

Budget Politics of Aceh Province's Special Autonomy Fund for Poverty Alleviation

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Abstract: - Fifteen years into the implementation of Aceh's special autonomy, poverty still ranks Aceh the poorest province on the island of Sumatra. The high number and percentage of poverty are due to the budget allocation of the Special Autonomy Fund being allocated to other issues; the allocation of the Poverty Alleviation Special Autonomy Fund over the last five years has not been a priority in the development program in Aceh Province, poverty alleviation being the fourth priority after infrastructure, education and health. This research seeks to discover the factors that become obstacles and ineffectiveness of the Special Autonomy Fund Budget Politics in Poverty Alleviation in Aceh Province. This research uses a qualitative approach with a case study as a research strategy. This research uses three data collection techniques: First, documentation in the form of policy documents, papers, journals, or books from previous research. Second, in-depth interviews. Third, observation. Data analysis techniques used in qualitative research include transcribing interview results, data reduction, data analysis and interpretation. Aceh's failed poverty alleviation was caused by the government's failure to address its poverty. Factors contributing to poverty in Aceh's poverty reduction include lack of poverty-related employment, inadequate government support, insufficient infrastructure and income related to prosperity, low human resource income, insufficient political participation, and corruption.

Key-Words: - Politics, Budget, Funds, Special Autonomy, Poverty

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1 Introduction

The fall of the New Order system and its replacement by the Reform system has not only changed the power structure at the central level but also changed the political system's design in Indonesia by implementing a system of decentralization of power between the center and the regions. The Reform Order changed the authoritarian system that lasted 32 years into a decentralized one. Decentralization is a principle of governance that is more democratic to realize local autonomy and local community autonomy that is independent and prosperous compared to the centralized system. Decentralization results in local government, where "...a 'superior' government - one encompassing a large jurisdiction - assigns responsibility, authority, or function to a 'lower' government unit - one encompassing a smaller jurisdiction - that is assumed to have some degree of autonomy", [1]. The political aspect of decentralization from Parson's perspective, [2] is "the sharing of the governmental power by a central ruling group with other groups, each having authority within a specific area of the state".

The policy basis of decentralization and regional autonomy is regulated by Law No.22 of 1999, later

replaced by Law No. 32 of 2004 and Law No. 23 of 2014 on Regional Government. Decentralization and regional autonomy are the basic principles of local government administration. Article 1, paragraph 6 of Law No. 23 of 2014 states that regional autonomy is autonomous regions' right, authority, and obligation to regulate and manage their own government affairs and local community interests within the system of the Unitary State of the Republic of Indonesia (NKRI). Article 17 contains four paragraphs related to each region's policy. Here are some of them: (1) Regions have the right to establish regional policies to organize government affairs that fall under regional authority; (2) Regions in establishing regional policies, as referred to in paragraph (1), must be guided by the norms, standards, procedures and criteria set by the Central Government (Regional Autonomy Law No.23 of 2014). Over time, the decentralization and regional autonomy system have been interpreted with various interpretations by officials in the regions; multiple interpretations of the implementation gave birth to several weaknesses, one of which is uniformity.

The condition of each region has different characteristics, so the decentralization format has an

impact on this. A decentralization format that overly generalizes Homogeneous Symmetrical Decentralisation is often the choice of a country in running government management in the regions; the choice to generalize aims to facilitate central government control over the regions. Conceptually, Asymmetric Decentralisation is a system that gives freedom to regions to determine the location of autonomy, the format of government or other matters in government management that are tailored to the needs of the region concerned. In line with the central government's program and the mandate of the Law on the Governing of Aceh, poverty alleviation is one of the objectives of special autonomy in Aceh Province.

After almost (fifteen) years of implementation of special autonomy, the problem of poverty is still a problem that has not been addressed properly based on data on the poor population in Aceh in July 2021, [3] recorded as many as 834, 24 thousand people or 15.3 percent of the total population of Aceh, 5.37 million. The poverty data of Aceh province places Aceh province as the poorest province on the island of Sumatra. The high number and percentage of poverty in Aceh Province are due to the Special Autonomy Fund budget allocation being allocated to other problems; the allocation of the Special Autonomy Fund Poverty Alleviation over the past five years has not been a priority in the development program in Aceh Province, poverty alleviation is the fourth priority after infrastructure, education and health. Based on the above description, researchers are interested in examining the political process of the special autonomy fund budget for poverty alleviation in Aceh Province. At this level, the author will discover the factors that become obstacles and ineffectiveness of the Special Autonomy Fund Budget Politics in Poverty Alleviation in Aceh Province. This research is useful in developing development studies, especially those related to regional autonomy and poverty alleviation, and is a reference for future researchers who examine the same problems as this research.

