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Public Financial Management as Economic Infrastructure: An Economic Perspective from Indonesia's Statistical Performance

Nabila Nada Jinan Nazifah[1*], Fitria Fresty Lungari[2], Handoko Jayaputra Palawe[3]

[1,2,3]Global Scholarly Research Institute, Indonesia
*Correspondence author: nabilanadajhn@gmail.com

Abstract

Public Financial Management (PFM) is traditionally viewed as an administrative mechanism for budget allocation, expenditure control, and fiscal accountability. However, its broader role in supporting economic development remains underexplored in economic policy discussions. This perspective article argues that PFM should be recognized as a form of economic infrastructure that facilitates sustainable growth, investment expansion, macroeconomic stability, and public service delivery. Drawing upon data from Statistical Yearbook of Indonesia 2026, the article examines recent economic performance indicators, including gross domestic product growth, inflation, domestic investment realization, foreign direct investment, and per capita income. The analysis demonstrates that Indonesia's stable economic growth, controlled inflation, increasing domestic investment, and rising per capita income are closely associated with the effectiveness of fiscal governance and public financial institutions. Rather than functioning merely as an administrative support system, PFM creates the institutional environment necessary for economic actors to make long-term investment decisions and participate in productive economic activities. The article proposes a conceptual shift that positions public financial management as economic infrastructure comparable to transportation, energy, and digital systems. Such a perspective expands the understanding of fiscal governance beyond compliance and accountability, highlighting its strategic contribution to economic resilience and sustainable development. The article concludes by identifying key policy priorities for strengthening Indonesia's fiscal infrastructure in support of future economic transformation.

Keywords: Public Financial Management, Economic Infrastructure, Fiscal Governance, Economic Growth, Public Investment, Indonesia

1. Introduction

Economic development literature has traditionally emphasized the importance of physical infrastructure such as transportation networks, ports, energy systems, and communication facilities as key drivers of economic growth [7], [16]. These forms of infrastructure facilitate market transactions, reduce production costs, improve productivity, and support regional development. While the significance of physical infrastructure is widely acknowledged, less attention has been devoted to institutional infrastructure, particularly public financial management systems, despite their critical role in supporting economic activities [4], [19], [20].

Public Financial Management (PFM) encompasses the institutions, rules, procedures, and processes through which governments mobilize revenue, allocate resources, execute budgets, manage expenditures, and ensure fiscal accountability [5], [9], [20]. Conventional discussions often treat PFM primarily as a governance mechanism designed to improve transparency and prevent fiscal mismanagement [2], [3]. Consequently, the economic contribution of PFM is frequently viewed indirectly through improved accountability rather than as a productive asset in itself.

Recent economic performance in Indonesia suggests a broader interpretation may be warranted. Indonesia has maintained relatively stable economic growth while experiencing controlled inflation, increasing domestic investment, and rising income levels [1]. Gross Domestic Product (GDP) reached IDR 23,821 trillion in 2025, while GDP per capita increased to IDR 83.7 million [1]. During the same period, domestic investment realization continued to expand significantly, indicating sustained confidence in the national economic environment [1].

These developments raise an important question: can public financial management itself be viewed as a form of economic infrastructure that enables economic performance? This perspective article argues that effective public financial management constitutes an essential component of economic infrastructure. Similar to transportation networks that facilitate physical movement, fiscal governance systems facilitate the efficient allocation of financial resources throughout the economy [4], [16]. By creating fiscal stability, supporting public investment, and strengthening institutional trust, public financial management contributes directly to economic resilience and long-term development [7], [11], [19].

2. Public Financial Management Beyond Administrative Functions

Public Financial Management (PFM) is commonly associated with budget administration, expenditure control, accounting procedures, and financial reporting requirements [5], [12]. Such a perspective often places public financial management within the realm of administrative governance, emphasizing compliance, accountability, and regulatory oversight [13], [14]. While these functions remain essential, they provide only a partial explanation of the broader role that fiscal institutions play in supporting economic development.

In contemporary economic systems, institutional quality has become increasingly recognized as a critical determinant of long-term growth and development [16], [17]. Economic performance depends not only on the availability of physical infrastructure and financial resources but also on the effectiveness of institutions responsible for managing those resources [7], [16]. Fiscal institutions influence how public funds are mobilized, allocated, monitored, and transformed into development outcomes. Consequently, the effectiveness of public financial management can have significant implications for investment, productivity, macroeconomic stability, and public welfare [4], [20].

