implemented to ensure that empowerment funds provide real and equitable benefits, as well as open up opportunities for further studies on the impact of the budget on the village Human Development Index (HDI).

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