2 Literature Review

The author collects some literature related to the theme of the discussion as a premise. First, research shows that the Special Autonomy Fund did not have a significant effect on increasing the Human Development Index in Papua Province in 2014-2017; strategic efforts are needed not only through the distribution of the Special Autonomy Fund but also through increasing the capacity of the apparatus, evaluating the method of distribution and

utilization of the Special Autonomy Fund, and other policies with a local wisdom approach, [4]. The difference with this article is that it focuses on seeing the impact of the Special Autonomy Fund in 3 areas, namely education, health and HDI. Then, further research proves that Regional Original Revenue, General Allocation Fund, Special Allocation Fund, and Special Autonomy Fund positively and significantly affect regional spending. The difference with this article is that the purpose of previous research shows the effect of DAU and DOK on local expenditure. In contrast, this research focuses on finding the Aceh Province APBA budget's political process in infrastructure, poverty, education and health, [5]. Special Autonomy Funds in districts/cities in West Papua are significantly correlated with a decrease in poverty, and an increase in the net enrolment rate at the junior high school level, [6].

In addition, the application of the preparation and use of special autonomy funds has not fully dominated the dharuriyyah dimension consisting of religious protection *hifz Al-di'n* (preservation of religion), *hifz Al-nafs* (preservation of life), *hifz al-mal* (preservation of property), *hifz Al'aql* (preservation of reason) and *hifz al-nasl* (preservation of offspring), [7]. HDI value prov. Aceh 1996 - 2016 is divided into two linear trends before the Special Autonomy Fund from 1996-2008 and after the Special Autonomy Fund 2008 - 2016. The analysis of multiple linear regression shows that the Special Autonomy Fund is not significant to the growth of the HDI Human Development Index, [8]. Economic growth human development index negatively and significantly affects the open unemployment rate in Prov. Aceh and poverty have a negative but insignificant effect on the open unemployment rate in Aceh Province, [9]. The role of local political parties in the implementation of special autonomy can be seen from the role of local political party factions in the Aceh People's Representative Council (DPRA), namely the role of forming laws and regulations (legislation), the role of supervision (controlling), and the role of budgeting (budgeting), [10]. The special autonomy fund is not seriously supervised; this can be seen from the absence of a special supervisory system and the non-use of a general supervisory system for the Aceh Special Autonomy Fund, [11]. Judging from the indicators of the achievement of national exam scores (UN), the implications of a large allocation of special autonomy funds cannot guarantee an increase in the quality of education in Aceh Besar District, [12]. The Special Autonomy Fund in Aceh needs a clear development orientation

and protection of informal labor, [13]. There are several obstacles in implementation, such as different interpretations, unclear division of authority between provinces and districts/cities, and constraints in the political, social, education and infrastructure fields, [14]. The utilization of special autonomy funds can improve the performance of the Aceh government; the use of special autonomy funds as mandated in the law is used to finance 7 (seven) developments in Aceh province, namely infrastructure, economy, poverty, education, social and health, including the implementation of Aceh's privileges, [15]. The receipt of special autonomy funds in poverty alleviation in 2017-2022 still cannot overcome poverty, so it needs a strategy from the Government of Aceh to solve poverty problems related to special autonomy funds, [16].

3 Methods

This research uses a qualitative approach with a case study as a research strategy; the research question asked in this study uses "how", so the choice of case study as a research strategy is relevant. A qualitative approach is chosen to describe and analyze social phenomena that are happening, so this type of research uses an explanatory case study strategy. Descriptive methods focus on problems or phenomena that are actual when the research is conducted, then describe the facts about the problem being investigated as they are accompanied by rational and accurate interpretations. This research uses a qualitative descriptive method, which is research that is limited to efforts to reveal a problem situation or event as it is so that it is just revealing facts (fact-finding). The results of this research are emphasized to form an objective picture of the actual state of the object under study, [17].

This research examines the political process and factors hindering the budget of special autonomy funds in Aceh Province. This study used purposive sampling to select informants based on research interests. This study's subjects included policymakers, Acehnese community members, and academics. Data collection techniques included documentation, in-depth interviews, and observation. This research uses qualitative analysis with typology techniques to analyze data from written documents, interviews, and observations. This research aims to understand the context of the phenomenon under study and provide a new dimension to understanding budget politics in Aceh Province, [18].

This research's subjects are policymakers and Aceh society elements consisting of Wali Nanggroe, Aceh

Regional Government, Aceh House of Representatives, political parties and academic elements that are directly related to Aceh budget politics. Informants in this study must have the following criteria: Officials with budget authority in Aceh Province, having access to documents related to special autonomy funds, Ministry of Home Affairs of the Republic of Indonesia, Ministry of Finance of the Republic of Indonesia and related Ministries. Data analysis techniques used in qualitative research include transcribing interview results, data reduction, data analysis and interpretation.

4 Results and Discussion

4.1 Economic Conditions in Aceh Province

The direction of regional economic policy is the goal of regional economic development, an effort made by local governments and communities to manage the resources owned by the region. One of the community's welfare can be realized by creating jobs and reducing unemployment. Therefore, the direction of Aceh's economic policy is prepared based on the conditions of Aceh by taking into account national and global economic conditions. Aceh's economic growth in the first quarter of 2022 grew by 3.24 percent with oil and gas and 2.40 percent without oil and gas. The Aceh economy in the first quarter of 2022 with oil and gas, compared to the fourth quarter of 2021, experienced a growth contraction of 7.10 percent; without oil and gas, it also experienced a growth contraction of 7.61 percent. In the first quarter of 2022, the Aceh economy, measured by Gross Regional Domestic Product (GRDP) at Current Prices (ADHB), reached IDR 47.95 trillion with oil and gas and without oil and gas IDR 44.86 trillion. Meanwhile, GRDP at constant prices (ADHK) with oil and gas is IDR33.13 trillion; without oil and gas, it is IDR31.51 trillion.

In terms of production, the highest contraction came from the government administration business field at 22.30 percent, followed by construction at 19.30 percent and financial and insurance services at 13.67 percent. In terms of expenditure, the highest contraction was in the import component, 164.95 percent, followed by foreign exports at 10.33 percent and LNPRT consumption at 7.69 percent. Aceh's financial policy concerns the three main government functions: allocation, distribution and stabilization. The allocation function is the

government's task to allocate economic resources to influence the Aceh economy. In general, Aceh's financial policy consists of three policies: revenue, expenditure, and financing. Aceh's revenue policy is directed at optimizing Aceh's revenue. The receipt of balancing funds still dominates Aceh's revenue. This shows Aceh's fiscal dependence on the government, so Aceh's revenue policy is focused on strengthening the ability to collect local taxes and levies (taxing power).

Aceh's expenditure policy aims to improve spending quality through greater expenditure allocation to programs and activities with positive and significant elasticity to quality economic growth, poverty and unemployment reduction and price stability. Meanwhile, the development financing policy is directed toward the effective and efficient use of the remaining funds from the previous year's budget (SILPA) through government equity participation and increased investment capacity based on investment performance (performance-based).

Table 1: PDRB on Prices of District/City of Aceh Province in 2020-2022 (Billion)

Regency/City	2020	2021	2022
Simeulue	1 602 411,10	1 648 095,66	1 707 714,18
Aceh Singkil	1 713 664,18	1 780 419,32	1 844 667,95
Aceh Selatan	4 241 408,48	4 345 783,85	4 480 837,04
Aceh Tenggara	3 436 343,94	3 487 156,75	3 584 206,08
Aceh Timur	8 272 641,42	8 433 526,10	8 748 419,87
Aceh Tengah	5 767 948,10	5 953 117,60	6 245 065,70
Aceh Barat	7 084 150,87	7 498 178,44	7 747 002,64
Aceh Besar	10 016 806,57	10 261 585,06	10 658 632,61
Pidie	7 770 640,80	7 975 099,19	8 292 685,13
Bireuen	9 962 578,95	10 374 479,90	10 821 127,90
Aceh Utara	17 017 452,78	16 919 102,90	17 702 778,17
Aceh Barat Daya	2 983 764,72	3 069 804,57	3 188 663,63
Gayo Lues	1 936 869,01	1 981 879,34	2 051 532,18
Aceh Tamiang	6 009 374,16	6 062 520,23	6 264 034,61
Nagan Raya	6 749 947,06	7 110 421,47	7 278 934,26
Aceh Jaya	1 982 449,42	2 033 843,88	2 108 598,65
Bener Meriah	3 629 870,52	3 744 094,62	3 882 430,96
Pidie Jaya	2 583 128,30	2 635 517,50	2 729 557,36
Banda Aceh	14 644 288,07	15 449 971,48	16 257 930,33
Sabang	1 122 885,92	1 152 874,71	1 181 905,79
Langsa	3 813 194,93	3 962 714,20	4 151 973,37
Lhokseumawe	6 984 713,29	7 252 904,77	7 543 739,09
Subulussalam	1 385 406,73	1 438 996,67	1 498 300,95
Aceh	131 580 967,16	135 251 193,84	140 947 643,60

Source: Author

Gross Regional Domestic Product (GRDP) is an important indicator to determine a region's economic conditions in a certain period, either at current prices or at constant prices. Let us look at the GRDP data for Aceh Province per Regency / City in 2020-2022. The highest Gross Regional Domestic Product (GRDP) is North Aceh Regency / City of 17,017,452.78 billion, followed by Banda Aceh Regency / City of 16,257,930.33 billion and Aceh Besar 10,658,632.61 billion. Meanwhile, the district/city with the lowest GRDP is Sabang District at 1,181,905.79 billion, followed by Subulussalam District/City at 1,498,300.95 billion and Semeulue District/City at 1,707,714.18 billion. The cause of Aceh's poverty rate, according to Bapedda, is that tourism in Aceh is not running well, even though Aceh is an area with many tourist attractions that should support the economic stability of the people of Aceh, especially those who are close to tourist attractions, the lack of transportation to tourist attractions such as Kialadong which does not have transportation access so that visitors are reluctant to go there, and the lack of marketing communication to outside communities about tourist attractions in Aceh.

"In a bigger way, Aceh is more advanced than the nation, only relying on 60%; the world of Aceh is not developing because, for example, Kialadong does not have a market, and transportation affects the interest of visitors to travel there."

In the distribution of special funds from the center by law 11 of 2006, Aceh received a 2% budget from 2008 to 2022, while from 2023 to 2027, Aceh only received 1% with the following statement from BPKD:

"The special fund is related to the distribution. So, the fund first existed after the birth of Law 11 of 2006. In one of the articles it is stated that Aceh received a budget allocation from the national 2% starting from 2008 to 2022, while in 2023 to 2027 it received 1% and currently Aceh has entered a period of 1% the last 5 years of special autonomy fund assistance. The distribution process is regulated in the first Qanun 2008 number 2 of 2013, then Qanun number 10 number 1 of 2016, three times and is now in the process for the 4th amendment in the new Qanun which regulates the portion for districts, cities and provinces. The first year, it was 40% province and 60% regency/city but managed by the province all in 2008, then changed in 2013, the province got 60 regencies 40, but it was managed by the regency".

Implementing the Special Autonomy Fund Transfer through the Provincial Government to Regency/City Governments is done in several stages.

4.2 The Political Process of Special Autonomy Fund Budgeting for Poverty Alleviation in Aceh Province

Public policy is a rule chosen and formed by the local government to solve a particular problem and is positive for the public; the Aceh Government has made policies to improve the welfare of the people in Aceh. This development policy aims to improve the development of the area. This development policy results from evaluating previous policies considered less effective in overcoming existing problems. The Aceh Government Work Plan (RKPA) 2022 is a technical planning document with a period of one year, which was prepared based on the Minister of Home Affairs Regulation Number 86 of 2017 concerning Procedures for Planning, Controlling and Evaluating Regional Development, Procedures for Evaluating Draft Regional Regulations on Regional Long-Term Development Plans and Medium-Term Development Plans, as well as Procedures for Amending Regional Medium-Term Development Plans, and Regional Government Work Plans. The distribution of regional autonomy funds with the province as much as 60% and the city district as much as 40%. Some aspects of the Pokok Pikiran (Pokir) come from the rise of members of the DPR, through Musrembang and through the head of the existing SKPA area that is the basis for building RKPA, with the process after being determined then consulted with DEP DAGRI then set to PERGUB, the Aceh government work plan was then sent to the governor and the governor ordered the head of BPKA to compile the KUABPHS, BPHS temporary budget still contains activities then sent to the DPRA and discussed again and agreed upon. The reference for achievement is through the RPJMD, by Ahmad Dadek's statement as Chairman of the Aceh Regional Development Planning Agency: "60% after deducting joint activities such as Jka, scholarships, housing and so on, after which the province gets a minimum of 60% while districts / cities a maximum of 40% so that they can get less than 40% and the province more than 60%. The process is consulted to the DPR before the kpa is set, but now there is a new

regulation on regional finance where the amount of district/city income must use the presidential regulation which divides the provincial fixed, 60% is socialised to the DPR to get a new recommendation from the DPR to enter the Pokir because the preparation of the RPJP has 3 aspects through the rises of DPR members, through musrembang and through the head of the existing SKPA region, it is the basis for building the RKPA, after the RKPA is determined, it is consulted with the DEP DAGRI and then stipulated as a gubernatorial regulation, the RKPA of the Aceh government work plan, then sent to the governor and the governor instructs the head of the BPKA to prepare the KUABPHS, the temporary budget BPHS still contains activities then sent to the DPRA and discussed again and agreed upon, and the reference for achievement is through the RPJMD".

The 2022 Aceh Government Work Plan (RKPA) preparation is guided by the 2017-2022 RPJMA, RKP, National Priority programmes and Permendagri Number 17 of 2021 concerning Guidelines for the Preparation of the 2022 RKPD. The 2022 RKPA is a guideline for preparing the General Policy of the Aceh Revenue and Expenditure Budget (KU-APBA) and the Temporary Budget Priorities and Ceiling (PPAS). The direction of national development policy is a guideline for formulating national development priorities, targets, and plans for regional development programs and activities carried out through political, technocratic, participatory, bottom-up, and top-down approaches. The development priorities and strategic programs of the Government of Aceh in 2022 have been aligned with the Government Work Plan (RKP) and the National Priority Programs (PN). The National Development Vision for 2020-2024 in the RPJMN 2020-2024 is "The realization of an Advanced Indonesia that is Sovereign, Independent and Based on Gotong Royong." To achieve this vision, the 9 (nine) missions in the RPJMN 2020-2024 are "The realization of an Advanced Indonesia that is Sovereign, Independent and Based on Gotong Royong."

The development goals for 2023 are as follows:
1) Restoring growth momentum through increased productivity with indicators of (a)

economic growth, (b) open unemployment rate, (c) gini ratio and (d) reduction in greenhouse gas emissions; 2) Improving the quality and competitiveness of human resources as a representation of inclusive development with indicators (a) human development index and (b) poverty rate. The formulation of the 2023 RKP development theme considers the President's direction, the results of the 2021 performance evaluation, the evaluation of the 2023 RKP development policy, and the 2023 RKP development policy. Increasing productivity involves revitalizing the industry, driving growth, and encouraging business development, urbanization, digital infrastructure, and competitiveness. To achieve inclusive economic transformation, eight strategies must be implemented: strengthening the social welfare system, improving the national health and education system, addressing poverty through decent work, improving infrastructure between health and health, reducing carbon emissions, and transitioning to energy. By 2023, eight areas of focus will be identified: strengthening the social welfare system through social system reform, modernizing the economy, improving the education system, overcoming poverty through improved business services, promoting business development through business revitalization, improving the world economy through business revitalization, stimulating industry and growth stimulus, reducing carbon emissions and transitioning to energy, improving infrastructure between health and healthcare, developing digital infrastructure, and improving competitiveness in NI, as well as improving infrastructure services in NI. The strategy aims to increase productivity, stimulate business development, and promote sustainable development.



Figure 1. Themes and National Priorities of RKP Year 2023

Source: Auhtor, 2023

Aceh's 2023 priorities include enhancing economic development, reducing poverty, promoting sustainable development, addressing COVID-19, increasing the potential of the tourism, agriculture, and industrial sectors, strengthening the industrial and employment sectors, realizing economic potential, intensifying and expanding development efforts, and reducing poverty and hunger. Priorities also focus on improving the quality of education, youth, and the well-being of young people, ensuring quality education, promoting a leading school system, addressing gender inequality in education, improving the quality of education and youth services, improving public health, enhancing the provision of public services, and meeting the needs of people experiencing poverty. Priorities also address mental revolution and cultural development, focusing on preserving Aceh's identity, promoting community participation, and reducing the potential for horizontal conflict. Priorities include improving the quality of housing, budgets, and climate change, improving the quality of living conditions, increasing the capacity of municipalities to plan, improving political stability, and transforming public services.

Implementing the Council's vision is a key component of Aceh's 2023 agenda based on the Aceh Regional Development Board's development plan and priorities. The vision of the RDDB is based on development plans and priorities to achieve the desired outcomes by reshaping the territory of Aceh. The goals for Aceh's development in 2023 are as follows:

1. Increased economic growth with indicators of (a) Open Unemployment Rate (TPT), (b) GRDP growth, (c) Gini Index;
2. Improved community welfare with indicators (a) Percentage of Poor People and (b) Human Development Index (HDI);

Meanwhile, to achieve the above development themes, 4 (four) Aceh Development Priorities for 2023 were formulated, which include:

1. Strengthening food self-sufficiency, productive and competitive economic resilience;
2. Improving quality and competitive human resources;
3. Strengthen infrastructure to support economic development and basic services that are integrated and environmentally sound;
4. Strengthening Aceh's governance and privileges.

4.3 Special Autonomy (OTSUS) Funds and Planning

Aceh Province has implemented various policies to increase financial capacity, reduce fiscal deficits, improve transparency, accessibility, and timing for public service delivery, and increase public focus on development in specific areas. The province has also implemented the Special Autonomy Law (Otsus) since 2002 and an increased General Regional Allocation (DAU) since 2006. The Otsus Law will be implemented in Aceh in 2027, with a total target of IDR 100,000,000,000 in the Aceh Fund; the education and social sectors will be key due to the increased reliance on Otsus taxes, which come from Special Autonomy contributions. This will allow the use of autonomy-specific resources, such as economic and social development, and improve public services, such as education and healthcare. The Special Autonomy tax will become one percent of the National DAU by 2028, and appropriate tax disciplines will be applied as per Law-PA No. 11 of 2006 and Qanun 1 of 2018, including infrastructure development, economic growth, human resource management, education, social welfare, health, and environmental protection.

The Government of Aceh has issued Aceh Governor Regulation No. 78/2015 Aceh Governor Regulation No. 114/2018 on the Master Plan for the Utilisation of Aceh Special Autonomy Funds 2008-2027. The Aceh Special Autonomy Fund Utilisation Master Plan is a guideline for the Government of Aceh in determining priority programs and activities whose funding comes from the Special Autonomy Fund. In the Aceh Special Autonomy Master Plan, the objectives of Aceh Special Autonomy are to realize:

1. integration of development programs based on the functions of government, the provincial government and district/municipal government by region, space and time;
2. development linkages and consistency between planning, budgeting and implementation
3. Realising effective, efficient, equitable and sustainable use of resources.

The planning stage includes formulating programs determined through Musrenbang; the Special Autonomy Musrenbang is one of the mechanisms for planning program activities prepared and proposed by the Government of Aceh and district/municipal governments. It is a forum for preparing plans for programs and activities for Aceh's development and district/city development that are sourced from Special Autonomy funds, attended by representatives of the Aceh Government and representatives of district/city governments. It may include other elements or representatives of the community.

The State Finance Accountability Board of the Indonesian House of Representatives 2020 received annual special autonomy funds for Aceh. The average infrastructure allocation from 2014-2018 was IDR3.39 trillion or 45.34%; empowerment. economy of IDR798.86 billion or 10.57%; poverty alleviation of IDR278.64 billion or 3.63%; education of IDR1.69 trillion or 22.56%; social of IDR175.28 billion or 2.35%; health of IDR1.02 trillion or 13.52%; and privileges of Aceh of IDR156.77 billion or 2.03%. The implementation of special autonomy funds in Aceh in the planning and implementation of development is not for the benefit of the people, seeing that many buildings in Lhokseumawe need to be fixed. The building is needed for the benefit of the community, but only how much profit does the political elite get from the development? For example, building buildings in Lhokseumawe should first be an effort to democratize the community where the community is allowed to channel their aspirations openly to the government and DPRA representative institutions in Aceh so that various development programs and projects will be tailored to the needs and interests of the community.

In addition, Qanun No. 1/2018 on the Third Amendment to Aceh Qanun No. 2/2008 on the Procedures for the Allocation of Additional Oil and Gas Revenue Sharing Funds and the Use of Special Autonomy Funds Article 10 paragraph (2) letter a, states that the Government of Aceh and district/city governments are obliged to

allocate at least 50% of special autonomy funds for infrastructure development from proposed programs and activities in the field of monumental infrastructure development and maintenance from proposed programs. Aceh's special autonomy fund balance policy is formed with the Aceh Government, including the legislature (Aceh Parliament) and the executive (Aceh Governor). The establishment of the Aceh Qanun on the balance of special autonomy funds must be done by a joint agreement between the Aceh Parliament and the Governor of Aceh. The utilization of Aceh's special autonomy funds must be allocated with due regard to the balance of development progress between districts/cities in Aceh. Although the focus of special autonomy in Aceh is on the provincial government, territorial authority rests with the districts. The management and utilization of Aceh's special autonomy funds, administered to the provincial government, is one of the problems that hinder the optimal utilization of Aceh's special autonomy funds. In achieving performance efficiency, district/city governments depend on whether or not the budget is approved late by the provincial government. This is due to the low quality of human resources at the district/city level of government in developing governance and implementing Aceh's special autonomy.



Figure 2. Stakeholder Development Planning Agreement
 Source: Author

In planning the allocation of special autonomy funds for the province of Aceh, one important body is the Aceh Government Budget Team (TAPA), which consists of Bappeda Aceh and BPK Aceh. In planning the allocation of special autonomy funds. Bappeda has the task of listening to requests from

regions for the allocation of special autonomy funds. The aim is to ensure that the rights and entitlements of citizens as government officials or those with specific duties are practised fairly and effectively by society. As the development plan in Aceh, outlined in Aceh Law No. 67 of 2018, Bappeda Aceh aims to implement plans for economic development, public resources, infrastructure, government and human resources, development programmes, research and development, and evaluation of local development. It will help ensure that all programmes and activities can be implemented and achieve results, ensuring that the development process is supported by a government agency.

4.4 Political Obstacles to Special Autonomy Fund Budgeting in Aceh's Poverty Alleviation

Aceh's natural resource management is not only based on government and policy but also on the implementation of the Aceh State Government Law Number 10 of 2016 on the Second Amendment to Aceh Qanun Number 2 of 2008 on the Procedure for Allocating Additional Oil and Gas Revenue Sharing Funds and the Use of Special Autonomy Funds, which has not been implemented.

1. Obstacles in supervision are that the Aceh Governor Regulation establishes no special work unit. Then, there is no Supervisory Team for Additional Oil and Gas Revenue Sharing Funds and Special Autonomy Funds formed by Decree of the Chairman of the DPRD so that the supervision regulated in Aceh Qanun Number 10 of 2016 concerning the Second Amendment to Aceh Qanun Number 2 of 2008 concerning Procedures for Allocating Additional Oil and Gas Revenue Sharing Funds and the Use of Special Autonomy Funds has yet to be implemented.
2. Supervision of Aceh's use and utilization has not ensured the fulfillment of the principle of expediency. Supervision is only conducted based on national regulations. There needs to be Aceh Governor Regulation on establishing a Special Working Unit to supervise the use of Aceh's special autonomy. This is an

obstacle in optimizing the supervision of using Aceh's special autonomy. The absence of a Governor Regulation regulating the selection criteria for programs financed with Aceh special autonomy funds has resulted in the absence of supervision in the sense of guidance to district/city governments.

3. There is a disparity between the infrastructure and poverty budgets. The Aceh government's effort to reduce poverty and unemployment is to build infrastructure because of the investment; the economy will develop and create new jobs to absorb labor. However, even though infrastructure has been built recently, poverty in Aceh province has remained relatively high. BPS Aceh data shows that the poverty rate in several districts in Aceh Province is still quite high, above the provincial average of 15.05 percent.
4. The gap between the infrastructure and poverty budgets is quite different. BPS Aceh data shows that the poverty rate in several districts in Aceh Province is still quite high, above the provincial average of 15.05 percent. The districts with the highest poverty percentages are Aceh Singkil 19.18 percent, Gayo Lues 18.87 percent, Pidie 18.79 percent, Bener Meriah 18.39 percent, Simeulue 18.37 percent, West Aceh 17.93 percent, Nagan Raya 17.38 percent and North Aceh 16.86 percent.