From an economic perspective, public financial management performs functions that extend beyond administrative processes. It contributes to reducing uncertainty, improving resource allocation efficiency, strengthening investor confidence, and enhancing economic resilience [2], [5], [19]. These functions resemble the role traditionally played by physical infrastructure in facilitating economic activities. Therefore, public financial management may be understood as a form of institutional infrastructure that creates enabling conditions for sustainable economic development [7], [16].

To better understand this broader economic role, this section discusses four interrelated dimensions of public financial management: its function as institutional infrastructure, its contribution to reducing economic uncertainty, its role in supporting investment and resource allocation efficiency, and its importance in strengthening long-term economic resilience [4], [19], [20].

2.1 Public Financial Management as Institutional Infrastructure

Public Financial Management (PFM) is traditionally associated with budgeting, expenditure control, accounting, auditing, and financial reporting [5], [12]. These functions are generally viewed as administrative tools designed to ensure accountability and compliance with fiscal regulations [13], [14]. Consequently, discussions surrounding PFM often focus on governance procedures rather than its broader contribution to economic development.

However, modern development economics increasingly recognizes the importance of institutions as fundamental determinants of economic performance [16], [17]. Economic growth depends not only on the availability of physical resources but also on the quality of institutions that govern economic interactions. Strong institutions reduce uncertainty, facilitate transactions, and create conditions that support productive economic activities [16].

Within this context, public financial management can be viewed as a form of institutional infrastructure [4], [19]. Similar to transportation systems that facilitate the movement of goods and people, fiscal management systems facilitate the allocation and circulation of public financial resources throughout the economy. Through budgeting, expenditure planning, and financial oversight, governments are able to direct resources toward priority sectors and development objectives [5], [9].

The infrastructure perspective expands the understanding of PFM beyond administrative compliance. Rather than merely recording financial transactions, public financial management establishes the institutional foundations necessary for effective economic coordination [7], [20]. Consequently, improvements in fiscal governance may generate economic benefits comparable to investments in traditional physical infrastructure [4], [19].

2.2 Reducing Economic Uncertainty Through Fiscal Governance

Economic decisions are inherently influenced by uncertainty. Households, firms, and investors continuously evaluate risks associated with inflation, taxation, government spending, and macroeconomic stability [7], [8]. High levels of uncertainty often discourage investment, delay business expansion, and reduce economic efficiency [16], [17].

Effective public financial management contributes to reducing uncertainty by providing predictable fiscal frameworks and transparent budget processes [2], [3], [5]. Through credible fiscal planning and consistent expenditure execution, governments can signal policy stability and long-term commitment to development priorities. Such signals are important because economic actors frequently base their decisions on expectations regarding future government actions [9], [11].

Fiscal transparency further strengthens predictability by providing access to information regarding revenues, expenditures, and fiscal performance [2], [3]. Public financial reports allow stakeholders to evaluate government commitments and assess the sustainability of fiscal policies [12]. As information becomes more accessible, uncertainty surrounding public resource management decreases.

Lower uncertainty contributes directly to economic performance. Businesses are more likely to undertake long-term investments when fiscal policies appear stable and predictable. Similarly, households may increase consumption and investment activities when confidence in economic governance improves [11], [16]. Therefore, one of the most important economic functions of public financial management is its ability to reduce uncertainty and create a more favorable environment for economic activity [7], [19].

2.3 Supporting Investment and Resource Allocation Efficiency

Investment represents one of the primary drivers of economic growth. Both public and private investments contribute to capital formation, productivity improvement, employment creation, and technological advancement [7], [8]. However, investment decisions are highly dependent on institutional conditions, including the quality of fiscal governance [16], [17].

Public financial management supports investment by ensuring that government expenditures are allocated efficiently and implemented effectively [5], [9]. Through systematic budgeting and expenditure monitoring, governments can prioritize infrastructure development, human capital formation, and strategic economic programs that stimulate private sector growth. Efficient public spending therefore complements private investment activities [19], [20].

In addition to supporting public investment, fiscal governance influences investor confidence. Investors evaluate not only market opportunities but also the quality of public institutions responsible for managing economic resources [7], [11]. Transparent budgeting processes, credible fiscal policies, and accountable financial reporting contribute to a more attractive investment environment by reducing perceived risks [2], [3], [12].

