

Building Prophetic Accountability in State Financial Management for the People's Welfare

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Article Info:

Received 26 January 2022

Revised 2 April 2022

Accepted 4 April 2022

ABSTRACT

State/regional financial management has undergone fundamental changes since the issuance of the state finance law and its audit mechanism. The decentralized system that was built has shifted from its primary goal, namely the welfare of the people. This shift occurred with the emergence of the phenomenon that the opinion of the results of the examination of financial statements has become the ultimate goal in the management of state/regional finances which results in a reduction in the level of service to the community. This study aims to construct a critical discourse on prophetic accountability in managing state/regional finances for the community's welfare. This study uses a qualitative approach with a critical paradigm through a critical analysis of Ibn Khaldun's discourse on the ideal state. The results of this study indicate that the implementation of state/regional financial management can be achieved by a system of justice (the rule of law), responsibility (vertical and horizontal), leadership abilities (intellectual and strategic), and moral values. All of these conditions must be owned by all leaders and elements of the national organization, which ultimately results in order, social harmony, and the growth of a dynamic and conducive civilized society. So that this can be an alternative solution to provide awareness that leadership is a mandate that should offer benefits to society and nature as a form of accountability to God (Rahmatan Lil 'Aalamiin).

DOI:

[10.21107/jaffa.v10i1.13488](https://doi.org/10.21107/jaffa.v10i1.13488)

ISSN (Online):

2461-0607

ABSTRAK

Pengelolaan keuangan negara/daerah telah mengalami perubahan mendasar sejak dikeluarkannya undang-undang keuangan negara & mekanisme pemeriksaannya. Sistem desentralisasi yang dibangun telah bergeser dari tujuan utamanya yaitu mensejahterakan rakyat. Pergeseran ini terjadi dengan munculnya fenomena bahwa opini hasil pemeriksaan laporan keuangan telah menjadi tujuan akhir dalam pengelolaan keuangan negara/daerah yang berakibat pada penurunan tingkat pelayanan kepada masyarakat. Penelitian ini bertujuan untuk mengonstruksi wacana kritis tentang akuntabilitas profetik dalam pengelolaan keuangan negara/daerah untuk kesejahteraan masyarakat. Penelitian ini menggunakan pendekatan kualitatif dengan paradigma kritis melalui analisis kritis wacana Ibnu Khaldun tentang negara ideal. Hasil penelitian ini menunjukkan bahwa pelaksanaan pengelolaan keuangan negara/daerah dapat dicapai dengan sistem keadilan (rule of law), tanggung jawab (vertikal & horizontal), kemampuan kepemimpinan (intelektual & strategis), & nilai moral. Semua kondisi tersebut harus dimiliki oleh seluruh pimpinan & elemen organisasi nasional, yang pada akhirnya menghasilkan keteraturan, kerukunan sosial, & tumbuhnya masyarakat ma'&i yang dinamis & kondusif. Sehingga hal ini dapat menjadi solusi alternatif untuk memberikan kesadaran bahwa kepemimpinan adalah amanah yang harus memberikan manfaat bagi masyarakat & alam sebagai bentuk pertanggungjawaban kepada Tuhan (Rahmatan Lil 'Aalamiin).

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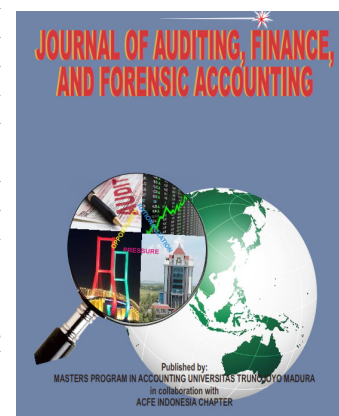
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Keyword:

State Finance Management, Ideal Country Discourse, Ibn Khaldun, Critical Discourse Analysis.



