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# ARTICLE

# The Problem of Alleviating the Poor in the Special Autonomy Governance of Aceh Province

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Abstract: The issuance of Law of the Republic of Indonesia Number 18 of 2001 concerning Special Autonomy for the Province of the Special Region of Aceh as the Province of Nanggroe Aceh Darussalam and Law Number 11 of 2006 concerning the Government of Aceh are the efforts of the central government to improve the welfare of the people in Aceh Province. During the 20 years of the special autonomy, it has not played a significant role in alleviating the people's poverty in Aceh. The dynamics of local politics, culture, and history, as well as the lack of organizational and managerial capacity at the sub-national and national levels, are suspected as the culprits of the failure of decentralization. The research objective is built on a perspective that refers to three specific aspects, namely the Governance Dynamics Perspective, the Governance Strategy Perspective, and the Governance Capacity Perspective, to analyze the governance of special autonomy in Aceh Province in alleviating the Poor. Through the literature study method, we will dig up a lot of accurate information and data related to the Alleviation of the Poor in the Special Autonomy Governance of Aceh Province. The research results found that the special autonomy going on so far was the designation of political agreements aimed at regional elites, not the general public. Local government administration's ineffective control is also influenced by the exogenous relationship between governance and regional development in alleviating poverty. In summary, the regional government of Aceh Province does not yet understand: (1) the need for supervision involving the community, (2) the absence of a monitoring mechanism so that the community is not affected, (3) local government effectiveness, (4) lack of information facilities, (5) coordination of public apparatus, (6) inefficient and ineffective service delivery, (7) lack of institutional capacity, (8) human resources, (9) the complexity of the central-regional relationship, (10) local elite power struggle, (11) in the Aceh Special Autonomy Law, regional leaders and local political parties have no responsibility or role in improving welfare. This causes (1) the imbalance between the income of the poor and the expenditure on primary and secondary needs, (2) the poor in Aceh cannot meet a decent standard of living due to low skills based on the size of the poverty line, (3) the quality and competence of human resources due to education cause low public participation in public policies, (4) high transaction costs due to limited access, low connectivity between regions, and limited supply of goods, production facilities, and infrastructure, (5) strategically fluctuating basic commodity prices and low regional government control.

**Keywords:** poverty; Aceh Special Autonomy; governance; regional government



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The first author is a researcher at Badan Riset dan Inovasi Nasional and the second author is a researcher at the Universitas Timor.

### I. Introduction

The ongoing conflict in Aceh between the central government and the Free Aceh Movement (GAM), as well as the earthquake and tsunami in Aceh, add to the long list of dark history experienced by the Acehnese people. The peaceful decision granting special autonomy to Aceh, which was agreed between the Central Government and the Aceh Government, provided a new space for improving relations between the two governments (Lestari, 2018).

The issuance of Law of the Republic of Indonesia Number 18 of 2001 concerning Special Autonomy for the Province of the Special Region of Aceh as the Province of Nanggroe Aceh Darussalam and Law Number 11 of 2006 concerning the Government of Aceh are the efforts of the central government to improve the welfare of the people in Aceh Province. The product of this policy is not without reason, this type of decentralization policy contains the concept of asymmetric decentralization, namely, the central government grants special autonomy to the province of Aceh in the form of special authority. This policy aims to embrace Aceh and remain as a state within the framework of the Unitary State of the Republic of Indonesia. This is based on political upheaval in the past in the form of violent armed conflicts that have morally and materially caused significant losses. The number of victims and allegations of human rights violations must be resolved together as a nation, without abandoning efforts to realize the improvement of people's welfare (Suharyo, 2018).

The concept of asymmetric decentralization practiced in Aceh Province is intended to provide a basis for decentralized governance to improve institutional development and economic growth that is more effective than the mechanism for redistribution of central government authority (Tan, 2019). Martinez-Vazguez and McNab (1997, as cited in Tan, 2019) conveyed that through this concept, decentralization could lead to development which was the initial goal of decentralization itself.

The target to be achieved by development through asymmetric decentralization is the welfare of the people of Aceh itself (Simanjuntak, 2015) that there is a positive correlation between the practice of decentralization in developing countries. The results of decentralization form local governments with a broader capacity both for public services and access to tax management

build local infrastructure by creating to schemes for the welfare of the people. Faguet and Pöschl (2015) show that the relationship between decentralization and development is that decentralization can encourage regional development in the future. However, from most case studies on decentralization, only many highlight the administrative (Rohayatin et al., 2018) and regulatory shortcomings of a government's public policy, including the state apparatus, the absence, and unpreparedness of democratic institutions and public participation (State Financial Accountability Board of the House of Representatives of the Republic of Indonesia, 2020), relying heavily on cultural and historical dynamics, especially the lack of organizational and managerial capacity at the sub-national and national levels (Cahyono, 2012) is suspected as the culprit of the failure of decentralization. The problems are always classic: institutional heterogeneity and differences in political-cultural elements. However, substantially the main problem has not been fully revealed, so the issue of alleviating the Poor in Aceh Province has not been resolved; even though the Special Autonomy Law has been passed, the increase in poverty from year to year has become a severe problem in Aceh Province (Djumala, 2013).

Bellinger (2007, as cited in Manik, 2013) states that there are two dimensions of poverty: income and non-income. Poverty is defined as a low-income family, and the non-income element is characterized by incompetence and hopelessness. In another sense, they cannot meet basic needs such as food, clothing, health, education, and shelter. The impact of this poverty has caused a gap in the poverty rate that is spread across urban and rural areas in Aceh Province (Sanur L., 2020, p. 71).

Poverty Rate (Percent)
North Aceh 17.43
Subussalam 17.65
Nagan Raya 18.23
West Aceh 18.81
Simeulue 18.89
Bener Meriah 19.16
Pidie Jaya 19.55
Pidie 19.59
Gayo Luwes 19.64
Aceh Singkil 20.36

Poverty Rate (Percent)

Figure 1. Regencies/Cities in Aceh Province with the Highest Percentage of Poor Population March 2021

Several main ideas have been stated in the Special Autonomy Law No. 18 of 2001 to improve the welfare of the people in Aceh province, such as:

First, Empowerment as part of State Revenue from Profit Sharing of State-Owned Enterprises (BUMN) as contained in article 6, paragraph 3.

Second, the Regional House of Representatives of the Province of Nanggroe Aceh Darussalam is committed to realizing the community's welfare, as stated in article 9, paragraph 5.

Third, tax and profit sharing from natural resources are determined per the legislation's provisions, namely 90% (ninety percent) of the land and building tax revenue and 80% (eighty percent) of fees for acquiring land rights and building rights. Personal income tax 20% (twenty percent), natural resources income from the forestry sector 80% (eighty percent), general mining 80% (eighty percent), fisheries 80% (eighty percent), oil mining 15% (fifteen percent) percent), natural gas production is 30% (thirty percent). Aceh Province additional income from natural resources in the Aceh region after deducting 55% (fifty-five) taxes for oil mining and 40% (forty percent) taxes for natural gas mining as contained in article 4 paragraph 3.

Fourth, the Aceh Government and its subordinate districts/cities focus on the spatial planning environment, biological natural resources, abiotic natural resources, artificial resources, living natural resources and their ecosystems, cultural heritage, and biodiversity protection. They are committed to implementing integrated environmental management as stated in Article 1, paragraph 3. They are fully respecting the rights of indigenous peoples and doing everything possible for the benefit of the community. Natural resources act as capital for economic growth (resourcebased economy) and a life support system. Natural resource management in the context of special autonomy is the division of authority over natural resource management between the government and the states and districts/cities (Efendi, 2014).

Fifth, Aceh's economy is designed to make the best use of natural and human resources through the maximum added value process contained in Article 4, paragraphs 3 and 4.

The implementation of special autonomy has not been able to play an essential role in advancing the welfare of the Acehnese people. Poverty remains a significant problem for Aceh.

This problem is suspected by local political elites in Aceh, who often use the exclusivity and privileges of Aceh as a scapegoat to gain the maximum profit. So it is not surprising that, until now, Aceh is still below the poverty line (Akbar et al., 2021).

Aceh Province is given special authority to handle local customs, education, religion, and regional development policies through special autonomy regulations. However, what often happens is that government management is carried out by political elites, such as the Regent/Mayor, and DPRD, without the involvement of the community (voters). This usually refers to many powers that control society (Taqwadin, 2020).

Disorientation from autonomy will give birth to acts of abuse of power such as corruption, intimidation, and money politics in the region, by creating solid regional heads locally. So that decentralization does not bring various benefits to the community (Basri & Nabiha, 2014). Several previous studies on alleviating the poor who received special autonomy funds provided perspectives, including: (1) Suharyo's research (2018) with the title Special Autonomy in Aceh and Papua amid the Corruption Phenomenon, a Strategy for Law Enforcement. The conclusion of this study shows that the special autonomy of Aceh and Papua is asymmetrical decentralization as a middle point to achieve the welfare of the people in resolving armed conflicts that want separation from the Indonesian state. The implementation of Special Autonomy is based on Law Number 18 of 2001 concerning Special Autonomy for the Special Region of Aceh as the Province of Nanggroe Aceh Darussalam and Law Number 18 of 2001 regarding Special Autonomy for Papua. The implementation of special autonomy in Aceh did not go as expected. The special autonomy of both Aceh and Papua does not guarantee the people's welfare if the corruption epidemic cannot be tackled by comprehensive, systematic, and oppressive law enforcement. The failure of economic development in many countries due to epidemics of corruption is hard to deny. None other than the political and national elites in the regions, who initially intended to commit corruption, benefited from the epidemic of corruption. Temporary law enforcement officers can also use this situation to look for opportunities. The difference with this article is the area coverage and case studies in the form of corruption. Meanwhile, this article examines the implementation of the Aceh Special Autonomy Law in alleviating poverty with the behavior of local political elites in Aceh.

(2) Andriyani and Juliansyah (2018), in their research entitled Analysis of Regional Disparities in Aceh Province: An Overview of the Special Autonomy Fund, conclude the operation of the Special Autonomy Fund, where regulatory changes affect the widening development gap. Education and medical expenses are variables that can reduce regional disparities in Aceh. The findings conclude that the gap in Aceh is caused by the weak availability of basic needs such as education and health. Therefore, the management of the OTSUS Fund should be directed at improving aspects of education and health services in Aceh. The difference with this article is the use of special autonomy funds, regional regulations, and the allocation of basic needs, namely health and education. Meanwhile, this article examines the implementation of the Aceh Special Autonomy Law in alleviating poverty with the behavior of local political elites in Aceh.

(3) Sanur L. (2020), in her research entitled Implementation of Special Autonomy Policies in Aceh, concludes that through asymmetric decentralization policies, the central government has given broad concessions to the Aceh government by delegating various administrative and political powers to address local identities to allocate financial resources as regulated in Aceh Government Laws (UUPA). However, the challenge is that the asymmetric decentralization policy is at risk if the performance of the central government and Aceh Province in its implementation is not optimal in fulfilling its regulatory obligations. The difference with this article is the discussion of financial resources through the UUPA. In contrast, this article examines the implementation of the Aceh Special Autonomy Law in alleviating poverty with the behavior of local political elites in Aceh.

Although conclusions have been drawn from several perspectives in the three previous studies, it is not yet clear how complex governance is as the subject of implementing particular autonomy policies in poverty alleviation from various perspectives, especially in the fields of public administration and politics. Therefore, this article will offer some critical solutions that are effective and efficient for local governance in carrying out special autonomy to alleviate the poor in Aceh province. In contrast to the results of previous studies, this article presents the perspective of the study of local political elites in managing regional autonomy, especially poverty alleviation policies in Aceh Province.

Effectiveness is meant to be able to solve political problems and policy problems simultaneously. To explain this, the 'span of government' (Bouckaert et al., 2016) attempts to combine structuralist and institutionalist approaches into a holistic theory of government. There are five identification ranges of government: (1)—corporate governance, realizing transferability of the private sector management system to the public sector. (2). holding governance extends from focusing on corporate governance and looking into the 'connections' between local government organizations regarding functions, regions, policy areas, and so on. (3). public service governance combines cooperation between the private sector and non-profit actors in the provision of public services. (4). Governance of the superstructure includes the ideological and normative aspects of governance and is related to the values, norms, culture, and ideology that make up the government. 5). systemic governance refers to the design of governance systems at the local level. For example, the distribution of power, checks, and balances, and the collapse of macrolevel decision-making and implementation within the sphere of government superstructure.

Problems in Alleviating the Poor in Aceh Province Special Autonomy Governance and also summarizes the advantages and disadvantages of each relationship with each source or discourse discussed in it. There is something very interesting about the case study on the management of special autonomy in the province of Aceh, so it deserves to be investigated because local political elites in Aceh often use Aceh's specialties and privileges as a scapegoat to gain maximum profit. So it is not surprising that, until now, Aceh is still below the poverty line (Akbar et al., 2021).

Local leaders and political elites can manipulate the central government to personal interests by ignoring poverty in their area (Sofi, 2021). Strategies Local political elites often practice themselves as actors in efforts to form policies that ultimately affect the acceleration of development in the region. As stated by Capano et al. (2015, p. 3), there are three specific aspects in the management of local government, namely: (1) Governance dynamics, which shows the identification of "governance models" that are unstable, but more dynamic, in the absence of governance arrangements. Permanent governance within a given political system. This model will continue to be dynamic over time as governments adopt different development features and mixed policy tools differently. (2) Governance strategy,

