

## Village Independence In Village Funds (A Case of Village Fund Management in Traditional and Modern Villages)

**Dian Fitriani Afifah**

Department of Government Science Padjadjaran University,  
Bandung Indonesia

**Dede Sri Kartini**

Department of Government Science Padjadjaran University,  
Bandung Indonesia

**Neneng Yani Yuningsih**

Department of Government Science Padjadjaran University,  
Bandung Indonesia

### ABSTRACT

Village fund is a fund sourced from state budget (APBN) occurs when the Law No. 6/2014 on village is prevailed. The fund is aimed for all villages in Indonesia, including Neglasari Village as a representative of traditional village and Ciburial Village as a representative of modern village. The presence of village funds brings the spirit of change for the villages since they are required to manage the fund to create independent and prosperous village. The current management of village funds is actually does not create village independence since village is not made into a subject instead of object of development. In addition, the uniformity pattern of village development has set aside the participation of community and village government creativity in planning and budgeting. Village government is increasingly dependent causing a difficulty to create village independence.

**Keywords:** Village funds, traditional village, modern village, village dependence

### INTRODUCTION

Village is a unit of traditional society. As a unit of traditional society “village has political, economic, judicial, socio-cultural and security and defense institutions that develops itself to fulfill its needs” Nurcholis (2011). In order to support the village survival, the village has resources arranged in accordance with its institutional system. Therefore, village has the right to arrange and manage local affairs based on the village origin; it is known as village autonomy.

Regarding village autonomy, village is a subject of development. It means that village acts as the main actor (subject) that plan, fund and implement the development. The position of village as a subject is the representative of “*Desa Membangun* (the Building Village)” spirit, which is the foundation of the issuance of Law No. 6/2014 on Village. In this case, village is able to build independently thus it is independent in economic, politic, social, cultural and technological aspects.

The idea of “*Desa Membangun*” in the draft of Law on Village that currently has been passed into Law No. 6/2014 on Village maintains the status of village as the object of development in its implementation. The idea of “*Desa Membangun*” has been replaced with “*Membangun Desa* (Building the Village)” since village is made only as the target or project location of the top

level. Village independence has changed into dependency to the government due to the village fund. Village fund is a fund sourced from the State Budget aimed for the village and it is transferred through the Regional Budget of the regency/city and is used to fund governance, development, community coaching, and community empowerment.

Village fund is one of financial sources of the village and it experiences significant change when the Law No. 6/2014 on Village prevailed. Before the enforcement of the Law, which is when the Law No. 32/2004 on Local Government and Government Regulation No. 72/2005 on Village prevailed, there is no explicit statement that State Budget is one of financial sources of the village instead it is in form of financial assistance from the government<sup>1</sup>. In addition, during the presidential campaign in 2014, the elected president, Joko Widodo, made a campaign promise that village will obtain village fund in average of 1.4 billion from the State Budget<sup>2</sup> in addition to other financial sources.

For some parties, the euphoria and spirit of change characterize the issuance of Law No. 6/2014 on Village. Directorate General of Community and Village Empowerment, Tarmizi A Karim<sup>3</sup> stated that “there are a new spirit and new life occur in the village” Eko (2014). The new spirit occurs since an article will be arranged on village financial sourced from the State Budget (APBN), therefore if all the articles in the Law is combined into one article, the content is an article about village money.

Despite the new spirit due to the law, concerns are also occurred among the parties regarding the danger of corruption might be conducted by the head of village and the villages. There is an increase of 125% of village fund allocation from 2015 to 2017. A news quoted by the Ministry of Village, Disadvantaged Regions and Transmigration (Kemendes PDTT) stated that in 2015 the amount of allocated budget was Rp. 20.7 trillion with calculation that each village received Rp. 200,000,000.- – Rp. 300,000,000.-. In 2016, the amount of allocated budget was increased by 125% to 46.9 trillion where each village received Rp. 600,000,000.- – Rp.800,000,000.-. Whereas in 2017, it increased again to 60 trillion where each village received Rp. 800,000.- - Rp. 1,000,000,000.-.

