

Analysis Flypapper Effect Influence Local Original Income , General Allocation Fund , Allocation Fund Special Funds and Revenue Sharing Funds for Regional Government Expenditures (Case Study in South Halmahera, Central Halmahera, and East Halmahera Districts)

Muammil Sunan ¹ Amran Husen ² Yetty ³ Maimunah Abusama ⁴
Khairun University , Ternate , Indonesia

Email: m sunan658@gmail.com , amran.husen@yahoo.co.id ,
yetty@unkhair.ac.id , mainunaabusama79@gmail.com

Abstract

Research purposes This is : (1) Analyze influence income original (PAD) on capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency ; (2) Analyzing influence of allocation funds general (DAU) for capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency ; (3) Analyzing influence of allocation funds special (DAK) for capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency ; (4) Analyzing The influence of profit sharing funds (DBH) on capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency ; (5) Analyzing the occurrence phenomenon *flypaper effect* in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency . This study is study studies cases in producing areas mining in North Maluku Province . The analytical tools used in the study is analysis panel data regression . Research results show that income original areas and allocation funds special influential positive towards government spending . While the allocation fund general and profit sharing funds are not influential on government spending area . Research results show that existence phenomenon *flypaper effect* in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency .

Keywords: PAD, DAU, DAK, DBH, and Flypaper Effect .

INTRODUCTION

Autonomy area or Decentralization in Law Number 32 of 2004 which explains obligation local government to control the area with still follow applicable rules and laws . According to (Sukarna, 2013) the power area very broad autonomy Because government area authorized look after Alone interest its society consists of from field education, agriculture, welfare, health, housing, economy and others. Different as it is with government center only handle a number of authority bureaucracy foreign affairs, security and order , and finance national , defense , justice and religion. Decentralization result in government the region must be able to improve source Power area (Basri, 2002). Potential area can improved through improvement regional spending budget .

Implementation autonomy area will influential to management finance area . This is related close with giving power , authority and discretion to government area to regulate and determine use of funds to implement affairs the area whose financing sourced from Budget Regional Revenue and Expenditure Budget (APBD). Sources main finance area consisting of from Regional Original Income (PAD) and balancing funds

consisting of from the General Allocation Fund (DAU), the General Allocation Fund Special (DAK), and Revenue Sharing Funds (DBH) will have implications for structure and proportions expenditure and revenue in the district and city APBD (Mardiasmo, 2007).

Based on description that has been stated in advance , then in order implementation autonomy regions and decentralization fiscal , steps important things to do is count potential income original regional (PAD) and increase capacity fiscal area . Therefore , in order to optimize budget development , then expected government area play a role as facilitator and motivator in moving development in their area (Gaebler, 1993). At the same time , the community expected Lots play a role in building the area is in accordance with interests and priorities .

Decentralization fiscal is a not quite enough answer financial which is component main thing in decentralization . If the government local can carry out functions decentralization in a way effective , then it must have adequate reception , improved in a way local or transferred from government center , as well as authority maker decisions about expenditure . The purpose of decentralization fiscal is give broad and real authority to government area to manage and regulate resources according to interest public the area , so that government area authorized to determine priority development in accordance with potential and resources power possessed (Suyanto, 2015).

In Law No. 32 of 2004 it is stated that for the implementation authority government area, government center will transfer the Balancing Fund consisting of from the General Allocation Fund (DAU), the General Allocation Fund Special (DAK), and parts area from the Revenue Sharing Fund (DBH) which consists of from taxes and resources Power nature. In addition to the balancing funds said, the government area have source funding Alone in the form of Local Original Income (PAD), financing, and other income. Policy use of all these funds handed over to government area . Funds transfer from government center expected used in a way effective and efficient by the government area to improve his service to public.

Related with PAD management and expenditure area, (Kuncoro & Murbarani, 2016) concluded that PAD only capable finance government spending the largest area is 20%. This fact is what gives rise to behavior asymmetric in government visible area from indication inefficiency in the transfer funds, and it is seen from response expenditure more government known with the flypaper effect. Added by Ndadari and Adi (2008), the comparison use of balancing funds (DAU, DAK, and DBH) for reception area Still too tall compared to with reception other areas, including PAD.

In the National Development Planning , the Eastern Indonesia Region (KIT) is always get attention and priority but until now equal distribution of development results and capabilities areas in the KIT area as a whole efforts and results still left behind compared to with the West Indonesia Region (KIB) (Rosmeli, 2014). Dependence government area to government center seen clear on the aspect finance , where allocation of transfer funds or DAU provided government center to government area will Far more high and government area become not enough notice ability area in optimizing source its funding . This is result in the role the region itself in funding regional spending as well as will increase dominant the role of transfer funds in terms of This is DAU, then called as a flypaper effect (Purbarini & Masdjojo, 2015).

Dependence financial events that occur indicates lack of independence area . Allocation of transfer of balancing funds provided government center to government area not enough notice ability each and every area in optimizing sources funding . The

consequences caused is government area will always demand a large transfer from government center , not maximize the potential in the region (Indriyani, 2016). Dependence This cause role government low regions in funding regional spending. Problems dependence fiscal government area towards government transfer funds center, (Aragon, 2009) knows as a flypaper effect.

Evaluation results balance fiscal in Indonesia shows that government regions are heavily dependent on government transfers center to finance gap income original limited regional revenue (PAD) with prevailing levels of government spending (Hofman et al. 2006). The problem dependence fiscal government area towards government transfer funds center, (Aragon, 2009) calls it as a flypaper effect, namely condition where to shop government area more tend respond to transfer funds income than to income original area . If dependence government area against transfer funds more big than dependence to income original area , then matter the indicates has flypaper effect occurs .

Apart from dependency fiscal , flypaper effect can also be cause the occurrence asymmetry moment happen change fiscal . When DAU increases , the government area spend addition income , but when DAU amount reduces regional spending No decreased (Aragon, 2009). Behavior fiscal government areas in response to transfers from government center become attention main in supporting transfer effectiveness . Its dominance transfer role vs. income original regions in financing government spending area Actually No give good guide for government (Iskandar, 2012). Empirical evidence international show that height dependence on transfers turns out relate negative with the results of his government (Mello and Barenstein , 2001).

Research on the flypaper effect has been done conducted by researchers in Indonesia and abroad . Some research in Indonesia concluded has happen the flypaper effect phenomenon, which means government spending area more big influenced by transfer funds from government center than by ability finance area (Handoko, 2015). Research in other countries also shows the existence of a flypaper effect in the management of inter-governmental transfer funds as it happens in Brazil (Mattos, Rocha, & Arvate, 2011), Italy (Gennari, 2012), and Mexico (Sour, 2013). The researchers compare the influence of transfer funds on PAD and variable income other on regional spending in the flypaper effect research . In the research that tested influence variable income regarding regional spending , Maimunah's research results (2006) show that DAU has an effect positive on regional spending. (Utama, 2011) shows influence positive transfer funds and PAD on regional spending , while the research results Maryadi (2014) found that SiLPA has an impact significant towards capital expenditure which is one of the regional spending components .

