

# Rethinking Patterns Development of Aceh's Socio-Economic Welfare After Two Decades of Implementing Asymmetric Autonomy "Special Autonomy"

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Hendy Setiawan<sup>1</sup> , Maulida Rita Widyana

## Abstract

This study aims to determine the two decades of special autonomy in Aceh with the existence of special autonomy funds, but it does not have an impact on economic and social welfare in Aceh. Poverty and economic inequality are still rife, even though special autonomy is to provide space for the implementation of regional innovation and creativity in government administration. Several factors cause Aceh's special autonomy funds not to work correctly or still cause poverty in the Aceh region, namely development policies, the corruption that is still rampant, and poor management of the special autonomy funds. The development policy factor is related to the government, which favors industry players. Then, corruption is rampant because the Aceh government uses the special autonomy funds for its interests. The poor management of special autonomy funds is related to delays and errors in program planning from the provincial to regional levels. Then, the method in this study with a qualitative approach. Furthermore, the theoretical approach in this research is welfare theory to combine special autonomy as a way out of the slump in Aceh to date. This study shows that the Aceh Government is still misusing the Aceh Special Autonomy Fund because it is proven not to be prosperous, and the Acehnese people still experience the highest poverty rate in Sumatra. This research is essential because it needs to know and provide information to readers about how Aceh's special autonomy funds are not being used appropriately, and the Aceh government still commits much corruption.

## Keywords

special's autonomy fund; autonomy; aceh; welfare

## Introduction

The dynamics of asymmetric decentralization in Aceh Province have existed for more than two decades. Through Law No. 18 of 2001, Jo. UU No. 11 of 2006, Aceh became one of the regions in Indonesia as recipients of special autonomy arrangements. As happened in the Special Region of Yogyakarta, Papua, West Papua, and DKI Jakarta also received asymmetric decentralization arrangements ([Hayati & Ifansyah, 2019](#)). DI Yogyakarta got this asymmetrical arrangement because of history, West Papua (the division of Papua in 2003) and Papua for integration of resolutions, and DKI Jakarta because it is the nation's capital. Like what happened in Papua, Aceh received special autonomy status that could not be separated from the reason integration of resolutions seen in the phenomenon of the secessionist movement through the Free Aceh Movement (Indonesian: Gerakan Aceh Merdeka, abbreviated as GAM).

Papua received special autonomy status due to the resolution of integration with the secessionist movement of the Free Papua Organization. Aceh and the Government of Indonesia have been involved in a highly complex conflict since the 1976s. Finally, through the Helsinki Memorandum of Understanding which was ratified on August 15, 2005, Aceh's relations with the Government of

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## Corresponding author:

<sup>1</sup> Hendy Setiawan, Government Science Study Program, Universitas Selamat Sri, Semarang, Indonesia. Email: [hendysetiawan2020@mail.ugm.ac.id](mailto:hendysetiawan2020@mail.ugm.ac.id)

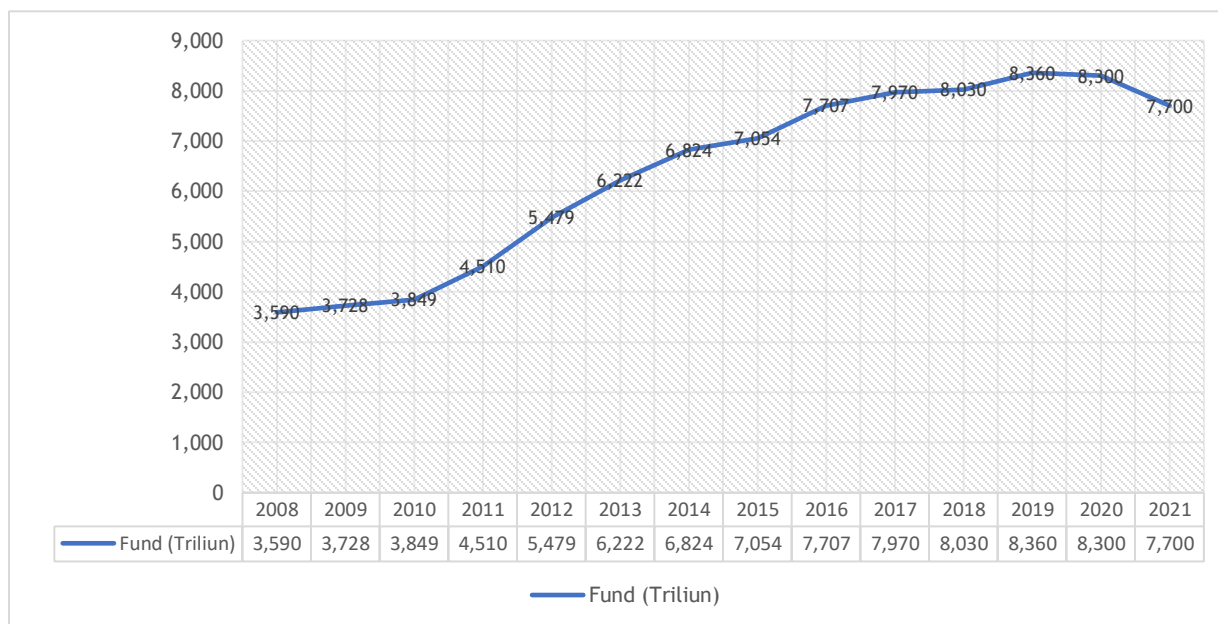
Indonesia entered a phase that called a new system of governance in Indonesia. Aceh's willingness to remain part of Indonesia as the Government of Indonesia has fought for, on the one hand, provides fresh air for the easing of conflicts between them.

