

State *sukuk* potential in reducing Indonesia budget deficit, 2009 - 2015

Ima Amaliah¹, Tasya Aspiranti²

^{1,2} Bandung Islamic University, Tamansari Street No. 1, Bandung, 40116, West Java, Indonesia

ARTICLE INFO

Article history:

Received 23 February 2017

Revised 17 March 2017

Accepted 24 April 2017

JEL Classification:

G18

Key words:

State Sukuk Retail,
Budget Deficit, and
Foreign Debt.

DOI:

10.14414/jebav.v20i1.

ABSTRACT

The purpose of this study is to identify potential retail state *sukuk* as part of state bonds that are used to replace foreign debt and lower the government's budget deficit. This study is important because the government's budget deficit continues to rise each year due to the increase of foreign debt. The increase in the debt itself is closely related to exchange rate fluctuations. Therefore, it is important for the government to develop a relatively secure funding in facing exchange rate fluctuations as well as parts of interest rate. The government has developed state securities based on sharia (SBSN) which can be used not only to close finance deficit but also to alternatively finance the infrastructure development. The population consists of budget deficit, retail state *sukuk*, corporate *sukuk*, and foreign debt. It uses purposive sampling to get the sample during 2009 -2015. This research uses descriptive quantitative method of secondary data published by Bank Indonesia, ministry Finance and Jakarta Islamic Index. The result shows that the proportion of retail state *sukuk* against sharia state securities increases over time (over 50%) but the proportion of corporate *sukuk* numbers is still relatively small (below 25%).

ABSTRAK

Penelitian ini mengidentifikasi potensi *sukuk* negara ritel, bagian dari obligasi negara yang digunakan untuk menggantikan hutang luar negeri dan menurunkan defisit anggaran pemerintah. Ini penting mengingat defisit anggaran pemerintah terus meningkat setiap tahun akibat peningkatan utang luar negeri dan fluktuasi kurs. Oleh karena itu, pemerintah perlu mengembangkan pendanaan yang relatif aman terhadap fluktuasi nilai tukar maupun suku bunga, misalnya dengan mengembangkan Surat Berharga Syariah Negara (SBSN). Surat berharga tersebut juga dapat digunakan sebagai alternatif pendanaan untuk pembangunan infrastruktur dengan risiko relatif kecil. Populasi terdiri dari defisit anggaran, *sukuk* negara ritel, *sukuk* korporasi, hutang luar negeri, dan bagi hasil *sukuk* dengan purposive sample untuk mengambil sampelnya selama periode 2009-2015. Penelitian ini menggunakan metode deskriptif kuantitatif dengan data-data sekunder yang diterbitkan oleh Bank Indonesia, Kementerian Keuangan, dan Jakarta Islamic Index. Hasil penelitian menunjukkan bahwa proporsi *sukuk* negara ritel terhadap surat berharga negara syariah jumlahnya terus meningkat (di atas 50%). Namun, proporsi *sukuk* korporasi jumlahnya masih relatif kecil (di bawah 25%).

1. INTRODUCTION

Economic crisis in 2007 created serious problems for Indonesia economics. For example, the balance of payments which was a deficit financing in quite large amount. It occurred because of the weakening of the rupiah exchange rate towards the US dollar has further impact on declining exports and rising foreign debt. One of the causes of declining export

was the price of Indonesia's export products, which was not good enough because the very high price of imported raw material.

The above condition makes the trade balance deficit and then worsened the Indonesia's current account. In 2012, Indonesia's current account suffered from the worst deficit in history, reaching to US \$ 24.4 billion, or about 2.8 percent of the Indo-

* Corresponding author, email address: ¹ amalia.razi@gmail.com, ² ad_tasya@yahoo.com.