A number of other studies prove that the flypaper effect is proven occurred in Indonesia as in the research conducted by (Hamsyi & Fitriyani, 2021), (Tasri, 2018), (Syahrina, 2020), and (Dewi, 2017). In general common one reason the occurrence of the flypaper effect is Because low PAD contribution compared with DAU towards regional spending .

Flypaper effect is a conditions that occur at the time government area respond (to local spending) more many / more wasteful by using transfer funds (grants) provided by the government center and count with balancing funds than using ability the area itself , the ability area proxied with Local Original Income (PAD) (Rudi, 2018). Empirical study regarding the flypaper effect shows change grants system for expenditure government areas in Sweden 2002 found that increase in regional transfer funds that are not balanced with need area will cause increase expenditure government area ,

different with consequence from increase in sourced income from tax. Increase rates high taxes cause decrease in spending area. According to Andesson, effect This depending on the decline relative to non-matching grants for some period (Andersson, 2002).

Flypaper effect in definition can explained as inequality influence expenditure public from help government center and improvement income with the same amount . No matter how much help government center to government the area must provide the same influence . If the thing This No happen so There is trend that influence expenditure public in the form of help government center No give equally large influence so matter this is what is called with flypaper effect. In language simple , can defined that the flypaper effect as behavior deviate where government transfers center considered as a addition income for local communities (Suyanto, 2015).

Based on background the background stated above , then objective from study This is as following :

1. Analyze influence income original regional revenue (PAD) to capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency .
2. Analyze influence of allocation funds general allocation (DAU) for capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency .
3. Analyze influence of allocation funds special allocation (DAK) for capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency .
4. Analyze the influence of revenue sharing funds (DBH) on capital expenditure in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency .
5. Analyze the occurrence phenomenon *flypaper effect* in South Halmahera Regency , Central Halmahera Regency , and East Halmahera Regency .

RESEARCH METHOD

This research will try analyze growth economy in South Halmahera Regency , Central Halmahera Regency and East Halmahera Regency . Considerations from election as a unit of analysis , due to area Central Halmahera Regency , South Halmahera Regency and East Halmahera Regency are area producer mine the largest in Indonesia which is located in North Maluku Province and the author wants to know existence flypaper effect phenomenon on government spending allocation the area that will be impact on activities development and welfare communities in the three regions . Economic development areas in need financing government become main problem due to ability limited fiscal so that existence dependence finance on transfer funds from government center to government area to finance activity development and service public in the area .

RESULTS AND DISCUSSION

Description Research Variables

Development Local Original Income (PAD)

There is decentralization fiscal , regional have more authority large to optimize its PAD , so that PAD portion as component reception areas also increased . The increase in PAD is considered as capital, in accumulation will more Lots cause externalities of a nature positive and can speed up growth economy . Decentralization fiscal in one side give more authority big in management area , but on the other hand it gives rise to new problem . Every area have unequal ability to fund activity operational in their respective areas, so that cause inequality fiscal inter-regional (Haryanto and Adi, 2007). Source the main financing from organization governance and development area , good province , district and city should be originate from independence source area from Local Original Income (PAD).

To organize autonomy large area real and responsible , government area sued capable dig sources finance yourself in order to to finance organizer government , development and society which become authority . This is to signify that regions must strive to be able to increase Local Original Income (PAD), both increase reception existing PAD sources and also excavation the new PAD source is in accordance with existing provisions as well as notice conditions and potential economy society , because PAD is reject measuring for regions in organizing and realizing autonomy area . In principle the more big PAD contribution to Budget Regional Revenue and Expenditure (APBD) will show the more small dependence area to center .

Based on the data in Table 5.1. shows that income original regional revenue (PAD) of South Halmahera, Central Halmahera and East Halmahera Regencies continues experience quite a rise big during period 2016 – 2022. In 2016 , revenue original area South Halmahera Regency amounted to Rp. 22,589,364,957.35, Central Halmahera Regency amounted to Rp. 21,979,104,237, and East Halmahera Regency amounted to Rp. 25,176,739,490, and experienced improvement Keep going until in 2022. In 2020 income original area South Halmahera Regency is as large as Rp. 31,501,538,899, Central Halmahera Regency Rp. 71,526,843,479 , and East Halmahera Regency Rp . 21,602,268,180.73. Furthermore , in 2022 the income original area South Halmahera Regency is Rp. 75,748,395,567.85, Central Halmahera Regency is Rp. 83,049,139,396, and East Halmahera Regency is Rp. 34,202,483,857.34.

In Table 5.1. shows that realization income original area (PAD) during period 2016 – 2022 in South Halmahera, Central Halmahera and East Halmahera Regencies tend to experience fluctuations . As in 2017 , income original areas in Central Halmahera Regency and South Halmahera Regency experienced quite a drop significant . In Central Halmahera Regency , PAD is Rp. 13,737,492,718 or down by 37.49 percent from year previously . Then in South Halmahera Regency in 2017 PAD amounted to Rp. 21,914,266,405.48 or down by 2.98 percent from year previously . Then in East Halmahera Regency in 2019 the realization income original regional revenue (PAD) of Rp. 55,120,233,296.96 or experience decline by 17.33 percent from year previously .

Table 1 Local Original Income (PAD) of Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency
2016 – 2022 (in billion Rupiah)

Year	HALL OF THREE	HALSEL	HALTIM
2016	21,979,104,237	22,589,364,957.35	25,176,739,490
2017	13,737,492,718	21,914,266,405.48	53,541,053,118
2018	17,016,743,684	17,857,672,136.41	66,678,613,519.92
2019	15,313,942,996	28,876,501,744.99	55,120,233,296.96
2020	46,609,855,553	31,501,538,899	21,602,268,180.73

2021	71,526,843,479	58,236,471,626.25	12,543,641,671.19
2022	83,049,139,396	75,748,395,567.85	34,202,483,857.34

Source : BPS North Maluku Province .

Development of General Allocation Fund (DAU)

Distribution of funds to regions through profit sharing based on area producer tend cause inequality between area with consider needs and potential region . Allocation of DAU for potential areas fiscal big However need fiscal small will to obtain relative DAU allocation small . On the contrary areas that have potential fiscal small However need fiscal big will to obtain relative DAU allocation big , with Meaning see APBD's ability to finance needs area in order development mirrored area from reception general APBD reduced with employee spending . According to (A. Halim, 2009) inequality economy between One Province with Other provinces do not can avoided with existence decentralization fiscal , caused by the lack of source Lack of taxes and natural resources can excavated by the Regional Government .

