# THE BARGAINING POLITICS: DETERMINING REGIONAL PUBLIC POLICY IN FORMULATING THE SAMISAKE REVOLVING FUND PROGRAM IN BENGKULU CITY, INDONESIA

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Abstract. The political arena influences the selection of an alternative policy for Samisake Revolving Fund program. In this phase, various interests affect the policy outcome, including conflict and bargaining positions among policymakers. Therefore, this study aimed to examine public participation in policy formulation for the Samisake Revolving Fund program in Bengkulu City, Indonesia. A qualitative method was used with a case study approach to the policy design, as well as typical conditions and variables. Data were collected by interviewing seven informants of five stakeholder elements and analyzed using flowing analysis. The results indicated high community involvement in the public policy formulation process that entails pushing issues into the policy agenda. The best policy alternative should satisfy all interested parties. Additionally, the policy was established by issuing the Regional Regulation draft on allocating the funding. This Regional Regulation should be accepted and implemented by all parties transparently with accountability to increase community participation and empowerment. The policy process displays a complex interaction among the policymakers. These policymakers include the executives of the Bengkulu City government from the Regional Technical Unit, community leaders and organizations, NGOs, and university academics. The interaction influences choices and policy decisions by creating conflict and tension in discussing the draft of Samisake Fund Regional Regulation. Therefore, future studies could examine stakeholder network participation in policy formulation and strengthening inter-institutional capacity to avoid conflict.

**Keywords:** *community development, Fund Program Policy actor, local regulation, participation politics, Public Policy Formulation Revolving, Smart City.* 

**Reikšminiai žodžiai:** bendruomenės vystymasis, Fondo programos politikos veikėjas, vietos reguliavimas, dalyvavimo politika, viešosios politikos formavimas, sumanus miestas.

### Introduction

Public policy orientation solves problems in society as an applied social science. In this process, the critical phase is policy formulation, which allows a compromise between groups to balance the public interest (Dye, 2008). This ensures that the process results in effective and efficient decisions regarding policies that benefit the community.

Policy formulation is a deliberate step taken regarding a particular problem. This process focuses on what is done and not on the proposed or intended (Ansell, 2012; Chimhowu, Hulme, & Munro, 2019; Nugroho Riant, 2009; Schmeer, 199AD). Conceptually, a public policy must have a strong public interest orientation to solve the existing problem. Public policy analysis aims to recommend better problem-solving approaches. Policy formulation suggests alternative policies to solve public problems, including local government. For instance, the Bengkulu City local government formulated a policy called Samisake to solve economic problems.

Samisake is a Village development program that empowers and develops the local economy and the people's productivity by providing revolving fund loans. Various stakeholder elements are involved in the policy formulation process. These elements are classified into government, private, society, and college actors, with an essential role in the policymaking process of the Samisake Revolving Fund program. As elements of policy designing, making, and implementation, government actors, make up the leading sector, starting from the agenda setting, formulation, legitimacy, and assessment. The government policy actors comprise the Mayor, his apparatus, and the Bengkulu City Parliament that makes Regional Regulation.

The Mayor appointed the Regional Secretary, the Regional Development Planning Agency (BAPE-DA), the Cooperatives and Micro, Small, and Medium Enterprises (MSMEs) Office, as well as Regional Financial and Asset Management Agency. Others appointed are district leaders, sub-district heads, and Lurah or village leaders. The Mayor apparatus is the leading actor in the Samisake fund program policy.

The involvement of private actors in the Samisake Revolving Fund program is significant because this policy aims to make MSMEs highly competitive. In this policy, the MSMEs Association represents MSMEs units as private actors that solve public economic problems. The community elements participating as policy actors include youth leaders and community organizations, the Kabahil Non-Governmental Organization, the Blue Foundation, and university academics. The Rector's Forum appointed Bengkulu and Muhammadiyah Bengkulu universities as providers of human resources. Consequently, the two universities have more scientists and experts in policymaking.