1. INTRODUCTION

The development of state financial governance underwent significant changes in 2003 with the issuance of a package of state financial regulations, which include: Law No. 17 of 2003 concerning State Finances, Law No. 1 of 2004 concerning the State Treasury and Law No. 15 of 2004 concerning the audit and accountability of state finances. In that year, many said that there had been a reform of state finances in Indonesia's governance of state finances. The term reform is a change to a system that exists at once in all fields to change the system so that it works better than before.

The application of accrual accounting in various developed countries has been successful and profitable. These benefits include, among other things, support for performance management, promotion of better financial management, a better understanding of program costs, and expansion and improvement of resource allocation information. Promote and improve financial reporting and asset management (including cash) (Der Hoek et al., 2005). Meanwhile, Ellwood & Newberry (2007), stated that accrual accounting in the public sector is more directed toward applying neo-liberal economic principles by prioritizing its privatization attitude in management in the public sector. Thus, accrual-based accounting in the government sector still triggers debate and needs to be studied more deeply on applying the accrual basis in the government sector.

On the other hand, the implementation of government accounting has the consequence of an investigation to assess the performance and accountability of the implementation of state finances (Mahmudi, 2006). This investigation is a consequence of the application of agency theory in the implementation of state finances. The government, in this case, acts as an agent that gets a mandate from the people (principals) to carry out state management activities. In particular, The House of Representatives is given a mandate by the people to exercise control over the implementation of government programs and activities in carrying out state activities (Abdullah & Halim, 2006). The assumption built-in agency theory states that in the context of preparing financial statements, agents are given the freedom to manage financial records as long as they are within the corridor of applicable financial accounting standards. It opens up opportunities for agents to manipulate the company's financial reporting (the State). The imperfect flow of information owned or provided to each party involved in the contract makes the agent, the manager, and the provider of information related to the object establish policies that benefit them.

In a contractual system, an agent will try to make efficiencies related to minimizing contract costs. However, this efficiency is more profitable for the management of several interested parties (stakeholders), such as creditor owners. The primary view of the application of agency theory presupposes the emergence of efficient markets that can produce a fair distribution of resources and wealth for economic growth and social welfare. But the

truth is the opposite. This view suggests that accounting cannot do more if there is an imbalance in creating wealth. It can even cause social inequality, environmental damage, and social order damage. It happens because the values attached to accounting above encourage the actions of accountants, capital owners and creditors to be asocial and inhumane.

It is inseparable from the institution's understanding that leads the principal as a deliberate process, planning and effective management and rational implementation to achieve a particular goal. In addition, agency theory addresses the problem when there is a difference between an individual's interests and goals and the interests and goals of others. If owners acquire a high degree of power and ability to govern their agents, agents must carry out activities in the owners' interests to maximize their wealth. The irony of the agency relationship is considered a process of the relationship between the principal and the agent.

The context of state financial management is also the same as above. Johnson (1994), states that the relationship between the executive or the bureaucracy with the legislature or congress is called the self-interest model. In this case, the legislature is re-elected, the bureaucrats want to maximize the budget, and the members want to maximize utility. To be re-elected, lawmakers look for programs and projects that make them popular among their members. Bureaucrats wanted government agencies to grow, and members believed they would benefit from the government without paying the total amount, so they proposed a new program (Pasoloran et al., 2015).

This study uses critical discourse analysis regarding Ibn Khaldun's thought to redefine the concept of a state free of agency conflicts and materialism. Reconceptualization of the form of the State using Ibn Khaldun's thinking is still very limited. This research contributes by providing a new conception and insight into the form of a state that is free from materialism and becomes an alternative solution to provide awareness that leadership is a mandate that should offer benefits to society and nature as a form of accountability to God (*Rahmatan Lil 'Aalamiin*). To describe the concept of the new state and leadership, the discussion in this article is explained through several sub-chapters, namely (1) New Public Management as a product of globalization, (2) Shackles of modernism and agency theory materialism in managing state finances, and (3) Out of modernity for the people's welfare.