Central Government took the initiative give subsidy in the form of DAU to area to tackle inequality For areas with a high level of his poverty more high , will given more DAU big compared to rich areas and vice versa . In addition, to reduce inequality in needs financing and assignment tax between central and regional has overcome with existence policy profit sharing and DAU of at least 26% of Domestic Revenue . DAU will give certainty for area in obtaining source financing to finance need expenditure that becomes not quite enough each region is responsible . DAU is a fund that comes from from the allocated APBN with objective equalization ability finance between area to finance need spending . As for how calculate DAU according to provision is as following :

1. DAU is determined at least 26% of domestic revenues stipulated in the APBN.
2. DAU for regions provinces and for districts /cities are set at 10% and 90% respectively of the DAU as set on .
3. DAU for a Certain districts /cities set based on multiplication the amount of DAU for the Regency /City as determined by the APBN with portion The relevant district /city .
4. Portion Regency /City as referred to above is proportion weight Districts /cities throughout Indonesia.

Based on the data in Table 5.2. shows that the balancing fund namely allocation funds general allocation (DAU) for South Halmahera, Central Halmahera and East Halmahera Regencies during 2016 – 2022 tends to experience fluctuations . The tendency of the allocation fund to rise and fall general (DAU) indicates that Still existence dependence government South Halmahera, Central Halmahera and East Halmahera Regencies regarding government center as part from the Republic of Indonesia.

Table 2 General Allocation Fund (DAU) of Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency 2016 - 2022 (in billions).

Year	HALL OF THREE	HALSEL	HALTIM
2016			
2017	410,814,584	524,914,372	479,291,051
2018	443,124,024	553,257,144	476,515,982
2019	440,305,656	692,872,748	476,196,126
2020	448,490,415	682,940,145	486,927,206
2021	460,403,872	751,125,982	448,081,887

2022	416,219,905	766,195,544	440,433,877
	410,893,085	700,871,566	436,754,739

Source : BPS, North Maluku Province (2023).

The data in Table 2 shows that during 2016 – 2022 allocation funds general (DAU) in South Halmahera , Central Halmahera and East Halmahera Regencies experienced quite a fluctuation significant . In 2016 the allocation fund general allocation funds (DAU) in Central Halmahera Regency amounting to Rp. 410,814,584; South Halmahera Regency amounting to Rp. 524,914,372; and East Halmahera Regency amounting to Rp. 479,291,051. Then in 2020 the allocation funds general (DAU) experienced improvement only in Central Halmahera Regency and South Halmahera Regency , namely Rp. 460,403,872 or an increase of 12.07 percent ; and Rp. 751,125,982 or an increase of 43.09 percent . Meanwhile East Halmahera Regency experienced decline amounting to Rp. 448,081,887 or down by 6.51 percent from 2016.

In Table 5.2. shows that realization of allocation funds General Allocation Fund (DAU) in 2016 – 2022 only in Central Halmahera Regency and South Halmahera Regency experienced a decrease improvement in a way significant . In 2016 the allocation fund general allocation funds (DAU) in Central Halmahera Regency amounted to Rp. 410,814,584, and in South Halmahera Regency the realization of the allocation funds general (DAU) of Rp. 524,914,372 . Then in 2022 the realization of the allocation funds general (DAU) in Central Halmahera Regency experienced increase amounting to Rp. 410,893,085 or an increase of 0.02 percent . Meanwhile, in South Halmahera Regency in 2022 , the realization of the allocation funds general (DAU) of Rp. 700,871,566 or experience increase by 33.52 percent . Furthermore , in East Halmahera Regency in 2016 the realization of the allocation funds general (DAU) of Rp. 479,291,051, and in 2022 the realization of the allocation funds general (DAU) of Rp. 436,754,739 or experience decline by 8.87 percent .

Development of Allocation Fund Special (DAK)

Allocation Fund Special (DAK) is a fund that comes from from the APBN, which is allocated to area to help to finance need special . DAK allocation takes into account availability of funds in the APBN, which means that the amount of DAK is not can confirmed every year . DAK is given to area if area face problems special . According to (A. Halim, 2001) stated that objective from use of DAK can directed at efforts to improve Human Development Index (HDI) which is one of the issue national issues that need to be resolved . This is because of the magnitude level poverty in the area .

Allocation Fund Special aims to help to finance need special area . Allocation funds special is a balancing fund sourced from from allocated APBN revenue to area certain with aim to help to fund activity special which is affairs area and in accordance with priority national . Meanwhile, in Article 1 number 23 of Law No. 33 of 2004 concerning Balance between finance center and finance area explained that the allocation funds special furthermore called DAK is a fund that comes from from APBN revenues are intended for to area certain with aim to help to be guided activity special which is affairs area and in accordance with priority national .

The data in Table 5.3. shows that during 2016 – 2022 allocation funds special (DAK) in South Halmahera, Central Halmahera and East Halmahera Districts experienced fluctuations and tend to increased . In 2016 the allocation fund special allocation (DAK) in Central Halmahera Regency amounting to Rp. 72,568,350 billion ; in South Halmahera

Regency amounting to Rp. 158,212,790 billion ; and in East Halmahera Regency amounting to Rp. 141,961,199. Then in 2022 it experienced increase , where the allocation funds special (DAK) in Central Halmahera Regency amounting to amounting to Rp.193,064,450.67 or by 166.05 percent . Furthermore , in 2022 the allocation funds Special Allocation Fund (DAK) in South Halmahera Regency increased Enough big where is the allocation fund special (DAK) of Rp. 328,826,093.13 or an increase of 107.84 percent , and in East Halmahera Regency it increased Enough big where in 2022 the allocation funds special (DAK) of Rp. 182,384,205 or an increase of 28.47 percent .

Table 3 Allocation Funds Special (DAK) for Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency 2017 – 2023 (in billions)

Year	HALL OF THREE	HALSEL	HALTIM
2016			
2017	72,568,350	158,212,790	141,961,199
2018	102,165,950	152,453,260	208,334,271.3
2019	141,347,703	175,472,978.1	4
2020	119,065,631.9	5	199,237,813
2021	5	231,633,500	177,195,175
2022	135,655,306.9	242,796,536	155,095,042
	3	340,600,830.9	176,364,902
	131,217,677.3	1	182,384,205
	4	328,826,093.1	
	193,064,450.6	3	
	7		

Source : BPS, North Maluku Province (2023).