Bengkulu City's Medium-Term Regional Development Plan for 2013-2018 has made the Samisake Revolving Fund loan program a regional flagship poverty alleviation and job creation program. Regulation arranges technical guidelines for managing Samisake Revolving Fund program based on Mayor Regulation Number 28 of 2013 due to policy formulation. The Samisake Revolving Fund program aims to realize people's welfare by increasing socially equitable income. However, the program cannot solve the community's economic problems indicated by the high poverty rate and unemployment. The poverty rate reached 22.23% in 2016, far exceeding the local and national poverty rates of 17.36% and 12.36%, respectively. Additionally, the labor force decreased from 3.70% in 2017 to 3.50% in 2018 (Anonim, 2019).

The Samisake Revolving Fund program was initiated through policy formulation involving various parties. Stakeholders have contributed to program planning to empower the community's small and productive economies through revolving funds. However, the program's goal for the people's welfare was not achieved.

Based on the multi-stakeholder partnerships (MSP) model, a policy formulation that promotes stakeholders' involvement has a higher chance of success. However, the program is not optimal based on the actual formulation process and existing actors' involvement. The formulation process should be examined to determine its weak point and the community's role. Therefore, this study aimed to examine citizen participation in the policy formulation process in the Samisake Revolving Fund program

#### Literature Review

This section describes how stakeholder involvement in policy formulation is integrated from MSP theory. According to Momen (2020), it is essential to involve multi-stakeholders in policymaking. The MSP concept implements policy formulation involving stakeholders, which helps resolve conflicts. Therefore, it is important to involve the community, private sector, universities, non-governmental organizations (NGOs), and international, national, and regional organizations. Other stakeholders to be engaged include social, cultural, governance, and information systems, as well as financial.

The MSP concept involves stakeholder engagement in policy formulation to foster community participation. This potential opportunity to develop regional development instruments involves stakeholder participation (Viťali sov, Murray-Svidro nov, & Jaku s-Muthov, 2021). Participation could entail sharing information, discussing, and consulting on policy formulation (Teder & Kaimre, 2017). In the globalization or industrial revolution 4.0 era, public participation is future development in deciding public Policy (Alexander, Vogt, & Kabst, 2016). Therefore, stakeholder representation and proportional involvement in public policymaking promote and balance the group's power (Raišienė & Skulskis, 2018).

With political and democratic changes, relations between government, society, private sector, academics (PT), and netizens have shifted from a hierarchical to a horizontal system. Therefore, the MSP approach could address the more complex social problems governments and other parties face. Supporters of this approach believe that collaboration in formulating public Policy in Indonesia has promoted the involvement of the public and policy target stakeholders. This shows the nuances of democracy in formulating public policy. In Parsons terminology, this condition could be categorized in the public choices approach (Elston, 2016; Grammatikopoulou, Badura, & Vačkářová, 2020). Policy-making requires several stages, including government agenda setting, policy formulation and legitimacy, statements, outcomes, evaluations, and decisions regarding the follow-up of programs made (Azevedo, Corrêa, & Federal, 2020; Djosetro & Behagel, 2020; Neeff & Piazza, 2020).

In preparing the agenda, many actors or institutions are interested in the policy to be made by the government. This serves to warm the atmosphere in the preparation of the government agenda. However, many public policy experts recognize that agenda setting is challenging due to the interaction of many actors with varying interests. This means that bringing the existing issues to the government agenda requires a long time (Christiansen, 2018; Cirone & Urpelainen, 2013; Mccowan, 2006).

The preparation of this agenda is more complicated in democratic than non-democratic countries. Democracy is a system of government based on people's participation. Therefore, solving public problems requires the high involvement of the people in the agenda setting. This results in high competition among actors in putting issues on the government agenda.

Democratic countries have political parties, interest groups, and organizations to accommodate the aspirations and participation of the people. This condition results in significant competition between groups. The countries overcome this situation through a well-structured and institutionalized political process. Conflicting political groups compromise differences in policy decisions through an open political election. The relationship between factors in a democratic country is described as follows (Biagi, Giovanna, & Ortega-argiles, 2020; Grammatikopoulou et al., 2020).