The article will not examine the management of village fund in traditional and modern villages, namely, Neglasari Village Salawu Sub-district Tasikmalaya Regency and Ciburial Village Cimenyan Sub-district Bandung Regency; however, it tries to describe the village independence as the goal of the village fund through good village fund management in traditional and modern villages. The formulation of village typology is based on the formulation of Adisasmita Rahardjo (2006) and Asy'ari Sapari Imam (1993), Jefta Leibo (1986) and Village Build Index (*Indeks Desa Membangun/IDM*) set by the Ministry of Village, Disadvantaged Regions and Transmigration.

---

<sup>1</sup> See Government Regulation No 72/2005 on Village Chapter VII Article 68 where the source of village revenue consists of: a. village own-revenue consists of income results of operations, the result of assets, self-help and participation, mutual aid, and other legal village incomes; b. profit sharing of tax of regency/city is at least 10% (ten per a hundred) for village and part of levies of regency/city is given to the village; c. part of the equalization fund of central and regional finance received by the regency/city is at least 10% (ten per a hundred) for the village, that divide proportionally to each village and it is the allocation of village fund; d. financial assistance from the government, provincial government, and government of regency/city for the implementation of government affairs; e. unbinding grants and donation from the third parties.

<sup>2</sup> See on <http://surabaya.bisnis.com/read/> (access in January 24, 2016, at 10.38 WIB)

<sup>3</sup> The Directorate General of Community and Village Empowerment inaugurated by the Minister of State Affairs, Gamawan Fauzi, in 2012, Mr. Tarmizi A. Karim that currently served as the Inspector General of the Ministry of State Affairs.

## VILLAGE AUTONOMY, VILLAGE TYPOLOGY, FINANCIAL MANAGEMENT, AND VILLAGE INDEPENDENCE

Village is an independent region conquered by the central kingdom. In the governance practice, central kingdom asks for village loyalty. Regarding how the village organizes its government, the central kingdom does not arrange it but assign it to the related village to arrange and manage it in accordance with its own customs and procedures. In addition, *Himad-Walndit* inscription indicated that village during Kediri-Jenggala kingdom era had autonomy (*swatanta*) status, which was the substance of governance principle (in Nurcholis, 2011). The term of autonomy came from the Greek, which is *autos* means alone and *nomos* means law. Therefore, autonomy means creating its own law (*zelfwetgeving*). However, in its development, autonomy also means self-government (*zelfbestuur*) (Huda, 2015). The term of “autonomy” is actually unknown in Indonesia since it was created by the Dutch. Regardless this matter, autonomy is the right to arrange and manage its own household (Kartohadikoesoemo, 1984).

Village autonomy is “the real autonomy”. It becomes bias since many “origin” things owned by the village have been taken by the state and exploited by the investors (Huda, 2015). It means that village autonomy becomes bias due to the intervention of the state to the village. State intervention might have good intentions; however, to what extent is the central government officials understand the village system according to the customary law. As a law (customary) community with autonomy, village is a subject of law. Ndraha (1991) explained that autonomous village is a village that becomes the subject of law and able to take legal actions. The actions are, among others: making a decision or regulation that bind all the villagers or certain parties as long as they are related to its household; implementing village government; selecting the head of village; having its own resources; having its own land; discovering and setting its own financial sources; preparing its own budget (APPKD); conducting mutual assistance; conducting village justice; and conducting other affairs for the prosperity of the villagers (in Nurcholis, 2011).

Therefore, political, economic, security defense, and social interests become the responsibility of the village and it makes the village plays role as a subject. A paradigm that states that village is the development subject becomes the idea of requiring village independence. Law on village explicitly distinguishes rural development (building the village), which is the domain of government, and village development (the building village) that put the village as the subject of development (Eko, 2014). The role of village as an actor (subject) can be defined that it is the village that plan, fund, and conduct the governance. Village independently builds its self by involving the regional government as a facilitator and supervisor and to help the village in developing its capacity (Eko, 2014). Village as the subject of development that able to create village independence is not yet implemented in the management of village fund.

Village fund is a fund sourced from the State Budget and it is aimed for the village and transferred through the regional budget (APBD) of the regency/city as well as to be used to fund governance, development implementation, community coaching, and community empowerment. Eko (2014) suggested that village fund can create a new spirit in the village and in turn, it able to create independency and prosperity for the village. The fund is used based on the priority of village fund utilization by considering the village typology.