Development of Revenue Sharing Fund (DBH)

Profit Sharing Fund is part from Transfer to Allocated Areas based on percentage of income specific in the Budget State Revenue and Expenditure and performance certain , which is shared to the producing region with aim to reduce inequality fiscal between Government and Regions, as well as to other non- producing regions in order to overcome externalities negative and/ or increase equality in one region (Law) Number 1 of 2022). The Profit Sharing Fund is implemented with principle according to the source , in the sense that part area of revenue sharing based on area producer . Principle the applies to all components of the Revenue Sharing Fund, except for the Fisheries Revenue Sharing Fund which is divided equally among all district / city . In addition, the distribution of Profit Sharing Funds is good tax and also source Power natural done based on realization reception year budget walk .

DBH is source income sufficient area potential and is one of the basic capital government regions in obtaining development funds and meeting regional expenditures that are not originate from PAD other than DAU and DAK. Revenue sharing pattern the done with percentage certain based on area producer . Government area can use balancing funds finance (DBH) to provide service to realized public through capital expenditure.

Table 4 Revenue Sharing Fund (DBH) of Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency 2017 - 2023 (in billions)

Year	HALL OF THREE	HALSEL	HALTIM
2016			

Analysis Flypapper Effect Influence Local Original Income , General Allocation Fund , Allocation Fund Special Funds and Revenue Sharing Funds for Regional Government Expenditures (Case Study in South Halmahera, Central Halmahera, and East Halmahera Districts)

2017	33,227,152.78	46,175,686,26	10,037,444.57
2018	11,822,696,40	8	15,391,789.10
2019	5	41,608,242,54	36,205,099,14
2020	9,062,190,000	2	1
2021	41,644,613.70	34,694,425.26	37,651,325,11
2022	50,137,034.00	29,052,262,70	9
	46,051,909.72	9	43,027,562,85
	109,715,272.7	42,695,817,97	4
	4	0	47,283,918,23
		66,841,266.52	1
		76,628,901,24	52,726,482,10
		7	5

Source : BPS, North Maluku Province (2023).

The data in Table 4 shows that during 2016 – 2022 revenue sharing funds (DBH) in South Halmahera, Central Halmahera and East Halmahera Regencies tend to experience quite an improvement significant . In 2016 , the revenue sharing fund (DBH) in Central Halmahera Regency was Rp. 33,227,152.78 billion ; South Halmahera Regency was Rp. 46,175,686,268; and East Halmahera Regency was Rp. 10,037,444.57 billion . Then in 2022, the revenue sharing fund (DBH) experienced increase in Central Halmahera Regency by Rp. 109,715,272.74 billion ; South Halmahera Regency by Rp. 76,628,901,247; and East Halmahera Regency by Rp. 52,726,482,105. The occurrence of increase in revenue sharing fund receipts in the three regions due to production of mining products that continues experience improvement , so that for as area producer mine will receive increasing profit sharing funds big portion . With existence The increase in profit sharing funds is certainly very helpful government areas in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency activities financing development through capital expenditure.

Development of Regional Government Capital Expenditure

Impact direct activity government to the country's economy and area indicated by the size expenditure government . So that management magnitude expenditure government that does not appropriate precisely will harm economy . Increase in spending government can give impact to various indicator macro country's economy . So that activities the country's economy is at a level optimum with support sector private , then required management efficient fiscal and level expenditure optimal government .

Allocation of capital expenditure on every areas outlined in the APBD as investment sector the public is very necessary , because besides give effect straight to the upgrade income public through implementation of dense programs works , also in No direct through development activity business economy for company (Keynes in Pressman, 2006). Availability a number of infrastructure in the area will push development investment private so that open field the work that ultimately will push improvement welfare public area concerned .

Capital Expenditure can categorized into 5 (five) categories main that is :

1. Land capital expenditure
2. Capital expenditure on equipment and machinery
3. Capital expenditure on buildings and structures
4. Capital expenditure on roads , irrigation and networks
5. Physical capital expenditures others

Looking at the data in Table 5.5. below show that realization of government capital expenditure North Maluku Province during period 2012 – 2021 experienced a big increase . During 2012 – 2021 period capital expenditure realization occurred decrease in 2013 of 28.857 billion rupiah or by 6.38 percent . However, in 2014 capital expenditure increased amounting to 38.234 billion rupiah or by 7 percent and in 2015 it increased again by 69,095 or as big as 8.13 percent . Then in 2021 it experienced improvement of 841,145 or by 21.90 percent .

Table 5 Realization of Government Capital Expenditure Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency 2014 – 2022 (in billion Rupiah)

Year	Halteng (Rupiah)	Halsel (Rupiah)	East Halmahera (Rupiah)
2014	210,620,596.43	179,699,700,890	282,428,042,694
2015	221,737,243.03	186,243,497,830	336,724,902,560
2016	161,046,936.93	193.131.755,110	194,660,901,298
2017	287,683,872.16	198.174.169,610	111,671,607,065
2018	153,325,238.68	203,214,931,220	173,515,331,554
2019	153 325 238.19	214,931,217,497	196,597,221,304
2020	244 566 612.37	294,502,893,981	154,497,151,402
2021	285 268 782.16	345,233,184,305	198,754,078,193
2022	291 287 940.36	291,206,456,074	221,403,341,492

Source : BPS, North Maluku Province (2023).

The data in Table 5 shows that realization of capital expenditure in 2012 amounted to Rp. 418.588 billion or by 99.60 percent from ceiling of Rp. 420.274 billion . Then in 2013 the realization of capital expenditure experienced decline amounting to Rp. 389.731 billion with percentage realization by 97.42 percent from ceiling of Rp. 400.047 billion . While in 2014 the realization of capital expenditure was Rp. 427.965 billion . or by 99.42 percent from the total ceiling budget amounting to Rp. 430.428 billion . Furthermore , in 2020 the realization of capital expenditure increased amounting to Rp. 571.751 billion with percentage realization by 99.56 percent from ceiling of Rp. 574.264 billion, and in 2021 the realization of capital expenditure in the year amounting to Rp. 1,338.205 billion or by 99.86 percent from ceiling of Rp. 1,340.147 billion .

Test Results Panel Regression in South Halmahera Regency , Central Halmahera Regency and East Halmahera Regency .

Random Effect Model

If in the Fixed Effects Model , the difference between individual and or time reflected through *the intercept* , then in the Random Effects Model , the difference the accommodated through *errors*. This technique also takes into account that error is possible correlated throughout *time series* and *cross section*. Remember there are two components that have contribution to the creation *error*, that is individual and time , then *random error* in the Random Effects Model also needs to be analyzed become *error* for component individual , *error* component combined time and *error* .

Based on the test results in Table 6 using the Random Effect Model only coefficient income original significant regional revenue (PAD) in a way statistics with t-test at a 5% and the sign is as expected that is income original regional (PAD) influence positive on government capital expenditure areas (BM) in South Halmahera Regency ,

Central Halmahera Regency and East Halmahera Regency . By using the Random Effect Model, it turns out that R2 value obtained more tall compared to with OLS, namely by 59.64%.