Aceh, Indonesia, faces many problems related to local politics, including corruption and a need for more political will to address the needs of the people, government and state. The Free Aceh Government (GAM) has worked to improve Aceh's political system, but they have not fully realized their aspirations. This has led to a need for more focus on local politics and the potential for corruption to influence state power and resources. The Aceh Regional Police Force (BPS) has worked to address the issue of corruption in Aceh, using police forces to tackle corruption within Aceh's capital, Lhoong. However, the government failed to address the issue, resulting in a loss of IDR 2.3 billion in

2021. In September 2023, more than 50 people in Aceh were arrested for alleged corruption, emphasizing the importance of local policies in tackling corruption. Police forces are a key tool in tackling corruption, as they allow the government to control the state and its sources. The Aceh region faces major challenges due to the continued use of local politics, which has led to many corruption cases, affecting the state's power and resources. Addressing these issues is crucial for the stability and development of the Aceh region.

To improve the coordination of poverty reduction at the provincial and district/city levels, a Coordination Team for the Acceleration of Poverty Reduction (TKP2K) was established. The Coordination Team for the Acceleration of Poverty Reduction in Aceh, abbreviated as TKP2K, is a non-structural government institution established as a forum for cross-sectoral and cross-stakeholder coordination at the provincial level, chaired by the Deputy Governor, which aims to harmonize various activities to accelerate poverty reduction. The Government of Aceh has established the Coordination Team for Accelerating Poverty Reduction (TKP2K) based on Aceh Governor Decree No. 050/932/2018. The legal basis for the formation is based on Presidential Regulation No. 15/2010 on the Acceleration of Poverty Reduction, which states that poverty is an urgent national problem and requires systematic, integrated and comprehensive handling measures and approaches in order to reduce the burden and fulfill the basic rights of citizens properly through inclusive, equitable and sustainable development to realize a life of dignity. Based on Aceh Governor Regulation No. 51/2016 on the establishment of the Special Implementation Unit of the Aceh Poverty Reduction Acceleration Coordination Team.

Aceh's Medium-Term Development Plan (RPJM) 2017-2022 is "Realising access to quality and integrated health and social welfare services". Moreover, in the Aceh Long-Term Development Plan (RPJP) 2012-2032, poverty reduction is translated into two missions, namely Mission Two, "Realising a society that can meet the needs of life in economic, social

and spiritual aspects," and Mission Four "Realising quality, advanced, fair and equitable development". Aceh's income is categorized into several components:

1. Aceh Original Revenue (PAA) divided by type of revenue consisting of Aceh taxes, Aceh levies, the results of the management of Aceh's separated assets and the results of Aceh's capital participation and other legitimate PAA.
2. Balancing Funds are divided by type of revenue consisting of Tax Revenue Sharing Fund, Hydrocarbon Revenue Sharing Fund and other Natural Resources, General Allocation Fund (DAU), Special Allocation Fund (DAK), and Additional Revenue Sharing Fund for Oil and Gas (TDBH Migas).
3. Special Autonomy Fund (Otsus)
4. Other legitimate revenues are sourced from grant income, adjustment, and special autonomy funds.

4.5 Special Autonomy Fund Budgeting Policy has not been effective in Poverty Alleviation in Aceh Province

Aceh's special autonomy funds are often problematic as the community usually requests programs for small units, which is influenced by the community's less persistent culture, where there is a tendency to want everything to be instantaneous. This should be the task of technical agencies, such as the Livestock Service Office or the Agriculture Service Office; the farming community cannot only be given counseling in the form of theories. Several improvements have been made in managing special autonomy funds, including in the planning field; since 2016, Bappeda Aceh has applied e-planning for project planning using programs with a value below Rp500 million. The Musrenbangsus forum also addresses weaknesses in the administrative system, where financial reports still need to be mixed between special autonomy and non-autonomy programs. Aceh Province is exploring separate financial reporting. The DPRA in the province has performed disappointingly, not surprisingly, because it is

controlled by the PA, whose members have, on average, a low level of education; as a result of their low quality, the DPRA no longer talks about government programs, but rather prioritizes the fight for interests. The distribution and use of special autonomy funds must serve the welfare of the people. However, the fact is that special autonomy funds in Aceh have yet to be maximized to alleviate poverty in Aceh.