2. LITERATURE REVIEW AND HYPHOTESIS DEVELOPMENT

Audit Opinion and Pragmatism of State Financial Management

The audit of state finances in Indonesia is regulated in law number 15 of 2004 concerning the audit and accountability of state finances. Meanwhile, in Law No. 5 of 2005 concerning The Audit Board of Indonesia, it is stated that the only person authorized to conduct state financial audits is The Audit Board of Indonesia or a public accountant acting on behalf of The Audit Board of Indonesia. In the context of audits, it is stated that there are three types of

state audits: financial audits, performance audits, and specific purpose audits. In terms of auditing, the most popular among the general public is financial audit, which produces opinions to reach an unqualified opinion. It is undeniable that the achievement of unqualified opinion is often a political product when a local leader is reappointed (the Incumbent) to become the regional head for a second period.

This phenomenon has made opinion an excessive expectation. There is even a tendency for public agencies to consider that the achievement of unqualified opinion is the 'final result' or 'the best possible outcome' (Amran, 2017). It also emphasizes that state management has shifted understanding to implementing its management (Rizal, 2017). Semantic changes, even meaning reduction, such as the above phenomenon, have entered the level of practice and legitimacy and are carried out at the level of speech and communication. At the level of government officials, audited opinions are justified as a tool of power by giving awards to government agencies that have obtained unqualified opinions. As a result, it will be easier for the budget to be approved, and at the same time, it will become a means to normalize budget politics. This legitimacy perpetuates the myth that the unqualified opinion is a proud achievement. On the other hand, the legitimacy of this achievement myth also helps to strengthen the culture of obedience in the bureaucracy. It means that the more government agencies that want to achieve this achievement, the higher their level of compliance with rules and standards will be.

On the other hand, a culture that follows the rules of perpetuating myth is not without its problems. Formal standards and rules are products of rationality which assumes that bureaucratic activities are effective and efficient if everything is shaped and determined by standards and rules. What these standards and rules require is compliance. However, often excessive obedience forgets propriety. Noble values and ethics are then marginalized (Amran, 2017). If the opinion is an achievement, then managers will often only pursue these achievements and tend to ignore their public services (Kamayanti, 2011).

3. RESEARCH METHOD

Critical Discourse Analysis

The methodology in this study is included in the realm of qualitative methodology using a critical paradigm. In this case, the use of qualitative methodologies is the author's attempt to adapt to real problems. The suitability of the methodology used is a manifestation of the idea that methodology is a tool to gain knowledge and that no single methodology can be applied to answer all research questions in a study. Because each particular problem requires a specific methodology (Sawarjuwono, 1997).

This study focuses on the method of critical discourse analysis. Discourse is a text that anyone can interpret and has different interpretations depending on the worldview where the reader interprets the text. In the context of agency theory as the basis for

developing state financial management, which is embodied in the state finance law, where anyone can read and interpret the form of text/discourse. The author tries to read the text in the form of the arrangement of words and sentences and look at the depth of the text so that it can read the implied meaning behind the text.

Discourse analysis is a study that examines social reality from various faces (multi-faceted, multi-dimensional, multi-layered, and multi-truth). The goal is to find the depth, richness, and complexity of reality that they see as a result of social construction through an individual who actively interprets structures subjectively and inter-subjectively (Sukidin & Basrowi, 2002). Therefore, this research aims to show or open other insights into the dominance of power through the text (state finance law) it produces (Eriyanto, 2001). Critical discourse analysis is included in the realm of critical paradigm, wherein this critical paradigm theory is used to dissect problems in social reality. Critical social theory has been applied to policy analysis and political sociology to closely examine the relationship between the state and society (Agger, 2006).

To further lead to the discussion stage of this study, the author uses the discourse of Ibn Khaldun's thoughts about the Ideal State. The discourse is a theory that can see the living system of the meanings and values found in the relationship between domination and subordination as a form of practical awareness (Kamayanti, 2016). The text or media (in this case, the Law) provide a means for one group to strengthen its position through a fair process and share it with other groups. The presence of the dominant group will take place peacefully, without any acts of violence (Eriyanto, 2001). Data collection was taken from reference books, journals, and laws and regulations.