Test results with the Random Effect Model showing that South Halmahera Regency and East Halmahera Regency which have mark constant negative . It means that , if although income original area , allocation funds general , allocation funds special , and profit sharing funds are not experience changes , but government capital expenditure areas in both area it can experience decline .

Table 6 Random Effect Model

Dependent Variable: BM?				
Method: Pooled EGLS (Period random effects)				
Date: 01/26/24 Time: 00:23				
Sample: 2017 2023				
Included observations: 7				
Cross-sections included: 3				
Total pool (balanced) observations: 21				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
PAD?	0.267193	0.101190	2.640502	0.0194
DAU?	0.519412	0.745123	0.697082	0.4972
DAK?	0.477000	0.230368	2.070602	0.0539
DBH?	0.017696	0.016655	1.062474	0.3060
C	-1.542982	5.772562	-0.267296	0.7931
Random Effects (Cross)				
_HALSEL--C	-0.336174			
_HALTENG--C	0.569478			
_HALTIM--C	-0.233304			
Effects Specification				
			SD	Rho
Weighted Statistics				

R-squared	0.717501	Mean dependent variable	8.391433
Adjusted R-squared	0.596430	SD dependent var	0.111017
SE of regression	0.070526	Sum squared residual	0.069635
F-statistic	5.926284	Durbin-Watson stat	3.017319
Prob(F-statistic)	0.002935		
	Unweighted Statistics		
R-squared	0.522715	Mean dependent variable	8.391433
Sum squared residual	0.182586	Durbin-Watson stat	2.540202

Note : *) significant at α 1%, 5% and 10%

Testing Coefficient Regression In general Partial (*t-test*)

In testing coefficient regression in a way partial is testing to connection between variable study in a way separate . Influence variables independent in a way partial indicated by the magnitude of each t- statistic value .

Based on the test results in Table 5.6. shows that in a way partial variable income original regional (PAD) influence significant on government capital expenditure areas in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This indicated by the magnitude t -statistic value of 2.6405 which is significant at α 5% or mark probability that is below 0.05 . This means that If happen changes in variables income original area (PAD) in the third area the so will happen changes in government capital expenditures area . While allocation fund variable general (DAU), allocation fund special (DAK), and revenue sharing funds (DBH) are not influential significant on government capital expenditure .

Testing Coefficient Regression In general Simultan (*F test*)

In testing coefficient regression in a way simultaneous is testing to influence variable independent in a way simultaneously to variable dependent . Influence variables independent in a way simultaneously to variable dependent indicated by the magnitude F statistic value .

Based on the test results in Table 5.6. shows that in a way simultaneously variable independent (income) original area , allocation funds general , allocation funds special , profit sharing funds) have an impact significant to variable dependent (government capital expenditure) in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . The influence variables - variables the in a way overall significant at α 1%, which is indicated by the magnitude of F -statistic value of 5.9262 which is significant at α 5% or mark probability that is below 0.05 . This means that if happen changes in variables independent (PAD, DAU, DAK, DBH) on an

independent basis simultaneously , then will happen changes in government spending area .

Coefficient Determination (R^2)

To see ability independent variables in explaining or measure the magnitude donation to variable dependent can known from the magnitude mark coefficient determination . Based on the calculation results show that the magnitude mark coefficient determination of R^2 of 0.5964 or 59.64%. This means that the magnitude donation independent variables (PAD, DAU, DAK, DBH) on variable dependent (government capital expenditure) of 59.64%. Meanwhile the rest 40.36 % is variable or factors that are not researched . With thus , still Lots factor other (external) influential towards government capital expenditure , will but variable study This is factor most important and primary . For that reason, the party government area Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency can more pay attention and improve income result area or capital expenditure with consider factor said (internal).

Panel Data Regression Model Selection

To determine estimation of the appropriate panel data regression model , there is some tests that need to be done . There are several the test that will be used namely the Chow Test *and* the Hausman Test .

Chow Test

The Chow test is testing to select the right model between the Common Effect Model (CEM) and the Fixed Effect Model (FEM). Based on the test results in the appendix show that F - value of CEM model 3.1465 > 2.9772 F -value of FEM model. So that in conclusion accept H_0 which means that the REM (Random Effect Model) is the appropriate model.

Hausman test

The Hausman test is testing conducted to select an estimation model best between *Fixed Effect Model* (FEM) or *Random Effect Model* (REM). Based on the calculation results in the appendix show that The F- value of the FEM model is 2.9772 < 5.9262 F- value of the REM model. So that in conclusion then H_0 accepted , which means that the appropriate model is the *Random Effect Model* (REM).

Discussion of Research Results

Influence Regional Original Income (PAD) Against Government Capital Expenditure .

Local Original Income is one of the source income area used to perform activities area . PAD is income earned from sources income area and managed by the government itself area . PAD describes ability area to optimize sources income from the area itself . Optimization PAD revenue should be supported with effort local government increase quality service public . The amount of PAD is one of the factor determinant in determining capital expenditure . This is in accordance with PP No. 58 of 2005 which states that the APBD is prepared in accordance with need organization government and capabilities area in producing income . Every in preparing the APBD, the allocation of capital expenditure must be adjusted with need area with considering the PAD received . So that If government area want to increase the large amount of capital expenditure, then it is

necessary to dig up large PAD. So that PAD increase expected can give influence to allocation of capital expenditure by the government area .

PAD policy is implemented based on principle democracy , equality and justice , role as well as society , and accountability with notice potential area . Government always push efforts increasing PAD for districts / cities , so that the local governments concerned capable to fund organization governance and development area , as well as service to society . With increasing PAD from year to year , it is expected local government district / city in a way gradually can reduce its dependency from government center (Directorate) General Balance Ministry of Finance Finance Republic of Indonesia, 2013b).

Based on the research results show that income original regional (PAD) of Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency have an influence positive and significant on government capital expenditure area . It means that , if existence improvement reception government sourced from income original area (PAD) then will push increase in government capital expenditure area in financing activity development areas and services public . Improvement Regional Original Income (PAD) is one of the assets for success in achieving objective development area . This is because PAD determines capacity government area in running functions government , namely carry out service public (*public service function*), and carry out development (*development function*). Research results This in line with study Twinki and Widiyanti (2022) stated that that PAD has an effect positive and significant towards Capital Expenditure, which means PAD as income earned from the area itself , its use has been running in accordance with needs and the Regional Government is able dig potential owned the area and PAD has the biggest role between variable others in influencing Capital Expenditure. Furthermore , research conducted by (Simanjuntak, 2024) with title influence income original area , allocation funds general , and allocation funds special on capital expenditure in districts and cities in Central Java province in 2016-2018. The results of the study show that variable income original areas and allocation funds general own influence towards capital expenditure. While allocation fund variable special No own influence towards capital expenditure.