The picture shows how people in democratic countries channel their aspirations and participation in formulating public policies. Communities express their wishes to the government directly or through interest groups and political parties, which require the support of the mass media. In democratic countries, the relationship between actors or institutions in policy formulation is very complex. Democratic countries legitimize policy decisions because society, groups, political parties, mass media, government, and institutions produce acceptable policies. However, enforcing these decisions depends on economic development and each country's administrative service effectiveness. Higher economic development and administrative services increase the ability to implement policy decisions (Asatryan & Witte, 2015; Stier, 2015; Tedesco, 2015).



Figure 1. Access Channel from the Community to the Government Source: Authors

Democracies are more open and structured in formulating public policies than non-democratic countries. This openness is demonstrated by the involvement of many parties representing people's participation. Therefore, people's participation is structured through organizations that represent their interests. This ensures that a policy representing all parties' interests is eventually achieved. The parties whose interests are not represented accept and make corrections to implementing the policies.

Howlett (2019) found that MSP supporters believe several actors are interrelated and interact to agree on policy making. The actors are the legislative and executive elements, the private sector, the community, and the mass media. This is in line with Momen (2020), which emphasized the importance of MSP. In this case, MSP involvement could manage resources effectively (Darmi, 2017; Yuniningsi, Darmi, & Sulandari, 2019). Conflicts cannot be avoided with many actors and institutions involved in policy formulation. The high or low conflict level depends on how the policy is handled. Distributive policies have a low conflict level, while protective regulatory policies have moderate conflicts. Moreover, redistributive, structural, strategic, and crisis policies have high, low, moderate, and varying conflict levels depending on the issue. The relationship between these actors and institutions could also be stable or unstable, depending on the policy being handled (Djosetro & Behagel, 2020; Elston, 2016; Feyaerts, Deguerry, Deboosere, & Spiegelaere, 2017)

Sukwika (2018), Sulistiowati et al. (2020), Taufik (2017), and Wibow (2013) stated that the policymaking process could involve official or informal actors. Official actors include government agents or bureaucracy, the president, the legislature, and the judiciary. The informal actor includes interest groups, political parties, and individual citizens.

The policy maker is the dominant actor with the power or authority to determine the content and provide legitimacy to the policy formulation. The involvement of actors is determined by the government

system adopted by a country. For instance, a policy in a totalitarian country is formulated and made by the state. In a democratic country, the participation of the community is high because the standard question is who gets what, how many, in what way, and when all of that would be obtained.

A policy's effectiveness in overcoming public problems is determined by its quality. Several studies showed that the policy's quality is determined by stakeholders, the environment, and public choices. First, the stakeholders are actors that aggregate and articulate people's aspirations as raw material for making a single policy (Ansell, 2012; Dawes, Vidiasova, & Parkhimovich, 2016; Sheng, Zhou, & Zhu, 2019). They include the Regional People's Representative Council (DPRD), political parties, community groups, professional organizations, and other parties interested in the policy. Second, public choices relate to society's aspirations and the opportunities to achieve common goals. Third, the policy environment deals with cultural, social, economic, and political conditions, as well as human and natural resources.

In Indonesia, the most excellent attention must be paid to stakeholders because they determine and are influenced public choices and the changing environment (Mujtahid, Suwitri, & Darmi, 2018; Schueller, Booth, Fleming, & Abad, 2020). Since this occurs culturally, it could be assumed that political affairs relate to intelligent people or political elites. Conversely, society is in the position of receiving and utilizing public policies. In this context, DPRD becomes an essential stakeholder in formulating public policy. It is necessary to develop the participation of the public and all interested stakeholders to formulate high-quality policies that address public problems and desires.

The public and stakeholders should participate in policymaking as the central focus and goal of the process. Without community participation, the development process would fail. Therefore, various political and development jargon demands public participation in every activity. Community participation is essential because of three important reasons. First, it is a means of obtaining information on the community's conditions, needs, aspirations, and attitudes about a problem. Second, the community becomes more confident in a development program or policy through involvement in the preparation and planning process. They develop a sense of ownership and support the program or policy to grow. Third, it is a democratic right when the community is involved in formulating programs or policies that relate to and regulates them (Taylor & Grieken, 2015; Waheduzzaman, 2010; Wang, 2014).

Participation is a reasonably old term that has only been discussed since the 1970s when several international agencies promoted participation in development planning and implementation. Therefore, the concept has developed and has various meanings, though it is convergent. The three traditions of participation in democratic community development are political, social, and citizen participation. In line with this, participation is the core of democracy. This explains why the concept was initially associated with democratic political processes (Glass & Newig, 2019; Navid, Moghaddam, & Ra, 2020).

Political participation involves the interaction of individuals or political parties with the state. It is often associated with political democracy, representation, and indirect participation. Furthermore, political participation is expressed in individual or group actions to vote, campaign, or protest to influence government representatives. Therefore, it is more oriented towards influencing and placing people's representatives in government institutions than active and direct involvement in governance processes.

Since the 1970s, the concept of participation has been oriented towards development planning and implementation. Regarding development, Jaeger (2007) and Vessuri (2003) defined participation as increasing supervision of resources and regulatory agencies in certain social conditions by various groups and movements sidelined in their supervisory function. Participation is placed outside the state or formal government institutions. This means social participation is positioned as community involvement, specifically development beneficiaries in consultation or decision-making. It occurs in the development project cycle from needs assessment, planning, and implementation, to program monitoring and evaluation. There are many generally accepted assumptions for promoting social participation. The first assumption is that the people know their needs best and have the right to identify and determine development needs at

their local level. Second, social participation guarantees the interests and voices of marginalized groups in legal, economic, social, and cultural development. Third, social participation in monitoring the development process reduces irregularities, as well as the quality and quantity of development programs. Fourth, people should build organizations through movements or independent groups to aggregate and articulate their interests in social participation.

The discussion has positioned citizen participation as a concept and a necessary practice. Political and social participation emphasizes representation and external governmental institutions, respectively. In contrast, citizen participation emphasizes direct involvement in decision-making in government institutions and processes. Choi & Song (2020) and Protik, Nichols-barrer, Berman, & Sloan (2018) stated that citizen participation has shifted from caring for beneficiaries or marginalized people to a concern for policy and decision-making in critical areas affecting citizens' lives.

The Samisake Revolving Fund program case and the models show the involvement of internal and external stakeholders or policy actors. Internal actors include the government, such as the Mayor with his apparatus, parliament, political elites, the executive, and legislature. The external stakeholders include the private sector, mass media, colleges, interested groups, and citizens. Therefore, this study aimed to examine public participation in policy formulation. It described problems, issues, and agenda regarding the selection of an alternative policy. Additionally, the study explained actor contribution to ideas, suggestions, negotiation, and determination of policies.

# Methods

This study aimed to examine citizen participation in policy formulation for the Samisake Revolving Fund program in Bengkulu City. Data were collected using interviews, observations, and documentation based on the average stakeholder involvement in policy making.

This study held interviews with stakeholder elements regarding the policy formulation. The informants comprised local government apparatus, parliament members, community leaders, NGOs, academics, and private sectors, such as MSMEs Associations.

These informants were selected using the purposive sampling technique with previously determined criteria. The informants understood the process of formulating policies for the Samisake Relvoving Fund program. Source triangulation was conducted to confirm the data collected and ensure that the results have a high confidence level. Table 1 shows the informants' information:

Gender	Total	Age	Total
Female	2	21 - 30	1
Male	5	31 - 40	3
		41 - 50	3
Stakeholder Element		Education	
Local Government	2	Senior High School	2
Member of Parliament	2	Bachelor Degree	1
NGO	1	Magister Degree	3
UMKM Association	1	PhD Degree	1
Scholar	1		
Total	7	Total	7

Table 1. Characteristics of Informants

Source: Authors

This study used a descriptive qualitative method to examine the formulation of the Samisake Revolving Fund program. The method was based on policy formulation and stakeholders' participation.