4. RESULTS AND DISCUSSION

New Public Management as a Product of Globalization

Globalization can promise prosperity for developed countries who want to achieve their mission by applying the idealistic style of capitalism and liberalism. They can enter the territory of developing countries by carrying out their "freedom" mission in all political, economic, and socio-cultural aspects. It is undeniable that the impact of globalization in the economic field will be very beneficial for developed countries because "efforts" to improve the economies of developing countries have ideological elements that permeate countries, for example, the United States, such as the IMF and the World Bank. If you want to assist, one of the conditions must be to accept the free market principle. For a developing country like Indonesia, this is just a colony, not just a commodity market or an industrial marketplace for developed countries.

Due to the element of siding with developed countries, the impact of Indonesia's globalization has caused a recession because it is unable to compete quickly with domestic products. Similarly, our degree of dependence is unconsciously politically tied to the principles of capitalism and liberal ideas. Globalization occurs in all areas of life, including ideology, politics, economy, socio-

culture, defense, and security. Information and communication technology is the main supporting factor of globalization.

The role of accounting as a trigger for the name change of effectiveness and efficiency. Therefore, liberalization is gaining momentum through accounting practices, regulatory legitimacy and public sector accounting standards. There is a sharp criticism of bureaucracy as a principle of public sector organization that causes “diseases” such as low service levels and high corruption. In this regard, it is assumed that there are “...*superiority of the private sector and the private sector management techniques above those of the public sector and public administration*” (McLaughlin & Osborne, 2002). Similarly, Connolly & Hyndman (2006) explain that:

“...the NPM approach to public sector financial management is based upon the view that: large state bureaucracies are inherently defective and wasteful; the free market is the most efficient method of allocating scarce resources; private sector management techniques are a suitable model for the public sector; and if the preferred approach of privatization is not considered to be appropriate then commercialization or pseudo-markets should be introduced as the second-best alternative.”

The essence of New Public Management (NPM) is that it can reduce or even eliminate the differences between the public and private sectors, shifting accountability from process-focused to results-focused accountability. This assumption makes NPM the “savior” of the public sector with the NPM doctrine according to McLaughlin & Osborne (2002), which leads to private sector management for the public sector. This doctrine emphasizes the importance of financial information; For example, performance measurement, output control, competition, and resource allocation. Simply put, accounting has the goal of providing helpful information to users. In NPM prioritizes achieving efficiency and effectiveness, the financial information produced by the gradualist and executive-oriented public sector is still not sufficient to achieve this goal. The cash basis is no longer adequate because it cannot measure performance concerning unrealized earnings (Rommel, Christiaens, & Devos, 2005). Public sector accounting reform should be an essential agenda for NPM to provide information to improve efficiency and effectiveness.

Therefore, NPM is closely related to accounting reform, as further explained by (Rommel et al., 2005):

“Traditional cash accounting and control over inputs is therefore not suitable anymore. Cash accounting merely focuses on the budget and on legal compliance, rather than on managing resources effectively and efficiently ... NPM promotes the use of accrual accounting, which provides information on assets and liabilities. This allows politicians to know the full costs of outputs and to monitor the return on investment and financial viability.”

If the link between accounting and NPM is clear, while NPM according to Connolly & Hyndman (2006), there are six aspects: privatization, marketization, decentralization, results orientation, quality system, and implementation power, but in reality, the public sector loses “promotion” when adopting NPM as a management style. The decentralization of NPM as an essential issue is a phenomenon that is currently updating the public sector accounting system in Indonesia. Through decentralization, preparations for the transition from the public sector to the private management paradigm have begun. According to McLaughlin and Osborne (2002), that is one of the conditions for NPM. A centralized government has a longer bureaucratic chain than a decentralized government. Centralization is the “main” of inefficient and ineffective public services; according to Dawson & Dargie (2002:34) leads to “...cost containment nor quality improvement; unacceptable growth in tax bills, an increasingly dissatisfied electorate and declining standards of public service”. Decentralization enables local governments to understand better the needs of the communities they serve and make decisions more effectively. In addition, decentralized governments are given the authority to control their territories.