The Influence of General Allocation Funds (DAU) on Government Capital Expenditures .

Every area own Willingness different finances in funding its activities , so that matter This cause inequality fiscal between One area with area others . To overcome inequality the government center allocate funds sourced from the APBN to finance need area under implementation decentralization . One of these funds namely the General Allocation Fund (DAU). So DAU becomes one source income area besides PAD. DAU own The function is the same as PAD , namely financing regional shopping needs including one of them Capital Expenditure. Although DAU is a fund sourced from from government center , DAU becomes financing main for a number of area . So that can concluded the amount of DAU expected can influential towards Capital Expenditure. According to (Abdul Halim, 2014), "DAU is a transfer of funds in the form of a " *back grant* ", so that government area have freedom in the use of DAU in accordance with the needs and aspirations of each region " .

(Kuncoro, 2004) stated that the General Allocation Fund (DAU) is *block* grant given to all districts and cities for the purpose fill in gap between capacity and needs fiscal and distributed with a formula based on principles certain which are general indicates that poor and underdeveloped areas must receive Lots than rich areas . Some

statement on can concluded that DAU is a fund sourced from the APBN which is directed to regions to finance expenditure area in order decentralization . From several opinion above , DAU is a fund that comes from from the allocated APBN with objective equalization finance between area to finance need expenditure in order to implementation decentralization .

Based on the research results show that the allocation funds general allocation funds (DAU) in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency are not influential significant on government capital expenditure area . It means that , there is a transfer of funds from government center to region in the form of allocation funds general (DAU) no own such an influence significant on government spending regions in financing work programs to encourage acceleration development in the region . According to Constitution Number 23 of 2014, capital expenditure is part from regional expenditure which is also funded from the allocation fund general and taken into account in the budget regional income and expenditure . However , the high DAU contribution in structure income area indicates that dependence government area against transfer funds from government center Still high in funding need area will means as well as infrastructure , both for smooth running implementation task government also for facilities public . Research results This No in line with study Twinki and Widiyanti (2022) stated that that DAU has an effect positive and significant towards Capital Expenditure, which means DAU as part from the transfer of the Central Government to the Regional Government , its use has been running according to needs . Research conducted by Vanesha (2019) with title influence income original area , allocation funds general , and allocation funds special on capital expenditure in districts and cities in Jambi province in 2011-2017 in general partial only allocation funds influential general towards capital expenditure while income original areas and allocation funds special No own influence towards capital expenditure. However in a way simultaneous third variable the that is income original area , allocation funds general , and allocation funds special influential against capital expenditure. Different with research conducted by Safiul Huda (2019) with title influence income original area , allocation funds general , and allocation funds special on capital expenditure in districts and cities in Central Java province in 2014-2016 in general partial show that income original areas and allocation funds general influential towards capital expenditure while allocation funds special No influential towards capital expenditure. However in a way simultaneous third variable the that is income original area , allocation funds general , and allocation funds special influential towards capital expenditure.

Influence of Allocation Funds Special (DAK) for Government Capital Expenditure .

Definition of DAK in the Law Number 33 Article 1 of 2004 concerning balance finance between finance center and finance area explain that the Allocation Fund Special , next called DAK is a fund that comes from from allocated APBN revenue to area certain with aim to help to fund activity special which is affairs area and in accordance with priority national . DAK provided by the government center used for construction and repair facilities and infrastructure that can help reduce poverty and can build economy national (Ni Luh Dina, et al ., 2014).

DAK obtained from government center used for funding in a way special like activity infrastructure development or facilities and infrastructure in a area with benefit term long . With utilization of DAK, then there is improvement service realized public

from capital expenditure (Harun & Handayani, 2021). If DAK allocation is increasing big so government area give capital expenditure allocation which is also increasing big. On the other hand, if DAK allocation is increasing small so allocation of capital expenditure provided government area will be the more small (Hermawan et al., 2021).

Based on the research results show that the allocation funds special (DAK) influential significant and positive towards shopping. It means that if the more the amount of allocation funds special (DAK) received so will be encouraging capital expenditure in Central Halmahera Regency, South Halmahera Regency, and East Halmahera Regency due to because the use of DAK has been optimal in supporting government programs aimed at mobilizing sectors economy. Next known that DAK in Central Halmahera Regency, South Halmahera Regency, and East Halmahera Regency has been optimally used for handling problems like as it is reduce inequality distribution income, increase provision facilities and quality health, improvement quality education, improvement quality environment alive and not yet optimally used for handling urban problems (areas) urban). Research results This relevant with Regulation Government Number 104 of 2000, which states in a way clear about objective from use of DAK, the consequences No There is clear directions for its use be it for projects priority national and also project area. However, the results of the study This No in line with study Twinki and Widiyanti (2022) stated that that DAK does not influential towards Capital Expenditure, which means that the increase in DAK is not followed with increased Capital Expenditure due to mark his contribution Enough low compared to income or transfer to another area

The Influence of Revenue Sharing Funds (DBH) on Government Capital Expenditure.

DBH is source income sufficient area potential and is one of the basic capital government regions in obtaining development funds and meeting regional expenditures that are not originate from PAD other than DAU and DAK. Revenue sharing pattern the done with percentage certain based on area producer. Government area can use balancing funds finance (DBH) to provide service to realized public through capital expenditure. According to Law No. 23 of 2014, Revenue Sharing Funds (DBH) are funds sourced from from income certain APBN allocated to the producing region based on number percentage certain use to finance need area in effort implementation decentralization. This distribution of profit sharing funds seen from ability area in producing source power. Areas that have source Power nature is abundant, will get portion more profit sharing big according to riches nature that has been excavated.

Based on the research results This show that the profit sharing fund (DBH) is not influential positive and significant on government capital expenditure areas in Central Halmahera Regency, South Halmahera Regency, and Halmahera Regency East Halmahera. Meaning that the profit sharing funds (DBH) received underprivileged areas push increase in capital expenditure to finance activity development and improving the welfare of society. This due to the revenue sharing funds (DBH) in all districts and cities including Central Halmahera Regency, South Halmahera Regency, and East Halmahera Regency have not been fully distributed by the government North Maluku Province, so that government Central Halmahera Regency, South Halmahera Regency, and East Halmahera Regency in financing capital expenditures depends on income original regional revenue (PAD) and allocation funds special (DAK). Research results This No in line with study Twinki and Widiyanti (2022) stated that that DBH has an effect negative

and significant towards Capital Expenditure, which means that the increase in DBH is not followed with increased Capital Expenditure due to mark his contribution Enough low compared to with income or transfer to another area . In line with research conducted by Zulkarnain (2023). The findings obtained from the results of research tests This is Local Original Income has influence on Capital Expenditure activities . However , for Profit Sharing Funds, Allocation Funds Special and the General Allocation Fund does not own influence significant to Capital Expenditure activities of District / City Governments in Maluku Province 2017-2021 .