This study examined the public policy formulation process regarding actors and the resulting conflicts. It described policy problems, issues, and agenda, the selection of an alternative policy, and explained actor contribution to ideas, suggestions, negotiation, and determination. The results were presented qualitatively as statements interpreted to encourage scholars to obtain other paradigms in formulating regional public policies.

## **Results and Discussion**

This study aimed to examine the Samisake Revolving Fund program policy formulation process based on stakeholder participation to identify, collect, define, and specify problems. It also examined the discussions on making joint decisions to solve the community's problems. The stage-wise public policy formulation process triggered the desire to understand the community's aspirations (Howlett & Mukherjee, 2014).

The policy formulation process involves the government, private sector, college actors, and the community, but no mass media and citizens. An informant stated that poverty and unemployment contribute to reducing people's welfare. Therefore, the program is a better choice for people in Bengkulu.

The informants stated that Samisake Revolving Fund program is a better solution to the main economic problem. A government element also stated that the program could help increase people's welfare. The situation was confirmed by an informant and can be seen in Bahasa as follows:

"The Samisake Revolving Fund program helps reduce poverty in Bengkulu by increasing capability of human resource and creating job opportunities for citizens. The high poverty rate means the regional public policy of should be a Regional Regulation (Perda). There is much information and ideas from policy actors in the trial phase. However, the Regional Regulation was agreed to be issued, provided the Perda is implemented effectively and efficiently" (MI, 46 years old, parliament member).

"In formulating the Samisake Revolving Fund policy, there was a tug-of-war between the executive and the Legislature. There was a conflict of individual and group interests between the parliament and the State Civil Apparatus, prompting a debate during the trial in deciding policies" (TR, 35 years old, NGOs).

"A decision made on a policy goes through various stages of the trial, which involves many discussions and arguments from participants. Each trial participant invites stakeholders to provide information, suggestions, and input regarding the program. This program is appropriate for identifying problems to increase the income of people engaged in MSMEs and reduce the poverty rate in Bengkulu" (AR, 42 years old, State Civil Apparatus).

Informants from NGOs and apparatus stated that the policy issue causes conflicts of interest and debates regarding the ideal agenda. During discussions, the participants expressed their egos and attempted to empower MSMEs and community production.

The policy formulation mechanism that includes stakeholders from various elements involves interaction between the executive (DPRD), local government, and other actors that help avoid conflicts and obtain quality policies. This is consistent with formulating policies that accommodate various actors to minimize conflict (Momen, 2020). However, the government should control the source of advice (Craft & Howlett, 2012).

Regional Regulation Number 12 of 2013 was formulated with a budgeting review for managing Samisake Fund to reduce poverty. The first review concerned the allocation budget through a plenary meeting between the government and parliament inviting academics, media, and NGOs. This resulted in alternatives to remove other budget allocations, such as purchasing luxury cars, diverting social assistance to productive funds, and reducing the officials' travel activities out of town. The alternative supports the development of the local economy through the Samisake Revolving Fund program, which adopts the Local Economic Development (LED) concept. The field report confirmed the mechanism policy formulation as follows:

- 1. The program policy idea from the Mayor of Bengkulu proved political promises
- 2. The study by the Mayor's team found that the ultra-microeconomic community needed guarantee-free business capital loans.
- 3. The study was followed by a seminar at the Chancellor's forum in Bengkulu. The seminar invited academics, microfinance institutions, business actors, empowerment activists, and the banking sector.
- 4. The seminar results recommended that the Mayor provide assistance and unsecured loans for micro-enterprises.
- 5. The Mayor submitted this recommendation to the Research and Development Planning Institution (BAPPEDA) of Bengkulu City.
- 6. BAPPEDA conveyed to the sub-districts in Bengkulu City. Each sub-district invited the Kelurahan/ Village and Rukun Tetangga (RT) /sub-village.
- 7. The sub-district development planning convened a deliberation meeting. Also, a development planning meeting shall be held to prepare, identify, and map economic potential in the Kelurahan.
- Policy formulation began with issuing a Mayor's Decree on forming a technical team for the Samisake program.
- 9. Field review by the technical team in each Kelurahan
- 10. The Mayor established a Regional Technical Implementation Unit (UPTD)
- 11. UPTD identifies, maps, and facilitates the creation of microfinance institutions in each kelurahan as partners in implementing the Samisake Revolving Fund program.
- 12. The Samisake Program proposal is included in the working plan, and development planning forums are included in the Bengkulu City master plan

