

An Assessment of the Objectives of Decentralization in Aceh Autonomous Region

Muhammad Razi,¹ Khairil Azmin Mokhtar²

Email: 1almudiram.razi@gmail.com; 2ka_mokhtar@iium.edu.my

ABSTRACT

After about two decades, decentralization gained momentum in Aceh, it is timely to assess to what extent the aims and objectives of the decentralization have been achieved. This research paper initially seeks to determine the underlying factors and causes of the decentralization in Aceh Special Region. The relationship between the factors and reasons and the objectives and aspirations of the decentralization shall provide a clear overall framework of what the expected outcome of the whole process. The following part of the paper observes what is taking place in Aceh in relation to the aims and objectives. This would allow an assessment as to what extent the decentralization has achieved its objectives. The research paper would also take note and highlight the challenges and obstacles in achieving the process. This is a qualitative study based on library and internet research. It is also legal research whereby the relevant laws and constitutional provisions were examined. The data and legal authorities were analyzed accordingly. The study shows that the objectives of decentralization are not fully achieved. However, the agreement which gives autonomy to Aceh has contributed to peace and order to the region. It also accommodates the distinct identity of the Acehnese and provides limited political power to the Aceh Government.

Keywords: assessment, autonomy, decentralization, Aceh, Indonesia

¹ Razi is a PhD candidate in Ahmad Ibrahim Kulliyah of Laws. Coming from Aceh, he is writing a thesis on constitutional and legal aspects of devolution in Aceh, Indonesia and Scotland, United Kingdom. He graduated from International Islamic University for degree of Master in Comparative Law and Degree of Bachelor in Shari'ah Law from Institut Agama Islam Al-aziziyah and Alumni of Ma'hadal Ulum Diniyyah Islamiyyah (MUDI), Samalanga, Aceh.

² He is an Associate Professor in the Ahmad Ibrahim Kulliyah of Laws. His expertise and specialization are on matters concerning public law such as constitutional law, human rights, comparative constitution, federalism and administrative law. He obtained his PhD in the United Kingdom and has conducted various research on various topics and areas such as federalism, liberties, comparative constitutional adjudications and international human rights law.

1. INTRODUCTION

Decentralization is as a tool to resolve conflict, and it has been applied in almost all developing countries. In Indonesia, it was used for more than two decades because it is believed decentralization will promote accountability, transparency and efficiency within the government in running the country. The most important objective of decentralization in Indonesia is to eliminate the tension between the central government and some groups at the regional level in relation to political matters. The substantial reason to choose decentralization was in response to the demands and dissatisfaction of the local community to strive for independence (Aspinal & Berger, 2001). It is also hoped that decentralization will provide economic benefit to the regions by reducing economic crisis and poverty rate (Smoke, 2003:8).

This paper focuses on political decentralization instead of fiscal and administrative decentralization because the practice of decentralization in Aceh is mainly to end conflict and tension between the Indonesian government and the Free Aceh Movement. It is believed that even though the Indonesian government has attempted to grant so-called special autonomy to Aceh's. So far, it has been demonstrated that sharing of resources and authority without real devolution of political power does not significantly reduce conflict and tension. In this respect, Amaliah Fitriah (2017: 19) argued that in a conflict setting, decentralization is mainly used to overcome the matters pertaining to political authority, even accompanied by an economic motive so that the appropriate term in here is political decentralization.

Aceh obtained the special right and being granted autonomy only in 1999 by the issuance of Law Number 44 of 1999 concerning the implementation of the Special Province of Aceh (Ferizaldi, 2016). Before that, there was Law Number 24 of 1956 on the Establishment of the Autonomous Region of the Aceh Province and Amendment to the Regulation of North Sumatra Province (State Gazette of the Republic of Indonesia of 1956 No 64, amendments to the State Gazette of the Republic of Indonesia Number 1103). The law does not make any significant changes to Aceh; the Act only temporarily stops the demands of the Acehnese against the central government. Finally, Law Number 11 of 2006 concerning the Government of Aceh (State Gazette of the Republic of Indonesia of 2006 Number 62, additional to the State Gazette of the Republic of Indonesia Number 4633) was made. This law was assigned after a settled agreement was reached between the Government of Indonesia and the Free Aceh Movement (GAM) on 15 August 2005 in Helsinki, Finland. The primary purpose of this paper is to asses to what extent the aims and objectives of the decentralization have been achieved since the MoU Helsinki was signed between the National government and Aceh regional community. The paper also seeks to determine the dominant factors and cause of decentralization in Aceh, so-called Aceh as a special autonomous region. The relationship between the factors

and reasons and the objectives and aspirations of the decentralization shall be established. The relationships would enable a clear understanding of the causal relation effect and provide clear overall framework with the expected outcome of the whole process. The subsequent part of the paper observes the contemporary situation in Aceh which are relevant to the aims and objectives of decentralization.

Another significance of the research is to assess the Government of Aceh by evaluating its performance in achieving the main objectives of changing the principle of governance from centralization to decentralization in Indonesia. It is hoped that the study could provide ideas of how to improve the existing system for the future. Last but not least assessment made in this research would enable to determine as to what extent decentralization has made a significant impact on Aceh's political and administrative framework, as well as on education and economic sectors.

2. THEORY AND OBJECTIVES OF DECENTRALIZATION IN INDONESIA

The theory and development of decentralization concepts have evolved and transformed for many decades for different purposes, situations and social demands. The concept of decentralization has evolved and changed from time to time in the course of constructing and thinking the method and means on how to create efficient governance. The concept of good governance can be proven and characterized by some principles of governance namely, transparency, accountability, effectiveness, equity and participatory systems of institutions and procedures for public decision-making (Cheema, 2005, Ferizaldi, 2016).

The development of the decentralization theory in Indonesia is evident from its history to transform regional autonomy. This is done by issuing several laws in order to decrease and eliminate the societal demanding. The existing and establishment of regional autonomy is the result of several sets of decentralized agendas (Amaliah, 2017: 14). In 1997 the Indonesian government with the co-operation of a German agency called *Gesellschaft für Technische Zusammenarbeit*/German Technical Cooperation (GTZ) designed and developed a model of decentralization which is feasible and effective in Indonesia. Under the agenda *Proyek Pendukung Pemantapan Penataan Desentralisasi/P4D* (Decentralization Stabilization Support Project) the GTZ team assisted various working groups (Pokja/Kelompok Kerja) within the rank of Indonesian Government in designing and reforming the decentralization concept which aims to develop autonomous regions in Indonesia (Tim Ahli GTZ: 1997). As a result of the project, nine legal bases concerning political, administrative or fiscal matters have been established. The nine legal bases are the core legal principles of decentralization in Indonesia. The nine legal bases are as follows:

1. The 1945 Constitution, in which there is one chapter that governs and discusses the Regional Government,

it is mentioned in Article 18, Article 18A and Article 18B that amended in 2000.

2. The Decree, Number XV / MPR / 1998 issued by People's Consultative Assembly (*Majelis Permusyawaratan Rakyat*) concerning the Implementation of Regional Autonomy.
3. Law Number 34 of 2000 which prescribes regional taxes and retributions. This law is an amendment towards Law Number 18 of 1997, which sets and mentions the same regulation. This law can be regarded as the legal basis of decentralization in Indonesia because it is promulgated as an underlying basis to set tax rates and withdrawal fees in the regions.
4. Law Number 17 of 2003 concerning state finance. One crucial point is that there is a provision that regional financial power is transferred to the governor or mayor or regent as the head of regional government.
5. Law Number 1 of 2004 which regulates the state treasury. This law is an amendment to Law Number 17 of 2003.
6. Law Number 32 of 2005 mentions about regional governance; there is an explanation of the application of the three principles of regional autonomy; decentralization, deconcentration and co-administration tasks.
7. Law Number 33 of 2004 concerning financial balance between the central and regional governments.
8. Government Regulation (PP), Number 55 of 2005 states the details of balancing funds, namely; Profit Sharing Funds, General Allocation Funds, and Special Allocation Funds.
9. Government Regulation (PP), Number 58 of 2005, affirms about regional financial management.

According to Law Number 22 of 1999, the principal basis or objective of decentralization in transforming regional autonomy are as follows (Ferizaldi, 2016);

- a. The broad autonomous basis; that the central government granted the broad authority except for the national authority for regional government in order to govern their region and giving a chance for the societal community to participate in accommodating their aspiration.
- b. The transference of authority basis; sharing of power, authority and duty between the national and regional government. There are six authoritative rights of the central government does not deliver to the region, namely; Foreign policy, Defence, Security, Monetary, Fiscal and Religious matters.

It should be noted that although Indonesia operates a decentralized system, it may be regarded not a fully or strictly decentralized system which is based on three principles, namely the principle of devolution, delegation and deconcentration (Rondinelli: 2007, 1989 and McCullough, Johnson: 1989). The three principles have slight differences in the explanation of Law Number 5 of

1974, which states Decentralization, Deconcentration, and Assistance Task. Thus, there might be differences between the principle of decentralization in Indonesia with the concept and theory of decentralization made by scholars. The differences do not mean Indonesia is not a decentralized country because the theory and definition of decentralization might be different from one country to another. Another aspect of decentralization that has to be noted in Indonesia is that there are variations of decentralization in different regions in the country and the extent of its implementation. For instance, the degree of transfer of power in the case of Aceh's special autonomy is different from another region or province (Aamaliah, 2017: 18).

3. THE CONCEPT OF LOCAL AUTONOMY

The concept of local autonomy has been used in several developing countries in order to reduce local demands against the central government. Several parts of Indonesia have been declared for self-determination or self-government, or there has been demand for independence such as Aceh and Papua. To reduce tension in these areas, the central government seeks to implement local autonomy. In relation to regional autonomy carried out in Indonesia, the relevant laws are Law Number 5 of 1974, Law Number 22 of 1999, Law Number 32 of 2004 and Law Number 23 of 2014. The concept of regional autonomy based on the above the laws are highlighted and summarized as follows (Kuncoro, 2004, Syamsuddin Haris, 2007:10-12, Ferizaldi, 20016:42);

1. The running of the Unitary Republic of Indonesia refers to the principles of decentralization, deconcentration and assistance tasks. (Law Number 5 of 1974)
2. The transfer of governmental authority as much as possible to the region in term of the domestic matter, except for the fields of finance and monetary affairs, foreign policy, justice, defence, religion and various fields of government policy that belongs to the central government.
3. Strengthening the role of *Dewan Perwakilan Rakyat Daerah* (DPRD)/Regional People's Representative Council about the election and appointment of regional heads.
4. Development of political traditions is more in line with local culture in order to ensure the appearance of highly qualified government leadership with a high level of acceptability.
5. To increase the efficiency of regional financial administration and proper regulation between sources of state and regional income.
6. Realization of fiscal decentralization through enlargement of subsidy allocations from the central government.
7. Fostering and empowering local institutions and local values to maintain social harmony and social solidarity. Law Number 22 of 1999.

8. To balance financial central-state with the principle of justice between the centre and the regions.

4. ACEH SPECIAL AUTONOMY

Historically, Aceh has struggled to accomplish for self-determination from the central government. Most of the scholars assert that the center-state conflict between the Indonesian government and Acehnese is due to the uniqueness of Aceh's identity (Amaliah, 2017:52, Aspinall, 2013:1, Hillman, 2012:149-169). The special identity in terms of culture and history differentiates Acehnese from other ethnic in Indonesia. Islamic values are an integral part of Aceh cultural identity and have its place in relation to Indonesian nation-building. Islam has been the vision of the Aceh community, coupled with its determination to apply Islamic faith and doctrine in every aspect of personal and public life. Since the earliest time of the Aceh Islamic Kingdom in Southeast Asia, Acehnese identity has been defined mainly in Islamic terms (Aspinall, 2013, p. 54).

Aceh was granted the unique regional status called "*Daerah Istimewa Aceh*" as early as 1949. It was granted after President Sukarno agreed to allow special autonomy to the province over its religious, educational and customary law affairs. The law, however, is just symbolic with the purpose to eliminate the demand for the establishment of an Indonesian Islamic Federation of States. The movement was led by prominent ulama of Aceh, Abu Daud Beureuh (Amaliah, 2017:60). The very slow process of autonomy takes a long time to gain a tract and implemented. Only after five decades later in 1999, President Habibie passed Law Number 44 of 1999 on the "Specialty of the Province of Aceh Special Region." It, however, is not enough and does not stop there. The aspiration of Acehnese's people to separate themselves from the Republic of Indonesia is evident by the call for a referendum. Jakarta meanwhile committed to go forward and opt for conflict settlement solution by enacting Law Number 18 of 2001 about "Special Autonomy for the Special Province of *Nanggroe Aceh Darussalam*" enacted on 9 August 2001. As a result, a compromise was reached in 2005 whereby the Free Aceh Movement (GAM) and the Indonesian government reached a peace agreement called MoU Helsinki to end the civil war in Aceh. The new era begins for both disputed parties whereby GAM and Jakarta are to cooperate in continuous peacebuilding.

The MoU agreement contains some differences compared to the Cessation of Hostilities Agreement (COHA) which was signed before the MoU. The striking difference is the level of detail in the MoU. The COHA mentioned mostly about the commitment by the two parties and procedures and mechanisms for maintaining a ceasefire while the MoU Helsinki contains explicit principles on governance towards the future political relationship between Aceh and the national government. Among the principles are the powers of the Acehnese government, and procedures and mechanisms for GAM demobilization, demilitarization, and monitoring. In these last areas, the agreement is far more detailed and robust

than the COHA. The key provisions concerning political arrangements have to be approved by the Indonesian parliament. It was on March 31, 2006, for general political clauses, in the form of a Law on the Governing of Aceh (Aspinall, 2005:42). The most challenging obstacles that impede the legislation process and the implementation of *Undang-undang Pemerintah Aceh* (UUPA) (Law on the governing of Aceh) are:

1. Lack of integration between parties who have duties and authority in the policy-making or Taqin.
2. The absence of a good leader who supports the adoption of the Islamic Sharia in a more proud direction.ⁱ

5. THE ACHIEVEMENTS OF MOU HELSINKI

The Helsinki agreement allows the conflicting parties to have a real opportunity for peace. All points of the MoU are designed to address longstanding grievances in Acehnese society. Thus, the point must be adequately implemented. There is real danger that the armed conflict might resume if the points are not fully and adequately implemented (Aspinall, 2005). Six areas are highlighted in the MoU Helsinki Agreement are governing of Aceh, human rights, amnesty and reintegration into society, security arrangement, establishment of the Aceh monitoring mission, and dispute settlements. The research in this paper only touches on governing of Aceh that consisted of the law of governing of Aceh, political participation, economy and the rule of law. These areas are crucial because they cover some important goals of the essence of MoU Helsinki agreements. There are some achievements since the collective peace commitment. Among the achievements are as follows;

5.1. Law-Making

The achievement of the Government of Aceh is evidenced by the promulgation of several laws relating to the governance of Aceh. There are efforts on the sustainable peacebuilding between the central-state governments. It is proven by the issuance of laws that derives from Law Number 11 of 2006, as mentioned in the official document of the Aceh government.ⁱⁱ Among them are Law No 20 of 2007 about local politics in Aceh; Law Number 58 of 2009 about the requirements and procedures for appointment and dismissal of the Aceh Regional Secretary and Regency / City Secretary; Law Number 83 of 2010 about the transfer of governmental authority to the Sabang Zone Council; Law No 23 of 2015 about natural oil and gas resources in Aceh; Law Number 3 of 2015 about the national authority of Aceh; the Decree of Precedent Number 75 of 2007 about the procedures of consultation and giving consideration for an international agreement planning, law-making and administrative policies that are directly related to the

Aceh government; the Decree of President Number 11 of 2010 about the cooperation of the Aceh Government with foreign institutions or Agencies, and the Decree of Precedent Number 23 of 2015 about the transference of the Aceh National Defense Agency and district defense to the regional apparatus.

5.2. Local Politic

The key to the success of the MoU Helsinki agreement very much depends on the recognition of the Aceh government to have real political power in Aceh. It can be seen in Law No 20 of 2007 that mentions in article 1 that 'local political parties are political organizations created by a group of Indonesian citizens domiciled in Aceh voluntarily on the basis of equality of wishes and ideals to works for the interests of members, communities, nations and countries through the election of members of the Aceh People's Representative Council (DPRA) / the House of Representatives Regency / City People (DPRK), Governor and Deputy Governor, and regents and deputy regents / mayors and deputy mayors'.

5.3. Economic Matters

One of the objectives of decentralization is reducing the poverty rate in society. Aceh has its own jurisdiction over living natural resources in the territorial sea surrounding the area. Moreover, MoU Helsinki agreement stressed that Aceh is eligible to hold seventy (70) per cent of the revenues from all current and future hydrocarbon deposits and other natural resources in the territory of Aceh as well as in the territorial sea surrounding Aceh. However, it is still in progress and it takes long discussions to be realized and enforced. According to Chair of Commission I, DPR Aceh, Azhari Cage stresses that only three of all the MoU Helsinki points has been into implemented namely; pertaining to political parties, special autonomy funds, and the Wali Nanggroe Institution.ⁱⁱⁱ

6. CONCLUSION

The discussion above clearly indicates that the decentralization in the Aceh region is not fully achieved and only partially implemented. Based on the assessment relating to the objectives of the decentralization in the region only three points of six MoU Helsinki points have been implemented, namely about political parties, special autonomy funds, and the Wali Nanggroe Institution. Nevertheless, in term of law-making, there have been efforts on the sustainable peacebuilding between the central-state government by the issuance of several laws. Yet not much has been achieved matters such as the flag of Aceh, hymns, and the exact border of Aceh. There is a

cogent need that all points of agreement are expected to be implemented seriously by the governments. All parties involved must show a strong and serious commitment to settling the conflict through mutual understanding and cooperation. The Agreement, which gives autonomy to Aceh, has contributed to peace and order to the region by accommodates the distinct identity of the Acehnese and provides limited political power to the Aceh Government. Thus, it is crucial for the agreement to be fully adhered and implemented as soon as possible.

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ⁱ Interviewed with Mr Abdullah Shaleh, Ketua Banleg Aceh, Komisi I DPRA, on 17 June 2019 at the Aceh DPRA Office)

ⁱⁱ Official Document of Aceh government accessed via <https://www.acehprov.go.id/> on August 10, 2019.

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