Impact *flypaper effect* on General Allocation Fund (DAU), General Allocation Fund Special (DAK) and Regional Original Income (PAD).

Policy decentralization fiscal in relations government central and regional expected can increase role government area in managing the potential that exists so that push creation independence in the region . Government area expected can strengthen ability produce or look for his income alone , so that There is decentralization income and not only depends from center . Evaluation results balance fiscal in Indonesia shows that government regions are heavily dependent on government transfers center to finance gap income original limited regional revenue (PAD) with prevailing levels of government spending (Hofman *et al* . 2006). The problem dependence fiscal government area towards government transfer funds center, (Aragon, 2009) Aragon (2009) calls it as *flypaper effect* , namely condition where is government spending area more tend respond to transfer funds income than to income original area . If dependence government area against transfer funds more big than dependence to income original area , then matter the indicates has happen *flypaper effect*. *Flypaper Effect* can be interpreted as a condition where is the local shopping more Lots relies on transfer funds rather than Regional Original Income (PAD) so that will happen a waste in regional spending . With the more increasing regional spending as well as improvement income public so result in increasing amount tax area got from paying society tax .

Based on the research results show that existence phenomenon *flypaper effect* in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . Test results statistics show that the income variable original regional revenue (PAD) and allocation funds special (DAK) influential positive and significant on government capital expenditure area . This is proven from the calculation results which show that mark coefficient allocation fund variable special (DAK) and allocation funds general (DAU) which is more big from mark coefficient variable income original area (PAD), so that can concluded that there is phenomenon *flypaper effect* in management finance in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This means that government area tend more respond to transfer funds from government center in financing activity development area than digging source of funds from income original area (PAD). In line with Malik and Inuzula's research (2021) found that DAU and PAD are simultaneous own influence significant towards Regional Spending. In general partial DAU no influential significant on Regional Expenditure and PAD has an effect significant towards Regional Spending. During period study happen *flypaper effect* in Regency Bireuen Because DAU value towards Regional Expenditure is more big rather than the value of PAD to Regional Expenditures. Likewise , the results of research by Allya and Rahmawati (2023) show that in East Java Province in 2017-2021 there was no happen *Flypaper Effect* on regional spending . From the research results This show that the allocation funds general as well as income original area

influential in a way significant in regional spending . While the allocation funds special its influence negative on regional spending . Suharlina (2018) with his research entitled *Flypaper Effect* on Regional Spending in Districts /Cities in West Kalimantan Province with objective want to testing and analyzing the General Allocation Fund (DAU), the General Allocation Fund Special (DAK), Regional Original Income (PAD) on Regional Expenditure and its impact *flypaper effect* on General Allocation Fund (DAU), General Allocation Fund Special Revenue (DAK) and Local Original Income (PAD) of Regency /City in West Kalimantan Province . The analysis tools used in this research This is multiple linear regression with panel data. Research results show that the General Allocation Fund (DAU), the General Allocation Fund Special Revenue (DAK) and Regional Original Income (PAD) have a significant influence towards regional spending Regency /City in West Kalimantan Province . During period study No happen *flypaper effect* on districts /cities in West Kalimantan Province .

Mianto and Priyadi (2019) in their exploration shows that PAD, DAU, and DBH have an influence positive towards Regional Spending in general essential , while DAK has an impact positive on Regional Spending. Regional Spending in Regency /City in East Java experienced the Flypaper Effect, a reaction towards Regional Spending still more be noticed Because the existence of Balancing Funds , especially those originating from from part of the General Allocation Fund (DAU). In addition, research (Yulina et al., 2017) shows existence the influence of Revenue Sharing Funds (DBH), General Allocation Funds (DAU), Regional Allocation Funds (RAF) Special Allocation Fund (DAK) for Regional Expenditure in South Sumatra Province This due to Because the impact of flypaper that occurs locally . where its purpose Still financed from the Balancing Fund from government center

CONCLUSION

Based on the research results that have been presented in chapter previously , then conclusion study This is as following :

1. Income original area (PAD), influential significant and related positive against capital expenditure in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This means that , income original area (PAD) provides impact positive on government capital expenditure area , where the income original area experience quite an improvement big as well as happen developments in the economy area .
2. Allocation funds general (DAU) no give influence significant and related positive against capital expenditure in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This means that , allocation funds general (DAU) has not provided impact positive on government capital expenditure area , although the allocation funds general experience quite an improvement big , but more big allocated to finance government specifically wages employees and administrative expenses government .
3. Allocation funds special (DAK) provides influence significant and related positive against capital expenditure in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This means that , allocation funds special (DAK) provides impact positive on government capital expenditure area , where the funds are allocated general experience quite an improvement big as well as happen development development physical and non- physical programs.

4. sharing funds (DBH) do not influential significant and related positive against government capital areas in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency . This means that , the profit sharing fund (DBH) is not give impact positive on government capital expenditure areas where the revenue sharing fund (DBH) is not yet capable of push financing government in regional development activities and service programs public .
5. The occurrence *flypaper effect* in Central Halmahera Regency , South Halmahera Regency , and East Halmahera Regency , this This due to government area No strive to optimize reception Local Original Income (PAD) and government area not enough be creative in digging the potential in the area