On the other hand, the Government of Indonesia is also required to guarantee and provide welfare for Aceh seriously. The government's attention and seriousness towards Aceh can then be seen from the arrangement of relations through special autonomy in Aceh. Through this particular autonomy scheme, Aceh has high expectations for the realization of prosperity for the people of Aceh. So is this special autonomy for Aceh a part of the solution to the secessionist movement in Aceh? (McGibbon, 2004). It can be seen in McGibbon's book. To what extent has the extraordinary autonomy work in Aceh resolved the issue of welfare in Aceh in the course of these two decades?

Asymmetric autonomy is present as an effort by the state to accelerate society's welfare. It is just that it is a little different in this setting, and not all regions get unique settings from the country. Therefore, the spirit of welfare is the goal of implementing asymmetric autonomy. The welfare orientation in this asymmetrical autonomy arrangement has become more transparent, accompanied by the disbursement of a tremendous amount of special autonomy funds. Dominantly, welfare problems in each region receiving asymmetric autonomy are manifested in the phenomenon of relatively high poverty (Hapsah & Mas'udi, 2012).

This situation is caused by development strategies that tend to be impartial to the poor (Ikhsan, Suwaryo, Yani Yuningsih, & Van Ylst, 2020). Seeing this condition, Aceh as the recipient of asymmetric autonomy, which is then followed by the disbursement of special autonomy funds, there is a demand for how the management of this special autonomy fund can be a trigger for the realization of welfare (Dewi, Munawiah, & Nurzalikha, 2018). In terms of income and financial management, Aceh received many additional funds.

**Graphic 1.** Development of the Special Autonomy Fund for Aceh 2008-2021



Source: processed from various sources

There is a case with the Aceh balancing fund that they receive a revenue-sharing fund (Indonesian: Dana Bagi Hasil, abbreviated as DBH in addition to oil and gas revenue-sharing, with the provision that the oil mining share is 55 percent, and the natural gas mining share is 40 percent). The funds are then allocated to finance education in Aceh (minimum 30 percent). A maximum of 70 percent is allocated to finance development programs mutually agreed upon between the Aceh Government and district/city governments. In addition to revenue-sharing funds, Aceh province also has a Special Autonomy fund (Indonesian: Dana Otonomi Khusus, abbreviated as DOK (Abrar, Juanda, Firdaus, & Hakim, 2020). It is indeed a very excellent source of income for Aceh, and if its management is successful, the

acceleration of Aceh's prosperity can be realized soon.

The momentum for peace in Aceh between the Government of Indonesia and the GAM in 2006 gave birth to Law No. 11/2006 concerning the Government of Aceh, which has special autonomy authority. This opens an opportunity for every district in Aceh to rebuild its economy and was left behind during the conflict in this historical trajectory ([Raza, Fahmi, & Meutia, 2018](#)). It is this consensus that needs to be seriously looked at how the welfare commitments between Aceh and the government that has been agreed upon need to be guarded and ensured that Aceh must become a region that can stand and be on par with other regions that are advanced and have good economic development. In the online news media CNBC Indonesia as of September 2021, the issue of Aceh's welfare was raised in an editorial entitled 'Rich in natural resources, Aceh is the champion of poverty and unemployment ([Setiaji, 2021](#)).

This condition certainly raises critical questions as to why this could happen. Rationally, under conditions in Aceh, with an area rich in abundant natural resources, this is income for Aceh, which is prestigiously able to build economic construction ([Abrar et al., 2020](#)). Moreover, this reality is supported by the delegation of asymmetrical autonomy arrangements, which are followed by the disbursement of special autonomy funds and other arrangements such as balancing funds, which will increase the income of Aceh's financial funding. However, it seems that the issue of economic and social welfare in Aceh is still a long way to go. Even in the two decades of special autonomy, it is unclear how that welfare will appear ([Fujikawa, 2021](#)).

Understanding the social and economic welfare problem in Aceh is not easy to solve. This problem becomes very acute and challenging to reduce, and even special arrangements cannot make Aceh better in terms of economic and social welfare ([Zulham, Muhammad, Masbar, & Sirojuzilam, 2015](#)). Various issues of poverty, unemployment, economic inequality, infrastructure, education, and the quality of human development in Aceh are the colors of Aceh's fragile development ([Mediyanti, 2019](#)). The allocation and distribution of special autonomy funds may not necessarily reduce poverty in Aceh significantly. Alternatively, even Aceh is still in poverty. The year 2020 was marked by the spread of online news and banners about Aceh being the poorest region, while in efforts to alleviate poverty in Aceh, the budget allocation for poverty alleviation continues to increase every year. If in 2008, it received an allocation of one hundred twenty billion rupiahs increased in 2019 to four hundred thirty-nine billion rupiahs ([Ikhsan et al., 2020](#)). This is an unbelievable contrast where the large disbursement of funds cannot reduce the poverty level in Aceh. So, is it necessary to rethink the particular autonomy policy implemented in Aceh so that it is more ideal for the social and economic welfare goals for Aceh? How enormous is the contribution of special autonomy arrangements for Aceh, which has been referred to in building social, economic welfare for the people of Aceh?