Village typology is a technique to understand the types of village based on its dominant (typical) characteristics related to its growth and development (Asy'ari, 1993). One of classifications of village typology is based on the level of village development. Adisasmita (2006) classified village typology into three groups, namely, self-help (traditional) village, self-developing (transitional) village, and self-sufficiency (modern) village. Self-help (traditional)

village is a village that unable to be independent in terms of organizing their own affairs, there is no good village administration and *Lembaga Ketahanan Masyarakat Desa/LKMD* (village resilience council) has not functioned well in organizing and driving the community participation in village development in integrated way. Self-developing (transitional) village is a higher level village than self-help village. The village has started to be able to be independent in organizing their own affairs, village administration is sufficiently organized and LKMD has started to function in organizing and driving the community participation in village development in integrated way. Self-sufficiency (developing) village is a higher level village than self-developing village. The village has been able to organize their own affairs, village administration is well organized and LKMD has functioned in organizing and driving the community participation in village development in integrated way. In addition to Asy'ari (1993), the characteristics of self-help (traditional), self-developing (transitional), and self-sufficiency (modern) villages are also explained by Jefta Leibo (1986)<sup>4</sup>.

Management, according to George Terry, is "*distinct process consisting of planning, organizing, actuating, and controlling performance to determine and accomplish stated objectives by the use of human being and other resource*" (in Kencana, 2011). Although George Terry has defined the term of management, the authors use financial management theory stated by Brian Binder where the main elements of financial management can be categorized into two groups: (1) periodic and legal elements, and (2) outside and inside elements.

Those elements can be explained as the following. Periodic and legal elements: periodic element consists of elements that are part of the periodic activities in a year, namely, preparing program and budget, expense and budget revenue, cash out and cash in affairs, and financial transactions recording and reporting; legal element consists of elements of regulating and monitoring periodic activities, namely, financial law and regulation and financial transaction and audit from the inside. Outside and inside elements: outside element consists of the monitoring of local government by higher supervisory officers (such as central government and on Level II government by Provincial Governor), based on law, regulation and guidance, ratification on budget and financial regulation, needs report and outside financial audit. Whereas, inside element is the element of monitoring and reporting conducted by the local government as a guide for the local government financial officers. The important thing for the element is periodic procedure as mentioned above along with financial regulations that formulated on its own and inside financial audit (in Nick Devas, et al, 1989)

As mentioned above that the goal of village fund is to create village independence. It means that village independence can be created if village is able to manage the village fund According to Eko (2014), village independence is a famous phrase but there is no standard definition on this term; every one or institution has the freedom to interpret the term; however, village

---

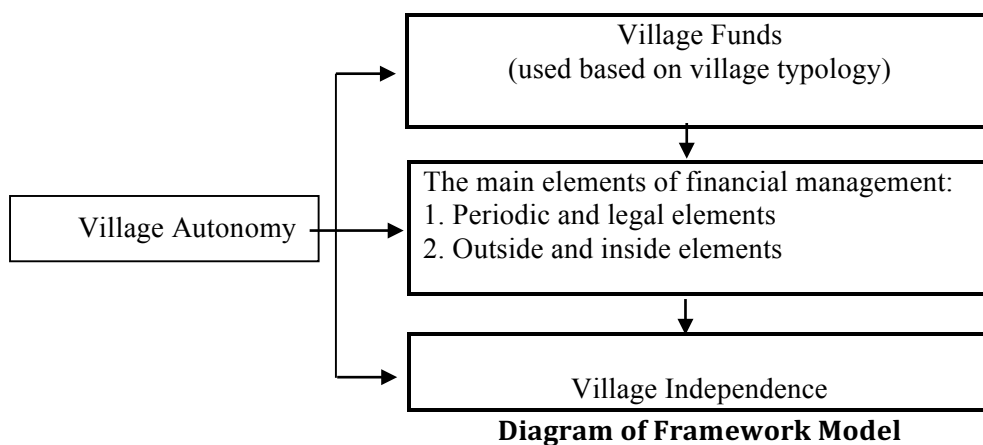
<sup>4</sup> The characteristics of village typology based on its development are stated by Jefta Leibo (1986) as follows: Self-help, this type of village has a relatively static-traditional condition. It means that the community is highly depended on the skill and ability of the leader. The life of the community is depended on the unprocessed and unutilized natural factors. Class arrangement in the community is vertical and static in nature and the position of a person is valued based on his/her descendant and the land ownership. In self-developing village *anasir* (concepts) from the outside has started to influence the village due to reformation felt by the community members. The seeds of democracy are started to grow indicating that the community is no longer depended on the leader only. The works and services as well as skills are started to become the measurement in appraisal by the community members instead of heredity and land ownership. Social mobility, either vertical or horizontal, is started to emerge. On the other hand, in self-sufficiency village, the community is developed and familiar to agricultural mechanism. Scientific technology is started to be used and the village is always changing along with the development. The element of community participation is effective and social appraisal norms are linked to one's ability and skill. Among the community members, there are businessmen who are risk takers in an investment (entrepreneurs) (Leibo, 1986).

independence is not a solitude and selfhood (ego). Eko (2014) did not explain the definition of village independence; however, the paper quoted the opinion of Mitra Samya (2013) who understood the independence as a condition where village is developing based on their own power, which is asset and potential. Village independence does not mean that the village is stand on its own in a political hallow space neither depends on the instruction and assistance of the above level government; however, it means a strong capacity and initiative. Local initiative is an idea, the desire and will of the community based on local wisdom, leadership, and social network and solidarity. Based on the above definition, Mitra Samya indicates that village independence has several characteristics as follows:

1. The ability of village to arrange and manage itself with its own power;
2. Village government has the authority to arrange and manage the development supported by independence in planning and budgeting – one village one planning – as a guidance of all development programs in the village and it is consistently conducted;
3. Its government system is highly support the community aspiration and participation including the poor, women, the youth and other marginalized communities.
4. The development resources are optimally managed in transparent and accountable manner to be used properly for the prosperity of the whole community.

(in Eko, 2014)

Based on the above explanation, a framework is built as a base of the research as displayed in the following figure.



### RESEARCH METHOD

The research used qualitative method. The method was chosen based on the purpose of the research that wanted to describe and deeply analyze the village independence in village funds. Village fund is a new policy implemented in 2015; therefore, exploration on situation and interpretation of views are needed to construct the meaning of the situation. The research was limited by time and activities and was using various data collection procedures (Creswell, 2013). In addition, changes in village funds management in the period of 2015-2017 were very dynamic causing different interpretation in the level of village or central government and regional government of regency/city. Therefore, an easy method was needed when facing with dual realities (Moleong, 1996).

Lofland and Lofland (1984) stated that the main data source in qualitative research is words, actions and additional data such as documents and so on (in Moleong, 2010). Arikunto stated that there are three types of data source, namely, person, place and paper. The three data sources can be obtained through various techniques. Data source of people can be obtained through interview, questionnaire, observation and test. Data source of place can be done

through observation and data source of paper is obtained through documentation (Arikunto, 2015). Interview was conducted with informants who were considered as having knowledge on village funds, which were the community, village and sub-district governments, government of regency/city, local government including the supervisory apparatus and village counselor as the representative of the ministry level. In addition to interview, to study the management of village fund and the village independence in village fund, the authors directly went to the research objects (villages) and other locations where the program was executed as well as studied the supporting documents. The documents were those documents related to the village fund consisted of all laws or policies, journals, papers or previous researches on village fund, reports made by the village government in form of RPJMD (Regional Medium Term Development Plan), RKP (Government Work Plan), APBD (regional budget) and annual accountability report of village funds. Those techniques were used to reveal in detail the village independence in village funds where village independence is one of the goals of village funds.

Data processing and analysis used by the authors were steps as stated by Miles and Huberman (1992). Activities in data analysis are data reduction process focusing on the selection, simplification, abstraction and transformation of raw data from field record result (data reduction), data display process that is started with information preparation into a statement that allows for conclusion drawing (data display) and conclusion drawing process based on data reduction and display that takes place gradually starts from general conclusion at data reduction step to a more specific conclusion at data display step and more specifically at the real conclusion drawing/verification. Those three processes is an inseparable unity before, during and after data collection. Therefore, data reduction, data display and conclusion drawing steps are in a parallel position to build an analysis.

### **VILLAGE INDEPENDENCE IN VILLAGE FUNDS**

Village independence is one of goals of village fund. The fund is increasing every year up to the budget limit of 10% from and outside the transfer fund to the region (on top) thus it makes villages in Indonesia experiences an increase in income. It was recorded at Neglasari Village that in 2015, village funds received by the village was Rp. 288,973,744.-, and Rp. 633,774,983.- in 2016. Whereas Ciburial Village in 2015 received village funds of Rp. 326,669,300.-, and Rp. 709,070,700.- in 2016. Question arose from this which was has the fund increased the independence of the village according to the goal of the fund?

Village independence is a famous phrase thus there is no standard definition on this term, everyone or institution has the freedom in interpreting the meaning of village independence. However, village independence is not a solitude and selfhood (ego). Village independence is a condition where village is developing based on their own power, which is asset and potential. Village independence does not mean that the village is stand on its own in a political hallow space neither depends on the instruction and assistance of the above level government. It means a strong local capacity and initiative putting forward the desire and will of the community based on local wisdom, leadership, and social network and solidarity.

There are various aspects to consider in measuring the village independence. First, village should have asset or resources to be used. Second, village should able to plan and budget all the activities sustainably. Third, participation of the villagers is the key in governance. Fourth, village is able to manage the resources in optimal, transparent and accountable manner.

Legislations on village fund did not explain village independence. It is only mentioned as one of goals of the village fund thus the meaning of the term is bias. If village independence is defined as a condition as stated by Mitra Samya (in Eko 2014) thus the appropriate reference in

measuring the village independence is based on the level of village development in village typology. There are three types of village based on its development, namely, traditional, transitional, and modern. A modern or developed and/or independent village is the end goal of village fund. The hope built through village fund is to increase the traditional village into transitional village and in the end into a modern village.

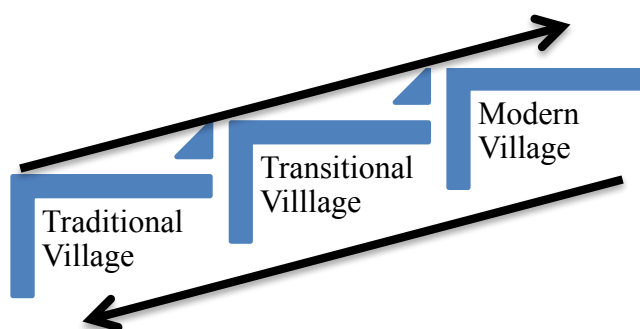
Village typology based on the level of village development, as stated in Article 7 of the Permendes PDDT No. 21/2015 on the Determination of Priority in the Utilization of Village Funds in 2016, can be used as a consideration by the village in planning village development programs and activities as well as village community empowerment, such as:

- a. Disadvantaged and/or very disadvantaged villages should give prioritize on development activities through the provision of facilities and infrastructures to fulfill the needs or access of the villager life;
- b. Developing village should give prioritize on facilities and infrastructures of public services and basic social, either community education or health;
- c. Developed and/independent village should give prioritize on the development of facilities and infrastructures that gives impact on the expansion of economic scale and village investment including village initiative to open jobs full with appropriate technology as well as investment through the development of village-owned enterprises (BUMD) with high own-source revenue (PAD) since the management of PAD is one that is not affected by regulation from local or central government

When the level of village development is made as a consideration in planning development programs and activities as well as rural community empowerment, the direction of village development and empowerment becomes clear. Therefore, central or regency/city government is unable to create uniformity pattern in the village development and rural community empowerment.

Regulations on village fund give broader space for the village government to plan activities based on the needs of the villagers. In reality, in Neglasari and Ciburial Village, village funds did not make the level of village development as a consideration in planning village development programs and activities as well as rural community empowerment; therefore, the village government only waited for recommendation given by the local government of regency in planning the utilization of village funds.

For example, Ciburial Village is categorized as a modern village thus it could prepare plan for village development programs and activities as well as rural community empowerment that lead to the expansion of economic scale and village investment including village initiative to open jobs full with appropriate technology as well as investment through the development of village-owned enterprises (BUMD) with high own-source revenue (PAD). In 2015 and 2016, the village was still “directed” in utilizing the village funds for infrastructures development. As a modern village, the utilization of the fund by the village was similar to those in Neglasari village, which is categorized as a traditional village, where the fund was “directed” for village infrastructure development. In addition, in 2017, Neglasari Village had been directed to allocate the fund for economic improvement and village investment, which was BUMDes (village-owned enterprises). Therefore, the preparation of planning of village development programs and activities as well as rural community empowerment sourced from village fund can be illustrated as the following diagram.



**Diagram of Illustration of the Preparation of Village Development Programs and Activities Planning**

The above diagram explains that traditional village is directed to prepare programs and activities planning just like the modern village, whereas the modern village is directed to prepare programs and activities planning just like the traditional village. It is interesting to discuss since village typology based on the level of village development was issued by the Ministry of State Affairs, where Ciburial Village is classified as a modern village calculated based on the completeness of the village during data (economy, education, health, and the participation of community in the development) input. Basing the village classification according to its administrative completeness was unable to see other things besides “black-and-white” or the visible things only, such as the truth of the data. Therefore, a uniformity pattern became the solution for the central government or the regency government since village typology based on the level of village development could not be used as a reference.

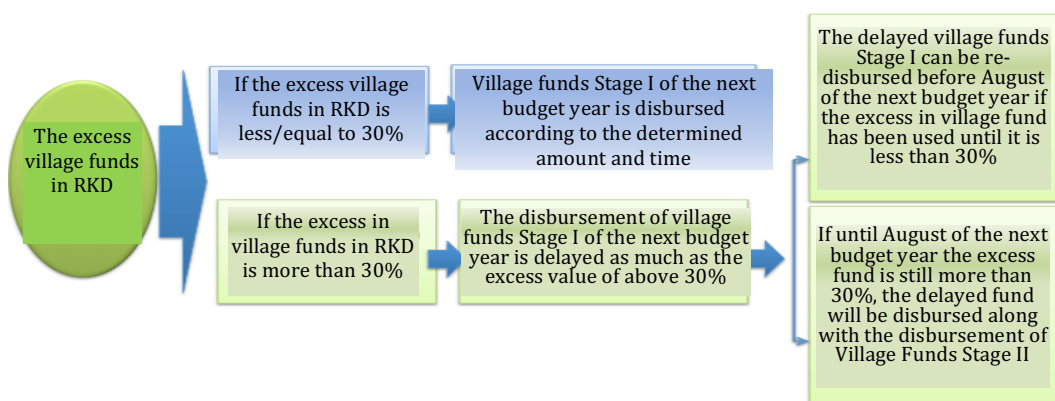
In addition to the involvement of central government and/or local government of regency/city in the preparation of development programs and activities planning as well as rural community empowerment as explained above, there were other things that made Neglasari and Ciburial Villages questioning the meaning of village independence. The issue was about village that became the subject in development. It means that village as the main actor (subject) that plan, finance, and conduct the development. The fact was that until now, villages were only used as development object or a target or location of the project from the top level. Village as the executor had no flexibility since budget was given along with the priority of the utilization. Following are some evidences of village as the development object:

1. The determination of priorities in the utilization of village funds specifically and thoroughly in the budget year of 2015, 2016 and 2017 by the Government of Tasikmalaya Regency and Bandung Regency.
2. The termination of the development of Sekejolang Street at Ciburial Village in 2016 since it was not the authority of the village government although it was needed by the villagers. The village government continued the development of the street since it gained approval and verification from Cimenyan Sub-district and/or Community and Village Empowerment Agency (DPMD) of Bandung Regency. Problem occurred after the head of Central Management of *Tahura Djuanda* reported an act of abuse of authority to the government of Bandung Regency.
3. Direction of village road construction in Ciburial village as one of priorities in the utilization of village funds in 2016 was considered as incompatible with the geographical condition of the village which is a highland.
4. The construction of village *Embung* (restoration basin) as one of priorities in the utilization of village funds in 2017 was an activity that cannot be implemented by Neglasari Village. *Embung* was not in the plan of village development stated in the Village Medium Term Development Plan (RPJMDesa) in 2017 but the development “must” be done.