REFERENCES

- Andersson, Lars. (2002). *The effect of Swedish local public expenditure of a Change in Swedish intergovernmental grant system*. University of Lund. Working paper.
- Aragon, Fernando M. (2009). The flypaper effect revisited. *LSE STICERD Research Paper No. EOPP004*.
- Basri, Faisal. (2002). The Indonesian economy: Challenges and hopes for Indonesia's economic revival. *Jakarta, Erlangga*.
- Dewi, Santi Rahma. (2017). Flypaper Effect, PAD, DAU, DAK Terhadap Belanja Daerah Di Kabupaten/Kota Di Indonesia. *Journal of Accounting Science, 1(2)*, 155–174.
- Gaebler, Ted. (1993). *Reinventing government: How the entrepreneurial spirit is transforming the public sector*. Plume.
- Gennari, E. and G. Messina. (2012). *How Sticky are Local Expenditures in Italy? Assessing the Relevance of the "Flypaper Effect" Through Municipal Data*.
- Halim, A. (2001). *Accounting Regional Finance* (Edition 3). Jakarta: Salemba Four.
- Halim, A. (2009). *Public Sector Accounting Regional Finance* (Edition Fi). Jakarta: Salemba Four.
- Halim, Abdul. (2014). *Public Sector Financial Management*. Jakarta: Salemba Four.
- Hamsyi, Nur Fitriana, & Fitriyani, Fitriyani. (2021). Does Flypaper Effect Occurs on Local Government Expenditure? *Profita: Komunikasi Ilmiah Dan Perpajakan, 14(1)*, 63–75.
- Handoko, SP. (2015). *Flypaper Effect in the Balancing Fund Mechanism Central and Regional Finance in Indonesia*. Surakarta: A Inevitability . Thesis (no published), Sebelas Maret University, Surakarta.
- Indriyani, Henni. (2016). Flypaper Effect of General Allocation Fund and Local Original Revenue on Regional Expenditure of Indonesian Provinces. *MBiA Scientific Journal, 15(1)*, 59 – 70.
- Kuncoro, Mudrajad. (2004). The Influence of Inter-State Transfers Government on Fiscal Performance of City and Regency Governments in Indonesia. *Economic Journal of Emerging Markets, 9(1)*, 47–63.
- Kuncoro, Mudrajad, & Murbarani, Nova. (2016). Regional inequality in Indonesia, 1994-2012. *The Business & Management Review, 8(1)*, 38.
- Mardiasmo, Diaswati. (2007). *Good governance implementation and international allignment: the case of regional governments in Indonesia*. Queensland University of Technology.
- Mattos, Enlison, Rocha, Fabiana, & Arvate, Paulo. (2011). Flypaper effect revisited: evidence for tax collection efficiency in Brazilian municipalities. *Estudos*

- Econômicos (São Paulo)*, 41, 239–267.
- Purbarini, Endah, & Masdjojo, Gregorius N. (2015). Flypaper effect on operating expenditure and capital expenditure of the city government in Indonesia. *Jurnal Ekonomi Pembangunan*, 16(1), 75–84.
- Rosmeli, Nurhayani. (2014). Comparative study of regional inequality between the western region of Indonesia and Eastern Indonesia. *Mankeu*, 3(1), 374–463.
- Rudi, Muh. (2018). Flypaper Effect of Regional Expenditures in Yogyakarta. *Shirkah: Journal of Economics and Business*, 2(3).
- Simanjuntak, Daniel Parulian. (2024). The Influence of Gross Regional Domestic Product (GRDP), Local Own-Source Revenue (PAD), and Balance Funds on Capital Expenditure Allocation in All Provincial Governments in Indonesia in 2019-2021. *Jurnal Pajak Dan Keuangan Negara (PKN)*, 5(2), 23–32.
- Sukarna, Wiranta. (2013). *Regional Finance and Public Services* (P3DI Secre). Yogyakarta.
- Suyanto, Suyanto. (2015). Flypaper Effect Theory Dalam Implementasi Kebijakan Desentralisasi Fiskal. *Jurnal Ekonomi Pembangunan: Kajian Masalah Ekonomi Dan Pembangunan*, 11(1), 69–92.
- Syahrina, Dina. (2020). Flypaper Effect Analysis on Local Government Budgets in Indonesia. *European Journal of Business and Management Research*, 5(4).
- Tasri, Ansharullah. (2018). The flypaper effect phenomenon: Evidence from Indonesia. *European Journal of Engineering and Formal Sciences*, 2(1), 20–24.
- Utama, SB and Syahrul. (2011). *Analysis The Influence of Unconditional Grants, Local Original Income (PAD), and Products Gross Domestic Product (GRDP) to Regional Government Expenditure : An Empirical Study of Districts /Cities in Indonesia (: An Empir)*.
- Allya, Hanna Rachmani and Farida Rahmawati. 2023. *Flypaper Effect on Regional Income to Regional Expenditure in East Java Province in 2017-2021* . Journal of Development Economics, STIE Muhammadiyah Palopo Vol. 9, No.1 June 2023.
- Hermawan, PY, Tiawon , H., & Neneng, S. (2021). The Influence Local Original Income , Revenue Sharing Fund, General Allocation Fund and Regional Allocation Fund Special to Capital Expenditure Allocation in Central Kalimantan Province . *Journal of Environment and Management*, 2(3), 242–248. <https://doi.org/10.37304/JEM.V2I3.4384> .
- Hofman, B. *et al* . 2006. *Evaluating Fiscal Equalization in Indonesia* . Working Paper, World Bank. Retrieved on November 3, 2023 from <http://www.worldbank.org> .
- Mianto , AP, & Priyadi , MP (2019). The Influence of Plypaper Effect of DAU, PAD, SILPA on Regional Expenditure of Regency or City in East Java. *Journal of Accounting Science and Research* , 8(4).
- Ni Luh Dina SM, Wayan Cipta & I Wayan Suwendra . 2014. Influence Local Original Income , General Allocation Fund and Regional Allocation Fund Special On Capital Expenditure in the Regency Buleleng 2006-2012 . E-Journal of Management Department Vol 2. Singaraja .
- Suharlina , Helly. 2018. *Flypaper Effect on Regional Expenditure of Regency /City in West Kalimantan Province* . *Proceedings of SATIESP 2018 FEB Tanjungpura University* .
- Twinki , Bela Sania & Dwi Retno Widiyanti 2022. *Influence Economic Growth , PAD, DAU, DAK, and DBH on Capital Expenditure in Districts /Cities of West Java* . Journal of Development Economic and Social Studies. Volume 2 No 3 Year 2022.
- Vanessa, TV (2019). Influence Local Original Revenue , General Allocation Fund , and

Analysis Flypapper Effect Influence Local Original Income , General Allocation Fund , Allocation Fund Special Funds and Revenue Sharing Funds for Regional Government Expenditures (Case Study in South Halmahera, Central Halmahera, and East Halmahera Districts)

Regional Allocation Fund Special On Capital Expenditure in Districts and Cities in Jambi Province in 2011-2017. *Paradigma Journal Economics* , [online] 14(1) 27-36. <https://online-journal.unja.ac.id/paradigma/article/view/6609> .

Yulina , B., Sari, KR, Martini, R., Dewi, HHS, & Safitri , KA 2017. The Flypaper Effect *Phenomenon on Balancing Funds and Local Government Original Income Regency /City in South Sumatra* . *Applied Research Journal Accounting* , 1 (2), 89–96.

Zsalzsabila Izzatunnisa Zulkarnain. 2023. Influence Regional Original Income and Balancing Funds On Regional Government Capital Expenditure (Empirical Study on Regencies /Cities in Maluku Province 2017-2021). *Journal of Accounting Research Axiom* Vol. 22, no. 1, June 2023.

Copyright holder:

Muammil Sunan¹ Amran Hussein² Yetty³ Maimunah Abusama⁴ (2024)

First publication right:

Journal of Social Science

This article is licensed under:

