

ABSTRACT

This study aims to analyze the effect of Fiscal Stress and Political fragmentation on Expenditure change in district / city governments in West Java Province during the 2019-2023 fiscal year. This research uses a quantitative approach with descriptive and verification methods. The data used is secondary data in the form of APBD realization reports and data on the number of DPRD members obtained from Open Data Jabar. The data analysis technique used is multiple linear regression analysis with the help of SPSS software.

The results of descriptive analysis show that Fiscal Stress has an average value of 0.982 and is in the “Vulnerable” category. Political fragmentation has an average value of 47 and is classified in the “Large” category. While the average Expenditure change is 0.007 which is included in the “Low” category. Partial test results show that Fiscal Stress has a negative effect on Expenditure change with a significance value of -0.049 ($-0.049 < 0.05$) with a coefficient of determination of 16.4%, while Political fragmentation has a positive effect with a significance value of 0.014 ($0.014 < 0.05$) with a coefficient of determination of 55.2%,. The F test results show that both variables simultaneously affect Expenditure change with an F value of 0.006 ($0.006 < 0.05$). The simultaneous coefficient of determination (R^2) is 0.689, which means that 68.9% of the variation in Expenditure change can be explained by Fiscal Stress and Political fragmentation.

The results show that high fiscal pressure can limit the flexibility of local governments in changing their spending, while high Political fragmentation encourages greater dynamics in budget decision-making. This research is expected to contribute to the preparation of fiscal policies that are more responsive to financial conditions and regional political dynamics.

Keywords: *Fiscal Stress, Political fragmentation, Expenditure change, local government, local finance.*