Based on research conducted by Maulana et al. regarding economic growth in Aceh from 2008 to 2018, the development of the economic line in Aceh Province from 2008 to 2018 is perfect in terms of the trend of increasing economic growth. There has been economic convergence, both sigma and beta convergence between districts/cities in Aceh Province from 2008 to 2018 ([Ridha Maulana, Zulham, & Sartiyah, 2020](#)). The oil and gas sector undoubtedly contributes to this as an economic catalyst in Aceh. Moreover, Aceh is a region in Indonesia rich in natural resources as a source of income. However, this does not mean that Aceh is free from the problems of socio-economic welfare. If traced from the Gini ratio data in Aceh, it tends to increase in the 2003-2018 period, which illustrates that the level of welfare of Aceh Province tends to be increasingly disproportionate. More ironically, the Gini ratio increase was most significant after the provision of the DOK. At the same time, the purpose of providing these funds is a trigger for the economic stability of Aceh Province and to improve the socio-economic welfare of the Acehnese people so that in the long term, it will produce an even level of welfare in Aceh Province and reduce social, economic inequality so far. Therefore, there is an exciting relationship to see how this special autonomy arrangement was not followed by an increase in the community welfare index in Aceh.

Further research can also be seen from Meliza and Murtala on income inequality in Aceh Province. The results show that the inequality in Aceh using the Williamson index in Aceh Province is still relatively high at 0.41% and from the Theil Entropy Index test, the inequality is very high at 1.47%. Meanwhile, economic growth does not affect Income Inequality (INEQ) ([Meliza & Murtala, 2020](#)). Indeed, the research put forward by Maulana et al. strengthens that fact. That there has been a reasonably good

economic improvement in Aceh. However, this does not impact reducing poverty and economic inequality in line with the research submitted by Aspinall during an interview with the Mayor of Banda Aceh, Mawardy Nurdin, who said that Law No. 11 of 2006, which regulates the Government of Aceh, did not have a significant impact and changed the condition of Aceh both economically, socially and politically. However, what can be seen from this regulation after its promulgation is that there is only an increase in money ([Aspinall, 2015](#)). This condition further negates that increasing the amount of money in Aceh, primarily through the particular autonomy fund scheme, does not significantly change the socio-economic welfare in Aceh. So why did this happen in Aceh? Is it necessary to think of a new pattern in managing the socio-economic face for prosperity in Aceh?

This study aims to investigate the two decades of special autonomy in Aceh. Departing from the lengthy implementation of special autonomy for Aceh and does not have an aggregate impact on the social economy of welfare in Aceh, it is undoubtedly an exciting discourse. Therefore, the two decades of special autonomy in Aceh became a critical reflection to make the right decisions for the welfare of Aceh. Rethinking the particular autonomy regulatory model that is more adaptive to Aceh's needs should be encouraged to realize this prosperity.

The special autonomy that has occurred in Aceh does not appear to have been adaptive to welfare. However, it is precisely the high level of poverty and economic inequality that characterizes Aceh today. Therefore, this asymmetrical decentralization should be an opportunity and a way to achieve prosperity ([Abrar et al., 2020](#)). However, what happened in the implementation of special autonomy in Aceh was the construction of distortions in the implementation of the regulation ([Fiorillo, Giuranno, & Sacchi, 2021](#)). Therefore, the special autonomy that will be implemented in each regional unit has only two options, namely distortion or opportunity. Distortion is synonymous with failure to achieve goals, and exceptional autonomy opportunities can create prosperity.

The benchmark of development achievement can be observed through two important barometers consisting of an economic barometer and a social barometer. The economic barometer includes economic growth, regional economic structure, and income distribution. Meanwhile, social barometers include the Human Development Index (Indonesian: Indeks Pembangunan Manusia abbreviated as IPM), poverty, and unemployment rates. The development that has been carried out so far has been able to increase the regional economic growth rate, but in many cases, it has been relatively unable to reduce development disparities between regions.

The tendency for high regional economic disparities between developed and developing regions is influenced by several factors, including progress in economic development, the political situation and fiscal decentralization, and the HDI ([Tamberan et al., 2020](#)). Whether the implementation of special autonomy in Aceh needs to be reorganized and rethought, it will be used to observe developments in Aceh as the theorizing of social-economic development towards prosperity. This study is essential because it has been two decades since Aceh has implemented special autonomy arrangements, but the people of Aceh have not felt the significance of the results. Therefore, this study aims to analyze the implementation of two approaches to special autonomy in Papua, which until now are still full of problems of social and economic welfare. The novelty of this research is to find an effective pattern of how this special autonomy in Aceh can produce social, economic welfare development for the people of Aceh.

### **Asymmetric Decentralization**

The granting of disproportionate autonomy status or asymmetric autonomy in each region or region in government administration is one of the logical implications of a country's political arrangements. There is a dynamic effort from the government administration to find a suitable format and pattern for regulating the relationship between the center and the regions to form a harmonious government. This practice in government administration in the world's countries is becoming widespread, both in countries in the form of unitarianism (unitary states) or states in federal forms (unitary states). In the study of government politics, this term is known as asymmetrical decentralization, asymmetrical devolution or asymmetrical federalist arrangements, or asymmetrical intergovernmental arrangements. Fundamentally, the variation in the asymmetrical form of power distribution is a form of policy instrument aimed at unraveling the two fundamental challenges a country faces, namely issues of a

political nature, including those originating from uniqueness and cultural differences and issues of a technocratic-management style namely the limited capacity and ability of a region or a region in carrying out the essential functions of government ([Permatasari, 2014](#)). The state solely does this to ensure that by delegating tasks, functions, and authorities, the acceleration of welfare in the region or region can be realized precisely and appropriately.

The fundamental goal of asymmetric decentralization (special autonomy) is to open up and provide space for implementing regional innovation and creativity in government maintenance outside the general and special provisions that apply nationally ([Isufaj, 2014](#)). However, conceptually, asymmetric decentralization has been practiced in federal and unitary countries like Wales, Ireland, Spain, and Sweden ([Sanur, 2020](#)). It must be admitted that, at first, this pattern was not intended to provide specificity as happened in the Republic of Indonesia, but this pattern has later become a kind of the global norm in managing the relationship between the government at the center and the regions so that it is more dynamic and does not look rigid ([Sanur, 2020](#)). Special Autonomy to achieve the goal of welfare can be achieved by fulfilling public services for the comm, unity which includes such needs as education, health, finance, infrastructure, and other elements that encourage accelerated welfare ([Prabowo, Supriyono, Muluk, & Noor, 2020](#)).

Aceh and Papua are two regions that almost have the same character as recipients of special autonomy status. This status is obtained as nothing but peaceful compensation due to conflicts that lead to separatism against the state. Aceh is involved in conflict with the Central Government through the Free Aceh Movement and Papua through the Free Papua Movement. These movements then pressured the Central Government to grant special autonomy status to Papua and Aceh on resolution integration. Interestingly, these two regions are coincidentally regions rich in natural resources, so the Central Government is determined not to release them from the Unitary State of the Republic of Indonesia. Aceh has received a Special Autonomy Fund since 2008, but the number has increased due to the peace settlement. The peace dividend in Aceh consists of the Natural Resources Revenue Sharing Fund, where Aceh receives a more significant percentage of oil and gas (70 percent) than other provinces ([Sustikarini, 2019](#)). Meanwhile, Papua received an allocation of special autonomy funds starting in 2002, followed by various financial balancing funds starting from the DBH and others, making Aceh and Papua, from a budget standpoint, with considerable potential in building prosperity. The rationality of the budget given by the Central Government to Aceh and Papua should be an ideal regulatory pattern for creating social and economic welfare for Aceh and Papua.

## Methods

This type of research uses a qualitative approach with library research methods. This approach allows researchers to track various sources of relevant literature in answering the problem formulation that has been determined. The focus of the research in this paper is about rethinking the two decades of implementing special autonomy for Aceh for welfare purposes. The theoretical approach used in this research is to use welfare theory to combine special autonomy to get out of the slump in Aceh so far. Meanwhile, researchers use a method to find data by collecting all secondary data such as journals, relevant agency documents, mass media, and various other literature that supports answering the problem formulation that has been determined. In collecting data, the researcher prioritizes the precautionary principle in tracing relevant secondary data, considering that there are many data, so more stringent data selection is needed. This research was conducted from September 15, 2021 to January 28, 2022 by observing all developments in welfare in Aceh.

This research is urgent because the researcher tries to put this special autonomy as an instrument to get Aceh out of the backwardness problem in various aspects. The focus of this research is Aceh's special autonomy for several reasons. First, Aceh is one of the provinces in Indonesia that has abundant natural resources, be it natural gas, oil, or others. Second, in various studies, Aceh is mapped in areas with the highest conflict level compared to natural resource-rich areas in Indonesia ([Tadjoeddin, 2007](#)). Third, the granting of special autonomy status to Aceh does not contribute to welfare development. Furthermore finally, the author put forward the initial assumption that there is a strong relationship between how the wealth of natural resources in Aceh impacts various welfare problems in Aceh, with special autonomy being used as a tool to stimulate these problems. However, the reality is that until

two decades of special autonomy, Aceh is still far from being prosperous. Therefore, this research is interesting how it can survive in a constantly changing policy trajectory. Meanwhile, researchers in carrying out the research stages use Creswell's concept. According to Creswell, the stages of qualitative research consist of problem identification, literature search, research aims and objectives, data collection, data analysis and interpretation, and research reporting ([Raco, 2018](#)).

Problem identification in which researchers identify discrepancies between inputs and outputs from implementing special autonomy in Aceh. Therefore, this is a research problem that will be raised. Next, the author tries to dig up relevant previous literature to see how far the research problem has been solved and find something new from this research. Then the author tries to assemble an objective problem formulation based on the facts of the initial data in the field. In this study, the authors collected data through secondary data with literature study and observation as research database data analysis and interpretation were carried out to read the research findings. Finally, the researcher reports the research findings and coherently and systematically answers the problem formulations.

## Results and Discussion

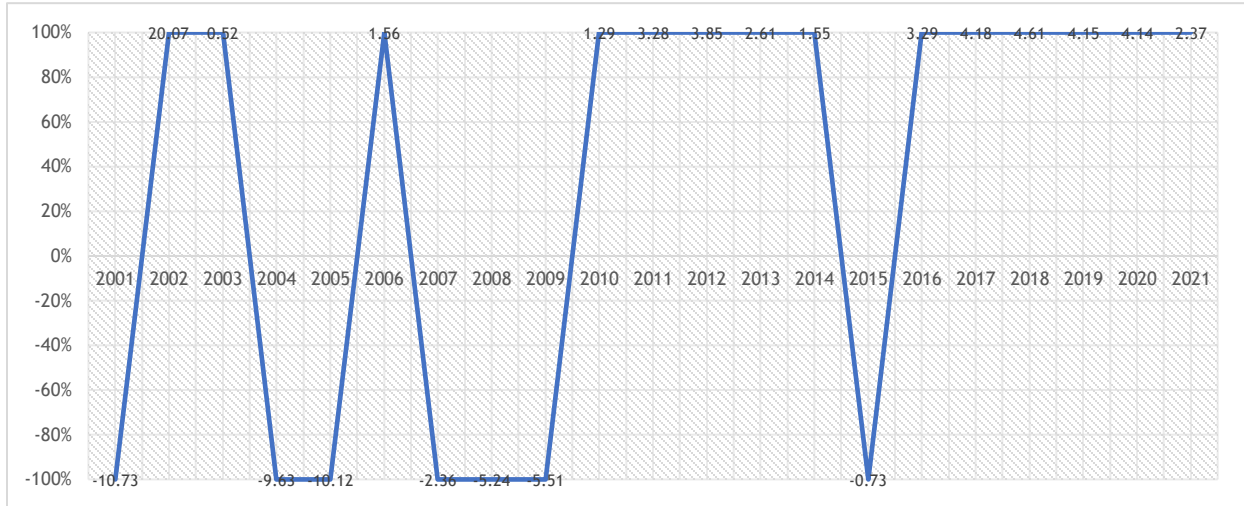
The Aceh problem has similarities with the problems experienced by Papua. These two regions are trying to separate themselves from Indonesia through GAM in Aceh and Free Papua Organization (Indonesia: Organisasi Papua Merdeka, abbreviated as OPM) ([Setiawan, Ulfa, & Purwaningsih, 2020](#)). However, this effort was successfully negotiated with a lengthy negotiation to create unique arrangements through special autonomy arrangements. Apart from that, welfare issues cannot be separated from the surface that they are seriously going through the scheme to accelerate welfare. In the context of Aceh, the two particular decades of implementation have not provided significant rewards for the development of welfare in Aceh. At the same time, the particular autonomy scheme has a design that focuses on welfare development, especially in Aceh.

Moreover, this particular autonomy scheme was followed by the delegation of extraordinary special autonomy funds and supplied again with a financial balance from the Government of Indonesia, considering that Aceh is one of the regions that produce extraordinary natural resources. Of course, this financial rationale can generate growth and welfare development in Aceh. This is undoubtedly the hope of all parties that the secessionist movements in Aceh through GAM should never happen by giving serious attention to those in Aceh. Do not let welfare development's failure, especially the people's social economy, make the GAM movement re-grow. Therefore, this is a challenge that must be resolved, and the question becomes whether this particular autonomy scheme is a solution for prosperity in Aceh? ([McGibbon, 2004](#)). If it is true that the particular autonomy scheme can accelerate social-economic welfare, then which people's welfare will increase their social-economic welfare?

## Post-Special Autonomy Economic Development

One way to map the failure and success of the implementation of asymmetric decentralization in Aceh can be traced to its economic welfare. It is essential because this welfare, especially the economy, is the ultimate goal of the spirit of special autonomy running in Aceh ([Dewi et al., 2018](#)). Although economic welfare is highly correlated with other aspects of welfare, it cannot be denied that economic development orientation is the goal of the particular autonomy scheme. It departs from the rationality that in order to build community welfare, the economic aspect must first be improved. It should be remembered that the special autonomy funds for Aceh began to be disbursed in 2008 and will end in 2027. This special autonomy funding from the Central Government is valid for 20 years, with an estimated amount disbursed to Aceh of 163 trillion rupiahs ([Setiawan et al., 2020](#)). The Aceh Special Autonomy Fund (DOKA) is mandated to accelerate welfare development. DOKA follows Law no. 11 of 2006 concerning the Law on Governing Aceh (Indonesia: Undang-Undang Pemerintahan Aceh, abbreviated as UUPA) and Article 10 of Qanun No. 2 of 2008 on the Procedures for the Allocation of Additional Funds from Oil and Gas Revenues ([Ali, 2019](#)). In 2008 which coincided with the allocation of special autonomy funds for Aceh after being hit by the earthquake and tsunami, this became an instrument for Aceh to rise and improve itself to rebuild its economy ([Ridha Maulana et al., 2020](#)). The performance of Aceh's economy in the extraordinary autonomy trajectory can be seen in graphic 2 to measure the progress of economic development that has been carried out.