Furthermore, effective public financial management improves resource allocation efficiency throughout the economy. Limited fiscal resources can be directed toward sectors with the highest economic returns, thereby maximizing development outcomes [5], [9]. This allocation function is particularly important in developing economies where budget constraints require governments to make strategic spending decisions [18], [20].

2.4 Public Financial Management and Long-Term Economic Resilience

Economic resilience refers to the capacity of an economy to withstand, adapt to, and recover from external shocks. These shocks may arise from financial crises, commodity price fluctuations, geopolitical instability, pandemics, or natural disasters [8], [19]. The ability of governments to respond effectively to such challenges depends significantly on the strength of their fiscal institutions [4], [20].

Public financial management plays a central role in building economic resilience through prudent fiscal planning and effective resource mobilization [3], [5]. Strong fiscal institutions enable governments to maintain essential public services, implement stabilization measures, and finance recovery programs during periods of economic disruption. Without effective fiscal management, the capacity to respond to crises becomes substantially weaker [8], [19].

The COVID-19 pandemic demonstrated the importance of fiscal governance in supporting economic stability. Governments with stronger public financial management systems were generally better positioned to implement emergency spending programs, support vulnerable populations, and maintain macroeconomic stability [8], [19]. These experiences highlighted the strategic importance of fiscal institutions in managing uncertainty and mitigating economic risks.

From a long-term perspective, economic resilience depends not only on financial resources but also on institutional capacity [7], [16]. Public financial management contributes to this capacity by strengthening accountability, improving fiscal discipline, and enhancing policy effectiveness [2], [5], [9]. Consequently, PFM should be regarded not merely as a governance mechanism but as a strategic economic asset that supports sustainable development and long-term economic resilience [19], [20].

3. Indonesia's Statistical Performance and Fiscal Infrastructure

Indonesia's recent economic performance provides empirical evidence supporting the argument that effective public financial management contributes to broader development outcomes [1]. While economic growth, inflation, and investment are influenced by various domestic and international factors, fiscal governance plays a critical role in creating the institutional environment that supports economic stability and development [4], [7], [19]. The statistical indicators reported in recent years demonstrate how fiscal institutions can contribute to macroeconomic performance, investment confidence, and long-term economic resilience [1].

Rather than viewing economic indicators as isolated outcomes, this perspective interprets them as manifestations of underlying institutional capacity [16], [17]. The ability of governments to maintain stable growth, manage inflation, and attract investment depends significantly on the effectiveness of fiscal planning, budget implementation, and public resource management [5], [9], [20]. Consequently, Indonesia's recent economic performance offers valuable insights into the developmental role of fiscal governance.

To illustrate this relationship, this section discusses three dimensions of Indonesia's economic performance that are closely associated with public financial management: economic growth and income expansion, macroeconomic stability through inflation management, and investment performance as an indicator of institutional confidence [1], [4], [19].

3.1 Economic Growth and Income Expansion

One of the most visible indicators of economic development is the sustained growth of national output. Despite periods of global uncertainty arising from geopolitical tensions, commodity price fluctuations, and post-pandemic economic adjustments, Indonesia has maintained relatively stable economic growth during recent years [1]. This performance reflects the economy's ability to continue expanding while adapting to changing external conditions.

According to Statistics Indonesia, Gross Domestic Product (GDP) increased from approximately IDR 16,977 trillion in 2021 to IDR 23,821 trillion in 2025 [1]. During the same period, GDP per capita rose from IDR 62.3 million to IDR 83.7 million [1]. These trends indicate not only an expansion of overall economic activity but also an improvement in average income levels among the population.

The ability to sustain growth over multiple years is closely related to the government's capacity to manage public resources effectively [7], [19]. Public expenditures on infrastructure, education, healthcare, and economic development programs contribute directly and indirectly to productive economic activities [8], [20]. Through budgeting and expenditure allocation, public financial management provides a mechanism for transforming fiscal resources into development outcomes [5], [9].

From the perspective of economic infrastructure, public financial management facilitates growth by ensuring that public investments are aligned with development priorities [4], [19]. Effective fiscal governance enhances the efficiency of government spending and strengthens the capacity of the state to support long-term economic expansion [7], [20]. Therefore, sustained economic growth can be interpreted not only as a market outcome but also as evidence of institutional effectiveness [16], [17].