Shackles of Modernism and Agency Theory Materialism in Managing State Finances

The implementation of regional autonomy in Indonesia in 2001 gave rise to a new type of accountability, in accordance with Law Number 22 of 1999 and Law Number 25 of 1999. The spirit of decentralization is one of the characteristics of the implementation of New Public Management and, at the same time, provides the terminology of performance appraisal in the management of state finances (McLaughlin & Osborne, 2002). There are three types of regional financial accountability in the context of performance evaluation in this case. Namely, (1) accountability for funding the implementation of decentralization, (2) accountability for funding the implementation of assistance, and (3) accountability for the Local Government Budget. Meanwhile, at the central government level, financial accountability remains in accountability for the State Budget. Currently, Indonesia has better government accounting standards, including the role of certified accountants in investigating state and local finances. However, the accountability of the Indonesian government seems to be still focused on managing state or regional finances rather than the substance of public welfare.

The implementation of decentralization of state and regional financial management has led to the emergence of direct elections for regional heads and legislature members by the public. This direct election democratic activity has been able to lead the people to elect a leader who has large capital. It is undeniable that the costs of direct elections, especially for regional heads, have caused many expenses for the contestants. It then creates a new trend toward irregularities in financial management in government (Sanusi,

2009). Remembered by an adage which states that “Power tends to corrupt and absolute power corrupts absolutely”. This adage emphasizes that someone in power is very close to the opportunity to commit corruption, especially when the ruler makes his power absolute (with weak control functions, both internal and external). The closeness of the nature of the ruler who tends to be corrupt has made it easy for the ruler to awaken his animalistic traits (Khaldun, 2016).

State and regional financial management, which refers to the relationship pattern in agency theory, has made humans as rational beings need to be monitored for their actions and controlled by interests with rigid rules and stimulate the achievement of the implementation of activities by providing incentives. In agency theory, too, the central point is material incentives. Giving rewards for achieving goals is rewarded by offering incentives that ignore everything immaterial (Kusdewanti et al., 2016). The basic assumption of agency theory that places humans as rational beings that need to be monitored, and that rigid rules need to be made and provide a stimulus for the reward model, has reduced the nature of human creation, which will cause misery and no longer prosperity. The measure of success carried out through material things has made these humans give awards to people who have high material things. So do not be surprised when the elected regional head is a regional head who has large capital because he can “buy” the people’s voice through improper actions.

The context of awarding regional financial managers provides regional incentive funds for anyone whose financial report results obtain an unqualified opinion. The unqualified opinion obtained is intended to measure the implementation of financial management by examining government financial statements. The achievement of the opinion leads to recording transactions per standards. Because it is regulated in the regulation that the achievement of the unqualified opinion will receive an award, the meaning of the opinion has shifted from what was originally only achievement in preparing financial reports to a prestige that must be obtained and maintained in any way, including bribes, which eventually emerged the phenomenon of opinion shopping.

The facts that began to surface with the number of regional heads caught red-handed in the arrest operation by the Corruption Eradication Commission have shown that the symptoms of corruption have been directed to the regions as a result of the implementation of a decentralized system (which is a fundamental characteristic of the application of NPM) state financial management. The emergence of opinion shopping in the rural ministry has also shown that modern science, which upholds rationality and rejects the presence of God, has made material things the goal of life. Each individual will think for himself without caring about how other people (society). Nasr (1983), stated that modern humans are bound by materialism, experience a lack of spirituality, lack of meaning and legitimacy in life, lose vision, and experience isolation. The existential crisis experienced by modern humans is caused by

the positivist anthropocentric view of modern cosmology. Then, modern humans may lose the environmental dimension (society) and its transcendental dimension.