**Graphic 2. Economic Growth Rate of Aceh Province 2001 - 2021 (Percent)**



Source: Statistics of Aceh Province

Based on the data above, in the trajectory of granting special autonomy to Aceh, which DOKA disbursed began in 2008, it turns out that in 2009 a year after the DOKA was running, it resulted in negative economic growth that was sharper than in 2008 as the first year DOKA was running. Nevertheless, from 2010 to 2018, Aceh's economic growth has experienced instability economic growth in Aceh. Although dominantly there is positive economic growth in 2002, 2003, 2006, 2010, 2011, 2012, 2013, 2014, 2016, 2017, 2018, that is not too high, and this does not have an impact on solving the economic problems of the people in Aceh. This is evident where Aceh, to this day, is still trapped in the highest poverty space on the island of Sumatra based on Aceh Province BPS data. So how is economic growth in Aceh, especially after the DOKA disbursement, unable to improve economic performance in Aceh? There is a possibility that the disparity in each region is very sharp, so high economic growth cannot produce prosperity evenly.

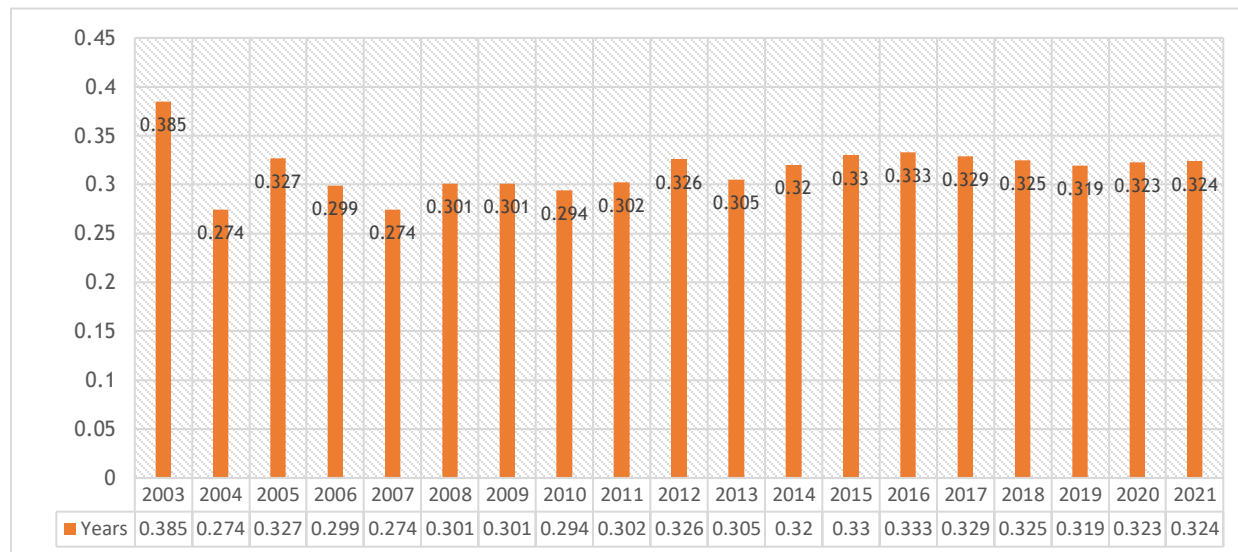
Economic growth is vital in order to build a strong economy. It is necessary to realize that economic development, for example, through the performance of economic growth, is an effort to optimally manage existing resources with the aim of welfare (Ridha Maulana et al., 2020). Departing from this realization, the Government of Indonesia is trying to stimulate Aceh's economic growth. The special autonomy is how the central government has waited for this solution. Through this extraordinary disbursement of funding, apart from political goals, there is also hope that there will be implications for Aceh's evenly distributed economic growth. In addition, it is strengthened that Aceh also receives funding for infrastructure development finance and balanced funds, which include haring funds, incentives from the center, and other transfer financial sources.

The even distribution of the economy in the concept of economic growth can be felt and impacts the welfare economy in the Acehese community. However, for more than two decades, this asymmetrical arrangement has not been able to bring about changes in the economic welfare of the people. Therefore, in the context of Aceh, although the disbursement of this special autonomy fluctuates, it can grow the economy that is not large, but it is not proportional to the community's economic welfare.