The filed reports obtained by actors in formulating policies showed that official stakeholders include the Regional Secretary, Planning and Research Institution, as well as district and village leaders. These primary actors have a significant influence and importance. Secondary actors, including NGOs, academics, and the media, have significant influence but low-level importance. However, actors with low influence but high interest are business actors, one of the program's targets.

These actors' interactions in the policy formulation should be based on professional and organizational values, fairness, and public interest. There are values of group and policy networks, though there is a tug of war. However, public values remain a crucial factor in formulating policies. These data confirmed the situation, which involves primary and secondary actors.

Samisake Revolving Fund program aims to increase people's income and welfare to develop micro businesses. The achievement of the program is reflected in the reduced poverty rate, as shown in Figure 2.



Source: Authors

The Samisake Revolving Fund program is a breakthrough in alleviating unemployment and poverty in Bengkulu City. Observations showed that unemployment and poverty are problems that need urgent solutions. In 2011, the Social Protection Program (PPLS) reported that Bengkulu City had 74,646 poor people. Central Bureau of Statistics data also showed that 17,545 people were unemployed. However, PPLS could not be immediately carried out, necessitating the most appropriate mechanisms and instruments for its implementation. This would ensure that field implementation does not encounter legal or technical challenges. Samisake Revolving Fund program management needed mechanisms and instruments to determine the most appropriate model. Therefore, several meetings, discussions, and opinion exchanges were held with academics, Regional Leadership Coordination Forum (FKPD), traditional figures, community leaders, Regional Work Units (SKPD), and NGOs. The aim was to obtain inputs, opinions, and experience regarding a proper formulation in implementing Samisake Revolving Fund program.

This study aimed to identify the needs of the target group related to the Samisake Revolving Fund Program planned by the Bengkulu City Government. The aim was to ensure that the policies implemented solved public problems. Identification was conducted to assess the community map and the diversification of business groups. Furthermore, interviews were conducted with BAPPEDA Bengkulu City in charge of program design to identify the needs of the people targeted by the policies.



Figure 3. Study Framework Source: Authors

The interview excerpts indicated that employment, access to capital, and supporting skills would enable the poor to fight poverty chain rotation. Therefore, the government should formulate the right strategy regarding poverty alleviation programs and identify the target group. This would ensure that the program designed is not biased in its implementation.

Many policy alternatives are acceptable in the initial formulation stages but decrease after discussion and evaluation. The formulators prepare a definite suggestion about alternative policies in the final stages. They must consider attitudes, rules, and demands that limit the legitimators' behavior regarding the alternatives taken by the Bengkulu City government to address the needs of target groups. The issue and policy agenda highlight the need for easy access to business and capital, as well as supporting skills for the poor. The identification process indicated that the primary needs for the poor are more financial capital and supporting skills to develop themselves.

The Samisake travel document states that determining the alternative program was the best choice by the government. This is based on the public hearing held to capture issues related to the needs of the poor. The hearing revealed that around 63,000 people were poor, while about 70,000 were unemployed. Therefore, the government developed a local economic policy with the concept of One Billion One Sub-district. This policy involves everyone utilizing and developing the local economy to help increase income and create new jobs. In Jones's view (1996: 161), Samisake gradually determines policy alternatives in several ways through (1) identifying alternatives to similar problems; (2) defining and formulating alternatives; (3) assessing and determining profitable alternatives; and (4) selecting a satisfactory alternative.