Out of Modernity for the People's Welfare

The basis of state financial management based on agency theory, which was later confirmed by the application of NPM, has made state financial managers act pragmatically. This pragmatism is supported by government regulations on the supervision and audit of state finances, which view that managers are only rewarded with material aspects. So that the results of the audit of state finances have experienced a reduction in the meaning of achievement into prestige. When the performance audit measure used is only based on the 3E (economical, efficient and effective), the audit has shown that its implementation is part of modernity. The measure of success in terms of economy, efficiency and effectiveness in value for money is a material achievement and is a feature of modernity. And the measure of success determined based on the 3Es has made financial management vulnerable to abuse with the emergence of various forms of corruption in the management of state finances.

Corruption is not just happening in this era, and every government, especially Indonesia, has also shown its commitment in fighting corruption. Indonesia as a country with the largest Muslim population in the world, through the representation of its largest mass organizations, namely NU and Muhammadiyah, has committed to mobilizing its members to fight corruption (Azra, 2010). As a Muslim-majority country, Islam offers a fighting spirit to fight corruption. The involvement of a strong Islamic spirit (Ahimsa-Putra, 2017; Prasetiadi, 2016), strengthening of legal and regulatory products as well as reviews of punishment and education for perpetrators are things that need attention (Sukardi, 2010; Umam, 2014).

Ibn Khaldun believed that a state would be inconceivable without a society, and society would almost certainly not exist without a state. In this context, social phenomena that appear not absolute and natural phenomena that regulate are constant so that social events follow regular and well-defined patterns and sequences (Khaldun, 2016). In essence, the need for a state for humans, according to Ibn Khaldun, is motivated by at least two factors, namely: First, ensuring that his people live side by side, peacefully, calmly, and together trying to complement each other to create various forms of culture to support life. Second, defend themselves and their communities from attacks from outsiders (Khaldun, 2016).

Ibn Khaldun said that the ideal state condition arises when there is an order of social interaction between citizens with a unified vision that views society as a subsystem of the national system. Ibn Khaldun called this attitude the attitude of Asabiyyah (group solidarity). At this level, the concept of Asabiyyah that he developed was initially interpreted as a feeling of kinship, either because of kinship or ethnic ties. Such feelings connect them

with collective solidarity. According to him, this process occurs naturally. The presence of the *Asabiyyah* in human society creates a sense of love (*nur'at*). Even if they always try not to maintain the love, they have a great interest in their community. Through love in this community, the feeling of sharing the same fate grows and becomes self-esteem, loyalty, and mutual support for one another. This relationship leads to unity and harmonious relations between existing communities. Such *Asabiyyah* ties at a later stage form the same lineage. Emotions that link different kinships with brotherhood or collective solidarity. This feeling is bound by a unified vision, mission, history, hometown, and language (Khaldun, 2016).

The harmonious relationship between the two types of *nasab* above leads to the unification of ideals and goals. This attitude creates a positive attitude towards the existence of the state. In this case, Ibn Khaldun elaborated the meaning of *Asabiyyah* in the form of a second meaning, the relationship between community groups with a single national goal, no longer limited to *nasab* relations. This interaction between *nasab* is widespread through various forms, agreements, processes of conquest, and so on. In this context, it turns out that the concept of *Asabiyyah* constructed by Khaldun surpassed the term *Asabiyyah* which was understood by the previous community, even at that time (Pulungan, 1997).

When this attitude is formed in harmony, at the same time, according to Khaldun, the presence of *Al-Mulk* (head of state) is indispensable. It is achieved due to the community's demands for protection, security, and the maintenance of various other community interests. To meet the group's needs, the head of state must have intellectual and personality superiority (*al-taghalluf*) that is superior to his people. This attitude allows the head of state to carry out his duties and functions effectively, efficiently, objectively and fairly (by upholding the rule of law). If the leaders ignore this attitude, its presence will backfire on the implementation of the government, which is supposed to protect the wider community (Pulungan, 1997).