On the other hand, what is no less important is how the condition of Aceh, especially in terms of economic welfare after the implementation of special autonomy can be traced, can be traced to the achievement of the Gini index score that occurred. Simply put, the Gini ratio or coefficient is a tool used to measure the degree of inequality in the distribution of the population, as information from the news said that Aceh was still locked in the problem of economic welfare. In September 2020, Aceh's poverty line was IDR 524,208 per capita, the Poverty Depth Index (P1) was 2.847, the Poverty Severity Index (P2) was 0.831, and the Gini Ratio was 0.319 (Setiaji, 2021). Meanwhile, observe how the Gini

ratio portrait in Aceh, especially after special autonomy, can be seen in graphic three, which tends to increase.

**Grafik 3. Gini Ratio of Aceh Province 2003 - 2021**



Source: Statistics of Aceh Province

In addition to the instability of Aceh's economic growth, at the same time, the Acehnese economy is faced with the problem of the Gini ratio, which tends to increase after special autonomy. Graphic 2 above is undoubtedly ironic, where the increase in the Gini ratio reflects that the health of the Acehnese people is not balanced. The higher the Gini ratio is achieved, the more unequal and weak the community's welfare. Interestingly, this increase increased after the administration of DOKA. At the same time, the purpose of DOKA is to build economic stability in Aceh to improve people's welfare and equitable distribution. Based on graphic 3, it can simply be concluded that DOKA has not been able to increase the distribution of Acehnese people's welfare. There is a trend of increasing the Gini ratio after DOKA.

DOKA disbursement can spur Aceh's economic growth ([Ridha Maulana et al., 2020](#)). However, the question then is, why does this not impact the equitable distribution of welfare in Aceh? How should the format of the special autonomy arrangements for Aceh be applied? This confirms the findings of research conducted by Mediyanti, which states that the allocation of DOKA used in Aceh, both through provincial special autonomy and district and city special autonomy allocations, has not been able to spur economic growth significantly. Even though the allocation of DOKA to the Aceh Government, both special autonomy for Aceh and special autonomy for districts and cities, which continues to experience an upward trend and grows every year, it does not go hand in hand with the economic growth that occurs. Even economic growth does not seem to be affected by changes in budget allocations from spending made by the government ([Mediyanti, 2019](#)). This is why Aceh is still the poorest region on the island of Sumatra to this day. In addition, DOKA can spur PAD in Aceh, especially in 21 districts/cities, and 2 of them have decreased, as shown in table 1.

**Table 1. Realization of Original Local Government Revenues in Aceh Regencies or Cities 2016-2018 (Billion Rupiahs)**

Districts	2016	2017	2018	2019*	2020*
Banda Aceh	258,591,409,660.00	270,170,805,360.00	246,272,150,480.00	235,11	309,70
South Aceh	125,989,165,878.83	140,751,362,340,70	151,961,434,830.97	139,98	126,94
Lhokseumawe	56,348,631,400.00	62,979,495,103.85	65,610,426,908.60	61,44	67,22

Northern Aceh	388,850,936,086.81	202,092,003,328.00	299,541,200,896.00	280,14	288,59
Langsa	121,369,467,375.72	120,138,956,032.87	121,358,576,034.93	115,24	159,53
East Aceh	94,337,443,632.42	158,492,371,449.82	169,455,864,158.29	185,15	210,85
Aceh Tamiang	114,051,092,363.75	116,246,212,753.70	128,914,585,324.92	128,91	139,73
West Aceh	140,614,480,000.00	161,743,458,000.00	150,499,050,000.00	153,80	144,77
Aceh Besar	135,284,494,840.00	145,464,468,480.00	159,480,168,137.63	170,50	170,99
Aceh Jaya	45,774,374,000.00	52,599,501,000.00	58,624,901,000.00	72,78	83,12
Pidie	249,489,453,840.00	267,608,101,030.00	237,201,958,010.00	243,22	229,00
Pidie Jaya	45,986,244,000.00	47,409,466,000.00	57,324,815,000.00	68,83	79,68
Bireuen	186,162,575,752.23	192.939.858.236.27	179,476,248,778.22	156,53	173,00
Bener Meuriah	66,454,059,144.63	82,038,407,023.70	67,961,546,855	76,66	92,96
Simeulue	48,614,164,736.00	61,095,183,850.00	63,146,021,910.00	79,47	64,80
Central Aceh	156,797,291,510.00	162,880,726,000.00	150,818,710,380.00	190,32	179,68
Sabang	49,602,492,605.34	47,776,631,104.80	31,676,892,439.54	59,78	61,74
Southwest Aceh	77,618,650,000.00	91,571,490,000.00	83,468,000,000.00	90,35	94,70
Sububussalam	42,314,514,320.00	56,519,514,120.00	38,955,598,640.00	51,81	66,94
Aceh Singkil	43,305,198,369.90	2,851,805,739.00	75,238,699,146.57	45,26	61,14
Gayo Lues	46,277,349,070.00	60,312,455,600.00	48,758,464,130.00	51,42	54,10
Nagan Raya	104,200,297,000.00	74,051,054,000.00	97,118,516,000.00	87,63	89,41
Southeast Aceh	61,457,042,356.11	60.053.234.222.18	14,955,587,988.42	117,63	95,03

Source: Aceh Province Budget Realization Report

Based on these data, the increase in PAD, the majority of which is a trend for districts/cities in Aceh, significantly triggers an increase in their welfare. This means that, on the one hand, the presence of DOKA can increase economic growth and increase PAD. On the other hand, the increase in the two elements was not followed by the economic welfare of the people in Aceh. Therefore, the most crucial and, at the same time, a challenge for this special autonomy is how this asymmetrical arrangement can raise the economy while at the same time increasing the equitable distribution of the economic welfare of the people in Aceh. These two things about the actual pose of why special autonomy with DOKA needs to be presented in Aceh.