The policy formulation regarding the agenda-setting implemented by the government in facing community demands aimed to enhance business operations. This would be achieved using capital, skills, and the business product identified through the public hearing process. Another approach is to implement the Samisake Revolving Fund Policy using the UPTD model until the formation of the Regional Public Service Agency (BLUD). However, the model's assessment has not met the four standard criteria, including (a) technical feasibility, (b) economic and financial viability, (c) political viability, and (d) administrative feasibility.

After the eight-month conflict discussions and bargaining, the community's demands regarding poverty and job availability contained in the issue and policy agenda were established as a public policy. The policy is Regional Regulation Number 12 of 2013 concerning the Management of the Samisake Revolving Fund program in Bengkulu City. It stipulates that UPTD manages the Samisake Revolving Fund at the office of MSMEs. The UPTD is a Regional Public Service Agency that manages the Samisake Revolving Fund in collaboration with Micro Finance Institutions (LKM) in each village. Moreover, the regulation's realization is regulated in the Samisake Revolving Fund Management Implementation Guidelines and Regulation of Mayor Number 28 of 2013 concerning Technical Guidelines for the Management of the Samisake Revolving Fund program.

BAPPEDA conducted various activities in planning for the Samisake Revolving Fund program in the Regional Middle Range Development Plan (RPJMD) document. These activities could also be interpreted as a chronological process for preparing the RPJMD. The process starts from the problem formulation to the legislation stage, where the RPJMD document is stipulated as a binding legal product. This legislative process becomes the basis for making policies on the Samisake Revolving Fund. It contains a comprehensive mechanism for rolling out revolving funds to the public.

Policy actors play a vital role in formulating various alternatives and determining the chosen policy. Community participation is also crucial in pushing issues into the policy agenda, followed by policymaking.

Determining the public Policy of the Samisake Revolving Fund program involved the Executive Team as a vital stakeholder that reviewed and discussed the Raperda. The team comprised the Regional Secretary, BAPPEDA, Department of Finance and Asset Management Revenue (DPPKA), UPTD, LKM, Legal Division, and Head of District. Other actors were community leaders, youth, and religious leaders, as well as NGOs that voice people's interests in every oration.

University academics were also involved in the policy formulation process to discuss and find a solution to the public problem of the Samisake Revolving Fund program. The interactions between these actors were colored by debates, arguments, and conflicts. Each actor believed their opinion was the best alternative in implementing rotating funds in the field. The interaction resulted in the public policy that could satisfy all parties by accommodating initially different interests through the bargaining process. This shows that participating in public policy formulation aims to obtain a win-win solution. The policy should accommodate all parties' interests and address community needs. As a political process, the formulation aims to equalize the actors' perceptions and interests to produce a quality policy.

The results show the people's need for capital and supporting skills to alleviate poverty through the public hearing approach. In the current democratic era, the public is increasingly critical in responding to every problem. The government's dominance in policy initiatives has shifted to the community. Subsequently, society significantly influences the government, which implies the characteristics of a democratic state. The relationship between democracy and public policy is significant. Public policy is born in a democratic atmosphere, with the high involvement of policy actors. Furthermore, the public participates in the policy formulation process, resulting in a tug-of-war between various social interests that transform into public opinion.

The policy issue of the Samisake Revolving Fund program came from the community regarding poverty and unemployment. Subsequently, it became public opinion and was included in the policy agenda by the Bengkulu City government. The Legislature and other stakeholders agreed that enacting the Raperda proved the victory of the people and all parties involved in policy formulation. Moreover, they agreed that this is proof of democracy in Bengkulu City. This opinion was conveyed by the Mayor when he stipulated the Raperda to be submitted and discussed with the Legislature.

## Conclusion

This study contributes to the understanding of multi-stakeholder involvement in regional public policy formulation characterized by the participation of various actors. The MSP theory was employed to describe the potential role of Penta Helix actors in sharing information to make quality public policies. The results confirmed the typical process of formulating the Samisake Revolving Fund program policy in Bengkulu City. The people's aspirations are accepted and followed by a Regional Regulation (Perda). Therefore, the community's role and participation are significant in policy formulation.