The concept of *Asabiyyah*, which is broadly referred to by Ibn Khaldun, is called solidarity and people's support for the government if it is described in terms of life as a nation-state. The greater the people's support, the stronger the country will be. However, the state becomes weaker with less public support and can even be divided. Realizing that the state's existence is a significant responsibility in protecting all the interests of its people, Khaldun seeks to present the concept of the state as universal and flexible (in his political thinking) will increase.

Khaldun (2016), did not mention the actual form of a transparent state. In explaining the concept of the state, Khaldun only gave the ideal form of the state, namely the signs of the universal form of the caliphate and *imamah*. The concepts presented by Khaldun need to be understood philosophically. This limitation is that in addition to the head of state as a leader whose function is to maintain the welfare of all worldly life, his existence is a leader

whose actions (morals) serve as guidelines and role models. It also means a leader is always a reference for all his people. This personality allows the leader to meet the criteria of an ideal leader who can create world peace and prosperity as a manifestation of the Pharaoh Caliph under the umbrella of *Ramatan Lil Aramin* and will be able to realize what Kusdewanti & Hatimah (2016) mean as prophetic accountability. Accountability is an obligation and a responsibility to Allah SWT as part of worship to make fair accounting decisions, including humans and the universe, for the realization of *Ramatan Lil Aramin*.

According to Ibn Khaldun, at least four sociological criteria are needed to create an ideal state. So, first, the environment, air, water, and a healthy building system. Second, it is geographically located strategically and is a means of transportation for trade and cultural development. The third is the creation of social solid solidarity, ethnicity, religion, language, regional relations, and a sense of unity in one destiny. Fourth, being in a geographical location that is fertile and abundant in agricultural products (Khaldun, 2016). Suppose the four criteria are supported by the outstanding leadership of the head of state, which is already owned by the state. In that case, this condition will accelerate the emergence of people's prosperity and the development of high-level culture. The basic idea of Ibn Khaldun's view of the ideal state is at least biased by his life experience in Egypt, which is very helpful in realizing the ideal government. This joyous atmosphere can be seen in his series of poems: birds fall where seeds are thrown, and the houses of nobles are besieged (Khaldun, 2016).

5. CONCLUSIONS AND SUGGESTIONS

The core of Khaldun's thinking about politics and the concept of the state is the effort to create a national order with religious nuances that guarantees the interests of humankind and the wishes of the people. When humans are in such a globalized social life, they need to act on realistic and religious logic rather than emotional and selfish. Otherwise, all ideas about the concept of an ideal state that they want will be destroyed. The political idea drawn from the concept of nation proposed by Ibn Khaldun is that the ideal nation concept is the realization of a system of values of justice (the rule of law), responsibility (vertical and horizontal), and ability, with the leader's innate strength such as intellectual-strategic and moral-religious. All these conditions must be owned by all State Organization elements and leaders. When each individual owns this concept, they jointly seek to control the color of national policies in the context of order, social harmony, and the growth of a dynamic and conducive civilization of society.

Khaldun's discourses of thought are actually very relevant to be studied in-depth and become the basis of thought, especially in observing the dynamics of modern politics in a more proportional and professional manner. Religious nuances and vertical-horizontal relationships show that the concept of state and leader Ibn Khaldun can be an alternative solution by providing

awareness to the managers of this country that leadership is a mandate that should provide benefits to society and nature as a form of accountability to God (*rahmatan lil 'aalamiin*). Thus, our bureaucratic civilization is able to move towards a new, more meaningful civilization.

The discourse on Khaldun's ideal thinking can be a research opportunity for further research by conducting empirical research. Keywords such as the system of justice values (the rule of law), responsibility (vertical and horizontal), leader abilities (intellectual and strategic), and morality-religion as a basis or benchmark for conducting empirical studies in local governments or the State of Indonesia. These keywords can be used to reference whether these points already exist in managing state finances for each local government, the provincial government, and the State of Indonesia.

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