3.2 Inflation Stability and Macroeconomic Resilience

Macroeconomic stability is another important dimension of economic development. Stable economic conditions reduce uncertainty, improve planning capacity, and encourage productive investment [7], [8]. Among the various indicators of macroeconomic stability, inflation plays a particularly important role because it directly affects purchasing power, business decisions, and investment behavior.

Indonesia has maintained relatively controlled inflation in recent years despite global supply chain disruptions and fluctuations in international commodity prices [1]. This achievement is significant because excessive inflation can undermine household welfare, increase production costs, and discourage investment. Conversely, stable inflation contributes to a more predictable economic environment and supports sustainable growth [7], [8].

Although inflation management is often associated with monetary policy, fiscal governance also plays an important role [4], [19]. Effective budget management, prudent public spending, and coordinated fiscal policies help mitigate inflationary pressures and maintain macroeconomic balance [3], [5]. Public financial management contributes by ensuring that government expenditures remain aligned with fiscal capacities and broader economic conditions [9], [20].

From an economic infrastructure perspective, fiscal governance functions as a stabilizing mechanism within the economy [4], [19]. By supporting fiscal discipline and policy coordination, public financial management helps create an environment in which businesses and households can make long-term economic decisions with greater confidence [7], [11]. This contribution to macroeconomic resilience represents one of the most important economic functions of fiscal institutions [8], [20].

3.3 Investment Performance and Institutional Confidence

Investment is widely recognized as a key driver of economic growth because it expands productive capacity, creates employment opportunities, and supports technological progress [7], [8]. The level of investment within an economy often reflects investor perceptions regarding economic prospects, policy consistency, and institutional quality [11], [16]. Consequently, investment performance can be viewed as an indirect indicator of governance effectiveness.

One of the most notable features of Indonesia's recent economic performance is the continued growth of domestic investment [1]. Realization of Domestic Investment (PMDN) has increased substantially over the past decade, exceeding IDR 413 trillion in recent years [1]. This trend suggests that domestic investors maintain confidence in the country's economic environment and future growth prospects.

Investor confidence is influenced by a range of factors, including market opportunities, infrastructure availability, political stability, and fiscal governance [7], [11], [17]. Public financial management contributes to this confidence by promoting transparency, ensuring predictable public expenditures, and maintaining fiscal sustainability [2], [3], [5]. Investors are generally more willing to commit resources when government policies appear credible and institutional arrangements function effectively [16].

The relationship between investment and fiscal governance highlights the broader economic role of public financial management [4], [19]. Beyond its administrative responsibilities, PFM contributes to the creation of a stable and predictable investment climate [9], [20]. Through effective resource allocation, fiscal discipline, and accountability, public financial management strengthens institutional trust and supports capital formation [7], [11].

4. Public Financial Management as Economic Infrastructure

Public infrastructure is generally understood as the foundational system that enables economic activities and supports development [7], [16]. Roads facilitate transportation, electricity powers production, ports support trade, and digital networks enable information exchange. These infrastructures create conditions that allow businesses, households, and governments to operate more efficiently and productively.

However, economic development depends not only on physical infrastructure but also on institutional infrastructure [16], [17]. Institutions establish the rules, mechanisms, and governance structures that coordinate economic activities and manage public resources. Among these institutional components, public financial management plays a critical role in ensuring that fiscal resources are mobilized, allocated, and utilized effectively [4], [20].

From this perspective, public financial management performs functions that closely resemble those of traditional infrastructure [4], [19]. Rather than facilitating the movement of goods or information, it facilitates the movement and allocation of financial resources throughout the economy. By supporting fiscal stability, coordinating development priorities, strengthening institutional trust, and enhancing resilience, public financial management creates enabling conditions for sustainable economic development [7], [11], [20].

To better understand this role, the economic infrastructure function of public financial management can be examined through four interrelated dimensions: resource mobilization, economic coordination, institutional trust, and economic resilience [4], [5], [19].

4.1 Public Financial Management as a Resource Mobilization Infrastructure

Economic development requires substantial financial resources. Governments must mobilize revenues through taxation, non-tax revenues, public borrowing, and other fiscal instruments to finance infrastructure projects, public services, and development programs [5], [9]. Without effective mechanisms for resource mobilization, development objectives become difficult to achieve [7], [20].

Public financial management serves as the institutional framework through which these resources are collected, managed, and distributed [4], [5]. Through budgeting systems and fiscal planning processes, governments transform public revenues into investments that support economic and social development. The effectiveness of this transformation depends significantly on the quality of fiscal governance [9], [19].