in this perspective, is a moment of balance, not a permanent, stable construction. Governance strategy is a concept that reflects the government's ability to change governance arrangements and gives local governments a dynamic character. This suggests that behind each mode or balance of governance lies a particular effort by different policy actors as they seek the best governance arrangements to achieve the goal of poverty alleviation. This is the systemic responsibility of the government as the most potent authoritative actor. (3) Governance capacity is the third important concept that emphasizes that not every choice of governance mechanism is likely to be successful in achieving the intended goal. Three perspectives refer to three specific aspects of local government management that will be discussed: How the Governance Dynamics Perspective, Governance Strategy Perspective, and Governance Capacity Perspective, to analyze the governance of special autonomy in Aceh Province alleviating the Poor. These three aspects become the basis for researchers to study the Problem of Alleviating the Poor in Aceh Province's Special Autonomy Governance.

#### II. Methods

To assist researchers in analyzing the Problem of Alleviating the Poor in Aceh Province Special Autonomy Governance, researchers use the literature study method; this is the most relevant thing to do during the COVID-19 pandemic with its various variants. Apart from that, it is also in line with the description of the conditions needed to complete similar research spaces.

In obtaining research data, the researcher first collects, analyzes, and organizes sources of information from previous research, scientific articles, journals, and books. The data collection technique is to collect data sources and record all findings regarding the management of special autonomy funds and governance of special autonomy in Aceh Province related to the alleviation of the poor for discussion of research results from literature and sources and the latest findings on alleviation of the poor in governance. Manage the Special Autonomy of Aceh Province. Second, after collecting and recording data sources, both printed and online, the researcher combined all findings, be it theories or new findings on the management of special autonomy in Aceh, with the topics of Poverty, Special Autonomy, Governance, Regional Government, and Local Political Elites. Third, the researcher analyzed all the findings from

various reading sources related to the research subject. Fourth is to provide criticism in the form of essential ideas in the conclusions of previous discourses by collaborating with other ideas to present new knowledge about the Problem of Alleviating the Poor in Aceh Province Special Autonomy Governance. The research was carried out for four months, from September 1, 2021, to January 31, 2022.

## III. Results and Discussion

Decentralization theory has hypotheses about some relationship between the central government and decentralized local government more effective and efficient public governance by realizing sustainable development goals (Bouckaert et al., 2016). The high poverty level in Aceh Province indicates the failure of the relationship between the central government and regional governments due to the inability of local governments to manage effective and efficient local governments. This is due to the lack of indicators of the relationship between the center and the regions by Page and Goldsmith (1987, as cited in Rudy, 2012): (1) Various functions are given to autonomous areas, (2) How much discretion is in authority in the various functions the autonomous region carries, and (3) Access owned by autonomous areas to contact multiple parties at the national level related to the implementation of regional autonomy. The frequency, pattern, and type of access were developed to determine how much influence the Aceh Province has on the existence of the central government.

Therefore, based on this, the special autonomy that applies to the province of Aceh becomes a question regarding the certainty of the central government authority in controlling the instruments to control or maintain policies for the region's welfare (Tan, 2019, p. 34).

The relationship between the Aceh regional government and the central government is still nuanced, with sentiments that allude to the previous indicators. The attitude of mutual distrust and the emergence of concerns from the *Qanun* regarding symbols and symbols of local political entities have added to the room for controversy. Not to mention, the patterns in each region that have a variety of ethnic backgrounds and different languages also do not necessarily respond to local political agreements. It is realized that political leadership is still dominated by people involved in an armed conflict who have a more inclusive tendency towards developing Acehnese society.

It was mentioned earlier that local political elites are often actors in formulating poverty alleviation policies to get a share of interests. The form of this game is often shown in feuds between local political elites with different combat and regional backgrounds, which clash interests based on mutual distrust for not keeping political promises (Usman, 2021).

The misorientation of the implementation of the *Qanun* based on Islamic law carried out by the Aceh regional government based on the Helsinki MoU agreement is felt to conflict with the Aceh Government Law (UUPA) imposed by the central government. This has created a gap that affects the cooperation between the two in the decentralized system, which eventually spreads to Aceh's political, economic, and socio-cultural problems. It is hoped that the implementation of special autonomy in Aceh should have a considerable influence on Aceh, especially the alleviation of the poor and regional independence as a form of sustainable development. This hope is still far from the hope of alleviating poverty.

What has been found in the Economic Report of Aceh Province in February 2022 shows that the Employment and Welfare of the Open Unemployment Rate (TPT) for the current period have decreased compared to the previous period. Meanwhile, the poverty aspect showed an increase compared to last year. Compared to all Sumatra provinces, Aceh's TPT is in fourth place, while poverty is in first place. Based on the latest data from Bank Indonesia (2022), in September 2021, the position of the poverty rate increased to 15.53% from 15.43% in the same period last year. The increase in poverty was caused by the rise in both rural and urban areas in Aceh Province. The rural poverty rate increased by 0.26 points to 18.04% in the reporting period, which was reported at 17.78%. The urban poverty rate increased by 0.12%. The urban poverty rate is 10.58%, down from the previous 10.46%. The relationship between special autonomy management and poverty alleviation management will be discussed in three specific aspects of local government management (Capano et al., 2015, pp. 130-131).

## A. Governance Dynamics Perspective

This concept denotes the identification of an unstable but more dynamic "governance model," i.e., the absence of stable governance arrangements within a given political system. This kind of governance will continue to be dynamic as governments adopt different development features and mixed policy tools differently. The subject of this specific aspect is the special autonomy and local government capacity of Aceh Province. The functions, roles, and responsibilities of local governments have been clarified in Law Number 11 of 2006. Public services, which used to be the central government's authority, were in the form of tourism and culture, natural wealth exploration, forests, the environment, villages, social maintenance, industry, and public works have been handed over to the regional government of Aceh province.

In the course of the rapid transition of government after the tsunami disaster, it has opened up capacity building in public governance. On the other hand, local governments have experienced a setback in poverty alleviation. Referring to the three reasons for the decline in local governance. First (Tan, 2019), there are reciprocal implications of decentralization and the capacity of the local government. It is unclear what capacity local governments must have for special autonomy to be successful or how the special autonomy policy affects the ability of human resources who manage the government to contribute to the emergence of a capacity gap or situation of uncertainty in capacity development. In other words, the local government needs a conducive environment while what is happening is (1) Unclear use of the benefits of physical and non-physical resources owned measurably and responsibly, (2) The lack of clarity on guaranteeing sustainable capabilities causes overlapping laws and regulations. It becomes a source of confusion, unclear interpretation, and prone to abuse (breach), and (3) low security and order in the regions independently in enforcing compliance with regulations, supervision, and law enforcement, especially corruption by regional heads (llato, 2017).

Exclusively, understanding the dynamics between governance capacity and special autonomy is fundamental to designing more effective local government management so that it is free from policy interventions that are not by governance. But it should be realized that institutional, cultural, and political differences in regional management positions will influence future policies. Even though Aceh Province is an undeveloped area, it has abundant natural resources and limited infrastructure, causing them to be trapped in a cycle of poverty (Alfiady & Dewi, 2019, p. 40).

Aceh's special autonomy is expected to reduce poverty more quickly if supported by good governance without political intervention. Because the local government is closer to the citizens than the central government, Aceh's special autonomy is expected to increase the efficiency of resource allocation, and local governments can obtain accurate information and solve the distribution inequality problem more quickly into prosperity.

Regardless of governance patterns and expectations, any consensus will result in the prevalence of governance associated with changes in local government-public dynamics. Therefore, contextualizing local government without mentioning the poverty aspect in special autonomy will not get any change. The threat of political intervention originating from political differences in the public management space has affected the performance of local government implementation, which results in poor policies. Indications of the affiliation of the role of political elites in the involvement of tug of war interests in the regions have influenced the prosperity variable in the dynamics between decentralization and government capacity. For example, prosperity, local government size, inflation, intergovernmental revenue, poverty, and human development.

According to Patrick (2007, as cited in Manik, 2013, p. 109), intergovernmental revenue is one of the exogenous prosperity, namely the amount of income received by local governments that comes from external sources and does not require any repayment. Intergovernmental Revenue is commonly known as the balancing fund. This balancing fund is the result of the central government's policy in the field of fiscal decentralization for the sake of fiscal balance between the central and regional governments, which consists of a revenue-sharing fund (taxes and natural resources), the General Allocation Fund (DAU) and the Special Allocation Fund (DAK) (Smoke, 2015, p. 250).

In the decentralization of the public sector in developing countries, implementation will usually be carried out in a standardized and mechanical manner. A more "evolving" approach would involve an asymmetrical systematic relationship between the central government and local governments with varying capacities. Substantial regional autonomy without essential functional capacity and level of accountability to local communities is a poor performance.

## B. Governance Strategy Perspective

In this perspective, governance strategy is a concept that reflects the government's ability to change governance arrangements and give local governments a dynamic character. This suggests that behind each mode or balance of governance lies a particular effort by different policy actors as they seek the best governance arrangements to achieve the goal of poverty alleviation. According to Sharma (as cited in Tan, 2019), Local governments do not take into account the overall strategy referred to by identifying the anticipated system as a prerequisite as follows:

- 1. Focus on the advantages of special autonomy but forget to avoid the potential dangers of vulnerability to poverty and social problems (Cahyono, 2012). One way to see the failure or success of the asymmetric decentralization attached to Aceh since 2006 is through a welfare perspective. Welfare is placed as the ultimate goal, while special autonomy is an effort to achieve it. In this regard, our attention is immediately focused on the Special Autonomy funds that have been rolled out for Aceh, considering that the amount is around 4-5 trillion rupiah per year; of course, it is not small. However, if we look at the Aceh region in general, the Special Autonomy Fund has the impression that special autonomy has not been able to show a significant role in raising the welfare of the people there. (State Financial Accountability Board of the House of Representatives of the Republic of Indonesia, 2020). This finding is the result of the DPR-RI State Financial Accountability Board (BAKN DPR RI), which shows that there are still many unfinished audit findings that the Aceh Government has not followed up on. The slow completion and follow-up of BPK's recommendations show that the commitment of officials within the Aceh Government is still low to improving BPK's findings and recommendations.
- 2. Lack of awareness and mechanisms of the role of local political elites. The local strongman pattern can thrive in a country. Furthermore, according to Taqwadin (2020), there are at least three main factors why this applies. First, the nature of a networked society opens up great opportunities for clientelism to thrive and develop. So that the domination of the state over society is divided and partly controlled by informal

forces. Second, there is an acculturation process of myths constructed to maintain their legitimacy in society. The acculturation of this myth can be in the form of specific traditions, customs, norms, or symbols. Olson (2000, as cited in Tagwadin, 2020, p. 208) states that the stationary bandit pattern refers to the elite's efforts to protect or contribute to the public interest so that people can increase their productivity. Thus, the more productive the people, the more benefits and interests the elite can "steal." Meanwhile, the roving bandit pattern refers to an attempt to steal as much benefit as possible from the community without leaving anything behind. According to him, this pattern can create instability for the community and the elite. The third is the local strongman's ability to penetrate and intervene in the state. In practice, the state realistically often accommodates the presence of local strongmen. Even local strongmen, even though they sometimes find it difficult to penetrate or intervene in the state, will enter through the political community, such as political parties. Therefore, it is not surprising that the triangle of accommodation was born between the state, political parties, and local community leaders (local strongman). This proves that after the signing of the 2005 Helsinki Memorandum, the color of the Acehnese elite changed drastically. Between GAM and the Indonesian government. The former of the new Elite Fighter. The existence of Local Strongman is supported by contractors and new workers born from large-scale rehabilitation and reconstruction after the tsunami and post-conflict disasters. The political dynamics also help this during the conflict period. This Local Strongman was chosen legally rationally under a democratic system and healthy democratic conditions. This Local Strongman has positioned himself as a local resident with a strong position. In the local context, local power is believed to be the most robust negotiator tool with the central government. The nature of a networked society is ultimately open to clientelism to thrive and develop. So that the domination of the state over society is divided and partly controlled by informal forces whose policy practice is never complete, especially poverty alleviation because it is not the goal but the process used to attract political interests.

- 3. Lack of administrative and technical capacity at institutions' high level. The problem of the low assessment of performance accountability in regencies/cities throughout Aceh is due to the lack of synchronization between the planning and budgeting systems (Humas MenpanRB, 2017). In general, it can be concluded that the capacity of Human Resources (HR) and low managerial ability are considered to be the cause of the failure of the Aceh government in poverty alleviation as found in the State Finance Accountability Agency of the DPR-RI in 2020.
- 4. Weaknesses of democracy in local politics. The reality of the Indonesian election phenomenon is seen from another perspective, from the assumption that the strengthening of the bureaucracy substantially causes the weakening of democracy. This is due to the community's political culture that relies heavily on patronclient mechanisms, which indirectly places the role of the bureaucracy in a respectable position in society. For at least the next five years, their lives will be guided by people's decisions regardless of the impact on society. As Rousseau of Le Social Contract calls regular participation or weak democracy, the reality is that you are only interested in (participating in) your life (Sudirman, 2012).
- low commitment of government administrators (State Financial Accountability Board of the House of Representatives of the Republic of Indonesia, 2020). Follow-up from the Indonesian Supreme Audit Agency (BPK) shows that from the investigation results, there are still many findings that are currently underway and have not been followed up by the Aceh Provincial Government. The slow completion and follow-up of BPK's recommendations show that officials within the Aceh Government still have a low commitment to perfecting BPK's findings and recommendations. It is important to note that the budget contents are a form of the provincial government's political commitment to achieving people's welfare. In addition, a budget is also a form of concrete action from the social contract between the political decision-making power and the people's politics. Thus, the violation of obligations through corruption by local authorities has, of course, covered the face of decentralization and the decay of the

passing of special autonomy (Simanjuntak, 2015).

- 6. Lack of ongoing initiatives for capacity building at the local level. The development of the province of Aceh where sustainable development has many aspects and requires a comprehensive development analysis to address various public issues. Analysis of regional development is based on aspects of human development, development of the main sectors, and equitable distribution of development and territory (National Development Planning Agency-Bappenas, 2015).
- 7. Weak legal framework due to not being transparent and accountable. Not yet fulfilled Aceh's public expectations are the creation of accountability in the financial management of government agencies and the absence of the principle of transparency in informing the public (Umar et al., 2018, p. 137).
- 8. The stagnation of the transformation of local government organizations into highperformance organizations, namely the effective and accountable Ministry of PANRB, means the ability of the Ministry of PANRB to achieve the performance goals that have been set and provide accountability for the results of the budget used to implement programs and activities. So by the Regulation of the Minister of State Apparatus Empowerment and Bureaucratic Reform (PANRB) of the Republic of Indonesia Number 24 of 2020 concerning the Strategic Plan of the Ministry of State Apparatus Empowerment and Bureaucratic Reform of 2020-2024, to measure the achievement of this target will be seen from the indicators: (a) Value of Implementation of SAKIP of the Ministry of PANRB/RENSTRA MINISTRY of PANRB 2020-2024 and (b) Opinion of the Supreme Audit Agency (BPK).
- 9. The ineffective judicial system and the low level of citizen supervision over the running of the government appear to be the geographic area, culture, and social conditions of the broader community that affect public participation in the governance system in Aceh Province. Applying Islamic sharia law as the basis of policy in some ways is still a debate that is considered far from burning (Djumala, 2013). Admittedly or not, the process of formulating Qanun

- drafts by responsible parties tends to be thick with political overtones and prioritizes superficial religious justifications so that the central issue of poverty is often neglected. As a result, the pros and cons continue to emerge. They usually end up with horizontal conflicts at the grassroots level about the poverty currently afflicting the lower levels.
- 10. Weakening of anti-corruption bodies to prevent corruption decentralization. Within the authority of oil and gas and local political parties, Aceh is in the form of Islamic law. All of this seems to be masked by the creative tension between the regional and central governments, with the symbol of the Aceh flag, which is not substantial. The redistribution of oil and gas in profit sharing has been well received, but it seems far from a prosperous evaluation. There is a tendency for corruption in Aceh to be uncontrolled, giving the impression of omission by law enforcement officials (Suharyo, 2018, p. 307).

## C. Governance Capacity

The third perspective emphasizes that not every choice of governance mechanism is likely to be successful in achieving the intended goal. The effectiveness in question is being able to solve political problems and policy problems simultaneously in Aceh Province. Therefore, there are three essential ways to demonstrate governance capacity. First, the 'management' or 'managerial' capacity of local government is by the managerial quality of local decision-makers. Second, the power of Aceh's provincial government reflects the local government's total ability to produce the outcomes of special autonomy.

Governance capacity includes all processes, resources (e.g., human, financial, technological), and competencies that control local government's internal and external functions. Third, it can be termed 'systemic' or 'institutional,' as local government performance depends on the surrounding conditions. According to the United Nations Development Program (UNDP), human development is a process of improving human capacity to develop choices and opportunities for the population. To achieve human development goals, four main things must be considered: productivity, equity, and sustainable empowerment (Manik, 2013).

Generally, local government capacity revolves around how regulations, legal frameworks, and policies affect local government organs and demonstrate the impact of coordinating governance relationships among subordinate agencies. The power of local governance in Aceh Province reflects: (a) how is the capacity of decision-makers (i.e., governors and subordinate institutions) such as, there is no effective and efficient proportion in the design of substantive problem alleviation programs and touches on the root causes of poverty. The lack of data accuracy weakens the response to welfare and poverty issues. (b) What is the capacity of local government organs in implementing poverty alleviation programs caused by the rigidity of the bureaucracy and technical and welfare program management? (c) The institutional environment's capacity synergized, coordinated, and connected between stakeholders and the dimensions of inter-regional governance. This was also confirmed by the Aceh Poverty Reduction Acceleration Coordination Team (TKP2K). So, comprehensively, there is no compound between the government capacities of all local governments that are included in the management of the regional government of Aceh Province.