The community provides rational thoughts about the importance of the Samisake Revolving Fund program. Apart from specific political interests, village communities could identify their various public problems. The Bengkulu City government failed to include the community aspirations in the policy agenda to be discussed by the Legislature or the executive. Subsequently, the community carried out movements to push for discussions regarding the policy issue. The intensive hearing finally pushed the issue onto the policy agenda discussed by the government.

The Bengkulu City government expressed its willingness and good faith by drafting a Regional Regulation on the Samisake Revolving Fund program. However, selecting an alternative policy is an arena of political influence, where various interests color the policy outcome. The alternative policy selection process was marked by conflicts and bargaining among actors. The policy selected was the best and satisfied all parties interested. In stipulating the Regional Regulation draft, all interested parties hope the Samisake Revolving Fund Regional Regulation would be accepted. They believe the policy would be transparent and accountable to increase community participation and empowerment. The policy formulation process displays a very complex interaction among policy actors.

These actors are the executives of the Bengkulu City government, community leaders and organizations, as well as university academics. The actors try to influence the choices and policymaking process by creating conflicts in every discussion of the Regional draft Regulation. The growing regional autonomy and democracy promote the government to increase citizen participation in public policy formulation. The high public participation provides many contributions, increasing the choice of alternative policies. As a result, many options facilitate the realization of a high-quality public policy.

This study obtained data from a few informants comprising stakeholder elements in regional policy formulation. Therefore, future studies could involve more associations and print or online media as an alternative for disseminating policy information.

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Achmad Aminudin, Titi Darmi, Agus Pramusinto, Iqbal Miftakhul Mujtahid

# DERYBŲ POLITIKA: REGIONINĖS VIEŠOSIOS POLITIKOS NUSTATYMAS FORMUOJANT SAMISAKE APYVARTINIO FONDO PROGRAMĄ BENGKULU MIESTE, INDONEZIJOJE

Anotacija. Suinteresuotųjų šalių bendradarbiavimo trūkumas laikomas viena iš pagrindinių netvarių regioniniųPolitinė arena daro įtaką alternatyvios politikos pasirinkimui Samisake atnaujinamojo fondo programai. Šiame etape įvairūs interesai daro įtaką politikos rezultatams, įskaitant politikos formuotojų konfliktus ir derybines pozicijas. Todėl šio tyrimo tikslas - ištirti visuomenės dalyvavimą formuojant Samisake revoliucinio fondo programos politiką Bengkulu mieste, Indonezijoje. Taikytas kokybinis metodas, taikant atvejo studijos metodą politikos formavimui, taip pat tipinėms sąlygoms ir kintamiesiems. Duomenys buvo renkami apklausiant septynis informantus iš penkių suinteresuotųjų elementų ir analizuojami taikant srautinę analizę. Rezultatai parodė didelį bendruomenės įsitraukimą į viešosios politikos formavimo procesą, kuris reiškia klausimų stūmimą į politikos darbotvarkę. Geriausia politikos alternatyva turėtų tenkinti visas suinteresuotąsias šalis. Be to, politika buvo nustatyta išleidžiant regioninio reglamento projektą dėl finansavimo paskirstymo. Šiam regioniniam reglamentui turėtų pritarti visos šalys ir jį įgyvendinti skaidriai ir atskaitingai, kad būtų padidintas bendruomenės dalyvavimas ir jos įgalinimas. Politikos procesas rodo sudėtingą politikos formuotojų sąveiką. Tarp šių politikos formuotojų yra Bengkulu miesto valdžios vadovai iš Regioninio techninio skyriaus, bendruomenių lyderiai ir organizacijos, nevyriausybinės organizacijos ir universitetų mokslininkai. Ši sąveika daro įtaką pasirinkimams ir politiniams sprendimams, sukeldama konfliktus ir įtampą svarstant Samisake fondo regioninio reglamento projektą. Todėl būsimuose tyrimuose galėtų būti nagrinėjamas suinteresuotųjų šalių tinklo dalyvavimas formuojant politiką ir tarpinstitucinių gebėjimų stiprinimas siekiant išvengti konfliktų.

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