The ability to mobilize resources efficiently has important implications for economic performance [7], [20]. Strong fiscal institutions enhance revenue collection capacity, reduce leakages, and improve expenditure effectiveness. As a result, governments are able to finance development priorities without imposing excessive fiscal burdens on the economy [3], [5].

Viewed from this perspective, public financial management functions similarly to physical infrastructure [4], [19]. Just as transportation infrastructure facilitates the movement of goods, fiscal infrastructure facilitates the movement of financial resources from revenue-generating sectors toward productive development activities [7], [16].

4.2 Public Financial Management as an Economic Coordination Infrastructure

Modern economies involve complex interactions among governments, businesses, households, and financial institutions [7], [16]. Effective coordination among these actors is essential for achieving development objectives and maintaining economic stability. Public financial management contributes to this coordination process through fiscal planning and expenditure prioritization [5], [9].

Government budgets serve not only as financial documents but also as strategic instruments that communicate development priorities [9], [20]. Through budget allocation decisions, governments influence investment patterns, infrastructure development, industrial policies, education programs, and social welfare initiatives. Consequently, fiscal planning plays a significant role in shaping economic behavior and directing resources toward priority sectors [4], [19].

Public financial management also supports coordination across different levels of government and public institutions [5], [20]. Budgeting frameworks, financial reporting systems, and expenditure monitoring mechanisms help align national development objectives with implementation activities. Such coordination improves policy coherence and reduces inefficiencies arising from fragmented decision-making [9].

In this regard, public financial management performs a coordinating function similar to that of transportation or communication networks [4], [19]. By connecting fiscal resources with development priorities, PFM creates a structured environment that supports economic transformation and long-term growth [7], [16].

4.3 Public Financial Management as an Institutional Trust Infrastructure

Trust is a critical component of economic systems [11], [16]. Investors, businesses, and households make decisions based not only on market conditions but also on perceptions regarding government credibility, policy consistency, and institutional quality [7], [17]. Higher levels of trust generally encourage investment, increase economic participation, and support long-term development.

Public financial management contributes to trust-building through transparency, accountability, and fiscal discipline [2], [3], [5]. Financial reports, budget disclosures, and auditing mechanisms provide stakeholders with information regarding how public resources are managed [12], [13], [14]. Such transparency reduces information asymmetry and strengthens confidence in public institutions.

Institutional trust has direct economic implications [11], [16]. Investors are more likely to commit capital when fiscal policies appear credible and predictable. Similarly, businesses may expand operations and undertake long-term projects when governance systems function effectively [7], [17]. Consequently, trust generated through fiscal governance can contribute to economic growth and capital formation.

From an infrastructure perspective, trust functions as an intangible asset that supports economic activity [7], [11]. Public financial management creates and sustains this asset by ensuring that government actions remain transparent, accountable, and consistent with public expectations [2], [5], [12].

4.4 Public Financial Management as an Economic Resilience Infrastructure

Economic systems are continuously exposed to external and internal shocks, including financial crises, commodity price fluctuations, geopolitical tensions, pandemics, and natural disasters [8], [19]. The ability of an economy to withstand and recover from such disruptions depends significantly on the strength of its institutions [7], [16].

Public financial management enhances resilience by providing mechanisms for fiscal stabilization and emergency response [4], [5], [19]. Through prudent budgeting, expenditure control, and contingency planning, governments can mobilize resources quickly during periods of economic stress. Effective fiscal institutions therefore increase the capacity of governments to respond to unexpected challenges [8], [20].

The experience of recent global crises has demonstrated the importance of fiscal preparedness [8], [19]. Governments with stronger public financial management systems were generally better positioned to finance social protection programs, support vulnerable sectors, and maintain economic stability. These experiences highlight the role of fiscal institutions as a safeguard against economic disruptions.

Consequently, public financial management should be viewed as a resilience infrastructure that supports long-term economic sustainability [4], [19], [20]. By strengthening fiscal capacity, improving policy responsiveness, and maintaining macroeconomic stability, PFM helps ensure that economic development can continue even under uncertain conditions [7], [8].

5. Policy Challenges and Future Directions

Despite the positive contribution of public financial management to economic performance, several policy challenges remain in strengthening its role as economic infrastructure [4], [20]. As economic systems become increasingly complex, governments are expected not only to maintain fiscal stability but also to ensure that public financial resources generate tangible development outcomes [7], [9]. Consequently, strengthening public financial management requires continuous institutional adaptation and innovation to address evolving economic and governance demands [19].