### IV. Conclusion

The special autonomy in Aceh that has been going on so far is intended as a political agreement aimed at regional elites and not at society in general. This can be scrutinized by how the portion of the responsibility of each political elite in the Aceh Special Autonomy Law No. 18 of 2001 shows inequality that has the potential to get out of the goal of establishing special autonomy. Special autonomy should focus on the stages of development and the results of decentralization, not on the main tasks and functions thick with administrative features. The weakness of the administrative and regulatory elements in Aceh Province, which includes public institutions managed by the local government in a participatory manner, has been based on cultural or historical dynamics. This is stated and revolves around the Special Autonomy Law more as a reflection of the culture, which is almost said to be a form of self-isolation and not a basis for welfare development, so it has reduced the capacity of local government organizations to manage public services, significantly alleviating social problems and poverty so that it becomes the culprit from the failure of decentralization. This problem is the accumulation of institutional heterogeneity and differences in political and cultural elements in the substance of regional issues. Five factors that cause poverty in Aceh are:

- Income inequality of the poor with their expenditures for primary and secondary needs;
- 2. The poor in Aceh have a high poverty line, low right to life, and cannot achieve a decent standard of living;
- 3. The quality and competence of human resources depend on education, which weakens citizen participation in public policy;
- 4. High transaction costs due to limited access, low connectivity between regions, and limited supply of goods, production facilities, and infrastructure;
- 5. Prices of essential commodities fluctuate strategically and are not much controlled by local governments.

Ineffective control of local governance is affected by the main challenge. (1) How to determine the level of accountability for regional management so that it can develop as local government accountability that is more mature and capable of managing its functions more independently. (2) How to reduce the damage caused by the complex dynamics of the political economy caused by the attraction of interests between elites in areas full of thick cultural entities rather than inclusive. This is clearly shown in the Special Autonomy Law No. 18 of 2001 regarding regional leadership and governance in Aceh. In summary, the regional government of Aceh Province does not understand that:

- The need for supervision by the public to monitor public performance by reporting and preventing corrupt forms and practices of government,
- 2. The absence of oversight mechanisms and the seizure of resources by local elites for public services can pose challenges to effective decentralization.
- 3. Effectiveness of local government on fee and tax collection.
- 4. Lack of information facilities about local government in public services will decrease the quality of special autonomy.
- 5. Coordination among public service providers is caused by the level of government that

- hinders the accountability of responsible public administration.
- 6. Decentralization has failed due to inefficient and ineffective service delivery due to poor design and implementation.
- The most critical failure factor in decentralization policies is the lack of institutional capacity and skills, especially in management by elite local politicians and bureaucratic elites.
- 8. Human resources still do not follow the portion of technical capabilities in government administration.
- 9. The failure of decentralization due to the process of recruiting, motivating, and retaining resources is caused by program failures, reduced independence, and the complexity of central-regional relations overshadowed by past experiences and conflicts that continue to be nurtured by elites who tend to be more isolated than inclusive.
- 10. The struggle for local elites on budget items for special autonomy funds has resulted in policy stagnation to advance the region.
- 11. The absence of responsibilities and roles of the Governor/Deputy Governor, Mayor/ Deputy Mayor, and Regent/Deputy Regent, as well as local political parties in Aceh, is explicitly related to improving the welfare of the Acehnese people in the Aceh Special Autonomy Law Number 18 of 2001, which is allegedly out of sync with Local Government Law Number 11 of 2006.

Based on the description above and the conclusions, suggestions are needed to be used as recommendations in the governance of local governments that have not been able to get out of poverty, namely:

- 1. The systemic responsibility of local powerful government the most as authoritative actor. The decenteringdown approach is the country's strategy to empower local government capacity on how to mobilize resources to provide public services. However, this strategy requires a trade-off for the central authority between coordination of public services and capacity building in local government.
- 2. Practically, the government carries the decentering-down to share responsibility

- for socially maintained problems so that local governments will not feel distant or detached from the central government. This will also raise local government concerns about discomfort over the management of the Special Autonomy Fund. Therefore, the central government needs to accelerate new capabilities and policies to effectively alleviate the poor in provinces that carry out special autonomy.
- Decentralizing public services and interregional cooperation is indispensable in accelerating regional growth. Thus, the efficiency and effectiveness of providing public services regarding the linkage of empowerment and alleviation of the poor will promote social welfare and reduce poverty.
- 4. Political parties in Aceh Province have responsibilities in political education and political recruitment in the community so that there is a strengthening of democracy in political development in Aceh.
- If necessary, Aceh Province can be divided into two or three administrative regions. This is done because the scope of regional management is vast with different regional characteristics in terms of history, social, customs and culture.
- 6. Investment and investment regulations are needed to streamline the corridors of public services and electronic-based bureaucracies.
- 7. It is necessary to evaluate the Aceh Special Autonomy Law No. 18 of 2001 so that poverty alleviation has a clear legal basis, especially the role of policymakers in the regions.

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