- The development of KB (family planning) village for the success of the national family planning program. Although it was not stated in RPJMDes but KB Village was one of formulations produced from regional work meeting (rakerda) of DPMDPA-KB along with the National Population and Family Planning Board (BKK). Therefore, Neglasari Village in 2017 must develop KB Village using fund sourced from Village Funds Allocation (ADD).

The important note was that village government was “forced” to follow all directions given by the central government or regency/city government due to a clause stated that local government could delay the disbursement of village funds if there is SiLPA (excess budget) of more than 30%. The clause is described in the following figure:



**Figure of the Remaining Village Funds in Village Cash**

The delay in the disbursement of village fund is a sanction given to the village that is unable to utilize the fund given. Therefore, the best way to absorb the budget is by following the given “direction”. The problem is when village is unable to implement the direction and no alternatives of other activities available, as explained in No. 4 (the development of village *embung*) on the above evidence of village as the development object.

The position of village as a subject is the representative of “*Desa Membangun*” spirit, which is the foundation of the issuance of Law No. 6/2014 on Village. To date, as explained above, village is still a subject of development that tends to have top down pattern instead of bottom up. If village is made as the subject of development, the involvement of local government is merely as a facilitator and supervisor and to help the village to develop its capacity. The fact is that central government or local government of regency/city determines village government activities plan thus limiting the space for village government activities planning.

Top down pattern is automatically set aside bottom up pattern. Community participation is just a requirement of policy legality. *Musrenbang* (community discussion) forum is not a tool to embrace community aspiration instead it has changed into socialization of the determined development limitations. Indeed, it contradicts to one of the characteristics of village independence where village government system upholds the aspiration and participation of the community including the poor, women, the youth and other marginalized communities. This fact can be seen from the types of activity that are not diverse that only focus on the improvement of physical development instead of the improvement of human resources quality. Nevertheless, Neglasari or Ciburial villagers were still participated in the development. The villagers worked together in the development through self-help in form of money, energy, goods, and produces. Self-help other than money is something that can be given by the

community due to an assumption that village has a large amount of fund. However, it became a concern for the government of Neglasari or Ciburial Villages, since if the fund is terminated then the development will be hampered and the community will not do any maintenance. The community only waits for the aid without any efforts for mutual assistance to conduct development independently. Therefore, dependency on central and local governments will be greater since the assistance is indirectly erased the participation of the villagers.

It can be concluded that Village Fund would not create independence in the village as long as the management of village fund did not make the village as the subject of development and the involvement of central/local government is greater in the planning of village development programs and activities and community empowerment. The question then how can a village becomes independent? The authors suggested that one thing to be done to make a village becomes independent is by increasing own-source revenue (PAD) since PAD management is one of things that is not affected by regulations from central or local government. As explained above, aside from PAD, transfer of fund given by the central and local government will come with priorities of utilization.

In 2015, Neglasari Village had PAD of Rp. 150,090,000.- came from income results from operations, self-help, participation and mutual assistance and other legal village own-source (corporate donations, donation of village cash land). Ciburial Village, on the other hand, in 2015 had PAD of Rp. 103,658,000.- and it increased in 2016 to Rp. 116,450,670.-. PAD of Ciburial Village sourced from income results from operations, self-help, participation and mutual assistance and other legal village own-source revenue. Those numbers were considered as small considering the villages were unable to extract and utilize their other potentials.

Neglasari Village is a village with tourism potential, which is *Kampung Naga*, as stated by the head of Neglasari Village "*Kampung Naga* receives billions of income every year from the result of tourism object management." Although the *kampung* is located in Neglasari Village, none of the income (0%) is received by the village since it goes directly as the income source of the Government of Tasikmalaya Regency. In addition to *Kampung Naga*, the head of the village admitted that the village had no ability to extract other village potentials by stipulate levies on produces, forest products, land transaction in the village, license, and so on. Whereas Ciburial Village, which is a tourism village, has many natural tourism objects, lodges/villas, and restaurants located along the main road of the village. In addition to objects supporting the tourism, the village has BUMDes with a turnover of almost billions of rupiah. According to the Head of BPD Ciburial, due to bad management, the income of BUMDes for the village was only 10 million per year. The government of Ciburial as well as Neglasari Villages was unable to extract the village potentials maximally to increase PAD.

Generally, there were various causative factors regarding village government that unable to extract the village potential to increase PAD, as follows:

1. Village government did not have a regulation on village levies that give legal base/legal formal for the implementation the regulation.
2. Village government was concern about breaking the law in setting a village levy thus the levy is categorized as "illegal charges"
3. There was no accompaniment given by local government related to how the village could extract its potentials to increase PAD that is legal and acceptable by the community

The authors assumed that as long as the village set levy in village regulation, the levy cannot be categorized as illegal levy and it is not in conflict with other regulations. Principally, the passed village regulation is the result of mutual agreement between all elements in the village and approved by the Regent.

If the village government is unable to extract its potential in order to increase PAD, it will stay as the object of development. The village will continue to wait assistance from the central/local government and unable to be independent in carry out the development. Development can only be done when the assistance has been disbursed if not there will be no development in the village. The dependency is greater and the village creativity is limited; thus village independence will be impossible to realize in the future.

### CONCLUSION

The management of village fund in Neglasari Village as the representative of traditional village or Ciburial Village as the representative of modern village was unable to create village independence. The problem was that village was not only guided in planning or in the utilization of the fund but also the policy makers in the planning of the fund utilization did not consider the level of village development (village typology). Therefore, the uniformity pattern of development was a pattern enacted by the central and/or local government for Neglasari or Ciburial Villages.

Village independence will be achieved if the village becomes the main actor (subject) that plan, fund and execute the development. However, the fact is that up to now, village is still made as the object of development or as a target or location of project from the top level. Village as the executor has no flexibility since budget disbursement is attached with priorities of its utilization and sanctions. In order to create independent village, one thing that can be done is by increasing village own-source (PAD) since PAD management is one thing that is not affected by regulation from local or central government.

### Reference

- Arikunto, Suharsimi. 2005. *Manajemen Penelitian*. Jakarta: Rineka Cipta Research Management
- Asy'ari, Sapari Imam. 1993. *Sosiologi Kota dan Desa*. Surabaya: Usaha Nasional Urban and Rural Sociology
- Cresswell. Jhon W. 20013. *Research Design*. Yogyakarta: Pustaka Pelajar
- Devas, Nick, dkk. 1989. *Keuangan Pemerintah Daerah di Indonesia*. Jakarta: IU-PRESS Local Government Finance in Indonesia
- Eko, Sutoro. 2014. *Desa Membangun Indonesia*. Yogyakarta: Australian Community Development and Civil Society Building Village of Indonesia
- Huda, Ni'matul. 2015. *Hukum Pemerintahan Desa*. Malang: Setara Press Village Government Law
- Kartohadikoesoemo, Sutardjo. 1984. *Desa*. Jakarta: Balai Pustaka
- Leibo, Jefta. 1986. *Sosiologi Pedesaan : Mencari suatu Strategi Pembangunan Masyarakat Desa Berparadigma Ganda*. Yogyakarta : Andi Offset Rural Sociology: the Searching of Dual-Paradigm Rural Community Development Strategy
- Miles, Matthew. B dan A. Michael Huberman. 1992. *Analisis Data Kualitatif*. Jakarta: UI-PRESS Qualitative Data Analysis
- Moleong, Lexy J. 1996. *Metodologi Penelitian Kualitatif*. Bandung : PT. Remaja Rosdakarya Qualitative Research Methodology
- Nurcholis, Hanif. 2011. *Pertumbuhan dan Penyelenggaraan Pemerintahan Desa*. Jakarta: Erlangga The Growth and the Village Governance
- Rahardjo Adisasmita, 2006. *Pembangunan Pedesaan dan Perkotaan*. Yogyakarta: Graha Ilmu Rural and Urban Development

Syafiie, Inu Kencana. 2011. *Manajemen Pemerintahan*. Bandung: Pustaka Rena Cipta *Government Management*