One of the most important challenges concerns fiscal efficiency and expenditure effectiveness [5], [9]. Increasing public expenditure alone does not guarantee improvements in economic growth, productivity, or social welfare. In many cases, development outcomes depend more on the quality of spending than on the volume of spending itself [18], [20]. Governments must therefore ensure that budget allocations are directed toward programs and sectors capable of generating measurable economic returns.

A second challenge relates to the ongoing digital transformation of fiscal governance [10], [15]. Advances in digital technology have created opportunities to improve transparency, accountability, and operational efficiency within public financial management systems. Digital platforms can facilitate real-time budget monitoring, integrated financial reporting, data-driven decision-making, and improved public access to fiscal information [15]. However, successful digital transformation requires substantial investment in technological infrastructure, cybersecurity systems, institutional capacity, and human resource development.

Institutional coordination also remains a critical issue [5], [9], [20]. Public financial management involves multiple stakeholders, including central government agencies, local governments, financial institutions, regulatory bodies, and oversight organizations. Effective coordination among these actors is essential to ensure policy coherence, avoid duplication of programs, and improve resource allocation efficiency. Fragmented governance structures can weaken fiscal performance and reduce the overall effectiveness of development initiatives [18].

Another significant challenge concerns the maintenance of public trust and institutional credibility [2], [11]. As citizens and investors gain greater access to information, expectations regarding transparency, accountability, and governance quality continue to increase [10], [15]. Looking forward, future policy initiatives should prioritize fiscal digitalization, integrated financial management systems, evidence-based policy evaluation, enhanced institutional coordination, and performance-oriented budgeting [9], [15], [19]. These reforms can reinforce the role of public financial management as economic infrastructure and support Indonesia's long-term objectives of sustainable growth, fiscal resilience, and inclusive economic development [7], [8], [20].

6. Conclusions

This perspective article argues that public financial management should be recognized as a form of economic infrastructure rather than merely an administrative governance mechanism [4], [19], [20]. Similar to transportation, energy, and digital infrastructure, fiscal institutions provide foundational support for economic activities by facilitating resource allocation, reducing uncertainty, and strengthening economic coordination [7], [16]. Public financial management therefore plays an enabling role in the economy by ensuring that public resources are mobilized and directed toward productive development priorities [5], [9].

Indonesia's recent statistical performance demonstrates the importance of effective fiscal governance in supporting national economic development [1]. Stable economic growth, rising GDP per capita, controlled inflation, and increasing domestic investment indicate the presence of institutional conditions that support productive economic activity [1]. These outcomes suggest that economic performance is not shaped solely by market forces, but also by the quality of fiscal institutions that manage public resources, maintain stability, and provide confidence to economic actors [7], [16], [17].

The article advances the conceptual proposition that public financial management constitutes economic infrastructure [4], [19]. This perspective expands traditional understandings of fiscal governance by emphasizing its productive and developmental functions rather than viewing it only through the lens of accountability and compliance [2], [5], [12]. By supporting resource mobilization, economic coordination, institutional trust, and resilience, public financial management contributes directly to the foundations of sustainable economic growth [7], [11], [20].

As Indonesia continues pursuing long-term development objectives, greater attention should be directed toward strengthening fiscal institutions as strategic economic assets [7], [9], [20]. Investments in public financial management systems, digital governance, institutional capacity, fiscal transparency, and performance-based budgeting should be regarded as investments in economic infrastructure [10], [15], [19]. Strengthening these areas can enhance development effectiveness, improve fiscal resilience, and support Indonesia's long-term competitiveness in an increasingly complex global economy [8], [11], [20].

Novelty Statement

The novelty of this perspective article lies in reconceptualizing Public Financial Management (PFM) as economic infrastructure rather than merely an administrative or governance mechanism. While previous studies primarily examine PFM from the perspectives of accountability, budgeting, and fiscal control, this article positions fiscal governance as a productive institutional asset that directly supports economic growth, investment confidence, macroeconomic stability, and economic resilience. By linking Indonesia's recent statistical performance with the enabling functions of fiscal institutions, the article introduces a broader economic framework that expands the discourse on infrastructure beyond physical assets toward institutional infrastructure as a strategic driver of sustainable development.

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