For 18 years, the 40.50% OTSUS Fund has only been for infrastructure, which has the most influence in regulating the distribution of the 60% allocation of funds; this happens because of the RPJMD commitment and is a joint commitment; the government makes elaborations in the form of programs submitted to the council with the legislative function of overseeing by the RPJMD, by Ramzi's statement as BPKA:

"The RPJMD commitment is a joint commitment; the government makes elaborations in the form of programs submitted to the council, the legislative function oversees by the RPJMD that has been agreed from the start, so who has the most interest does not exist, because it is by joint decisions, in the planning process there is public consultation, and it is also discussed with the DPRD such as what our policies are, what our budget is. The result is 60% sharing of the results of the collective decision.

It has been 18 years since special autonomy was implemented. However, Aceh's poverty rate is still the highest on the island of Sumatra and nationally, special autonomy should focus on more than just infrastructure. Aceh's economic improvement also did not start from zero like other regions, with the statement:

"In 2002, poverty in Aceh was below the national average; in 2003, Aceh's poverty rose from 14% to 20% due to conflict, then the tsunami increased Aceh's poverty to 32%. In 2008, Aceh did not start from plus, but minus to get to normal conditions, so 18 years, Aceh is still in the recovery process; Aceh managed to reduce poverty by 32%, reducing 18% is extraordinary", [19].

Decentralization suggests that granting special authority in some areas of the country is an

alternative to resolving various problems of central-local relations. The government issued Law No. 11 on the Government of Aceh in 2006, which states that several points underlying the implementation of special autonomy for the Province of Aceh are established as a unitary system of government. Regency/City Original Revenue (PAD) is a positive growth rate of PAD and has the potential for better economic growth, one indicator of which is declining poverty. At least several things can be done so that the special autonomy fund policy can be managed with the aim and has the benefit of policies carried out by the Aceh government; good management is very important in managing the use of special autonomy funds for development not only urban development but development in improving regional economic standards. The system of monitoring and evaluation of policy programs on the use of special autonomy funds is important to measure the extent of the benefits of policies carried out by the Aceh government; one of the obstacles to the objectives of special autonomy is due to acts of corruption committed by individuals to take advantage of special autonomy funds for personal gain and certain groups. Several other things cause special autonomy funds to be ineffective and not achieve targets in their management, namely related to weak supervision, weak management management and rampant fraud.

There is no special team to eradicate poverty; it will all collaborate and integrate so that there are several SKPAs to solve it nationally and regionally, which come down to face poverty in Aceh led by the deputy governor such as the construction of two houses, social assistance, necessities, scholarships for orphans s1, s2, s3, JKA and so on, according to the statement of Ramzi M.Si from the Aceh Financial Management Agency (BPKA):

"However, the extension team of the central government for poverty alleviation collaborates and integrates so that there are several SKPA to complete it nationally and regionally. The poverty alleviation team, in the region led by the deputy governor with the current conditions if the effort is only ordinary it will not be able

to move so there must be a push. The construction of duffle houses, social assistance, basic necessities, scholarships for orphans s1 s2 s3, which are very helpful, JKA was born from us, and as for the program, there will be evaluations and indicators that must be pursued".

This statement was reinforced by the statements of the heads of the various DPRA factions heads, namely by Tarmizi, Sp as the head of the Aceh party faction, who stated that the faction also issued Pokir or main ideas to be proposed to Bappeda which would then be approved by the DPRA, with the statement:

"We are indeed asked to think of ideas and ideas that will be achieved for the welfare of the community through regional autonomy funds that have been trusted by the center to be able to reduce poverty, especially focusing on several things such as education, health, infrastructure, economic recovery, poverty."

Furthermore, the statement of Nurdiansyah Alasta, M.Kes as the head of the Democrat Faction, said that the Principles of Thought given were based on three important reasons, namely the embodiment of the principle of a democratic state, the embodiment of the principle of regional autonomy and the implementation of the budget function. So it is true that the faction also contributes poker or main thoughts to be achieved with a statement:

"The main ideas of the DPRD are based on three important reasons, namely the embodiment of the principle of democracy, the embodiment of the principle of regional autonomy and the implementation of the budget function of the DPRD".

Chairman of the Golkar Party Faction Ali Basrah, S.Pd., M.M argued that all Pokir is the voice of the people that are only received from various sources such as from each DPRD faction that has the same vision and mission, for example, the Golkar Party faction provides Pokir on health, such as revising Jka to be better. However, if the Pokir given by the faction is not included in the elected priorities, it will be fine.

5. Conclusion

Aceh's failed poverty alleviation is mainly due to the government's failure to address poverty in Aceh. The government's plan to reduce poverty is based on allocating programs and activities from the Aceh Social Welfare Department, which the Aceh government and local government units direct. These programs are then transferred to each district to reduce poverty. Factors contributing to poverty in Aceh Poverty reduction include a lack of employment, inadequate government support, insufficient infrastructure and income related to prosperity, low human resource income, insufficient political participation, and corruption related to poverty reduction. Aceh's implementation of poverty reduction has been criticized for several reasons, including inadequate poverty reduction and control systems, government neglect of community needs, and inadequate management of local resources. The BPK report on Aceh's poverty reduction period 2008-2010 showed that poverty reduction was only achieved in one year rather than continuously.

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