### The Factors that Cause Poor Regions to Increase

Aceh's local political elites often make Aceh unique and a scapegoat to achieve maximum profit ([Akbar, Pasha Karim, Fadlullah, & Siddiq Armia, 2021](#)). Data from the Central Statistics Agency shows that Aceh is still the poorest area compared to other regions in Sumatra since 2002, as shown in table 2 ([Asmara, 2021](#)).

**Table 2. Aceh Poverty Percentage**

Number	Region	Percentage
1.	Aceh	29,83%
2.	South Sumatra	22,32%
3.	Bengkulu	22,7%
4.	Bangka Belitung	11,62%

Source: BPS Aceh

In 2002, the number of poor people in Aceh amounted to 1.19 million people or 29.83%, the highest compared to other areas, such as South Sumatra, which at that time had a population of 22.32%, Bengkulu 22.7%, and the least poverty is Bangka Belitung because the percentage is 11.62% ([Asmara, 2021](#)). However, the number of poor people in Aceh shows a decline, but it is not significant. Thus, this has not been categorized as a shift in the number of poor people. Then there are several reasons why Aceh is still a poor area. The problem such as the unclear status of goods inventory to be handed over to the Regency/City at the Aceh Revenue and Wealth Service in which the Land and Heavy Equipment sourced from the Special Autonomy funds that have been handed over to the Regency/City have not been followed by the Minutes of Handover Accept and details. Non-compliance With Laws and Regulations in the Management of Special Autonomy Funds from 2008 to 2021, as shown in table 3.

**Table 3. Non-compliance With Laws and Regulations in the Management of Special Autonomy Funds from 2008 to 2021**

Problems	Finding Year
The price of installing Geogrid and Existing Soil of doubtful	2012
Realization of goods expenditures to be handed over to the public/ third parties in IDR 5.00 billion in the form of money does not comply with the provisions	2013
Overpayment:	2013
1. Lack of work volume for the construction of Multipurpose Building for the Regional Government Agency of South Aceh Regency, amounting to IDR 19.12 million	
2. The excess calculation of the work volume of the PPI Labuhan Haji Unloading Pier Construction, South Aceh Regency, is IDR 68.11 million	
Some market development work items at the Aceh Industry and Trade Office are not following the Budget Plan	2013
Overpayment for miscalculation for payment of lame unit prices on the Java Island-Ulce the Lheue Coast Guard work amounting to IDR 885.99 million	2015
Regional financial wastage on premium payments for JKRA participants with an invalid Population Identification Number of at least IDR 63.49 billion	2016
The absorption of the Aceh Province Special Autonomy Fund in 2017 was not optimal, and the management of the remaining Aceh Government Allocation Special Autonomy Fund was not following Aceh Governor Regulation Number 79 of 2013	2017
Preparation of the Self-Estimated Price and the procurement process for the construction of the Alue Waki Bridge Phase IV of Nagan Raya Regency (Aceh special autonomy) at the Aceh Public Works and Public Housing Service did not comply with the provisions	2018
Management of funds that have not been carried out in an orderly manner, namely the administration of agreements with banks in the management of regional treasuries, has not been orderly, the management of School Operation Assistance funds has not been orderly. Including the management of supplies at the City Environment, Cleanliness and	2019

Beauty Service is not yet fully adequate

Criminal acts of corruption regarding the construction of Arabic and English language laboratories sourced from special autonomy funds.	2020
Corruption in constructing a bridge in Aceh Besar, the suspects are government officials and corruption in the corn seed procurement project.	2021

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Source: LHP BPK RI

Several factors have caused Aceh Province to experience poverty until now. The rulers ignore the existing policies because these policies only benefit a few specific groups and ignore many people, especially the poor. This leads to policies that only impact social inequality, where the rich will get richer, and the poor will get poorer ([Amin Rachmat, 2006](#)). Some of the poverty that occurs in Aceh is caused by the following:

Development policy factors: One of the development policies in the Aceh Region, be it local, provincial, or national policies, has never taken sides with industry players, especially on coal directly. Coal business actors, especially in Ulee Pulo Village, are still poor ([Ananto et al., 2018](#)). The minimum wage received by workers is not balanced with the income generated by brick entrepreneurs. The reason is that workers are still poor, while the owners of capital enjoy wealth from their sales ([Ananto et al., 2018](#)).

Corruption is still rampant: Corruption is still happening in the Aceh region. Some of the corruption that just settled, including indications of corruption of 4 trillion rupiahs from unfair tenders, and the power group won the tender ([Cahyono, 2012](#)). Then, there were also cases regarding the mark-up for the purchase of medical devices amounting to IDR 21 billion, including the sale of scrap metal for the bridge frame which was sold to Medan, the case of the Governor's work fund of IDR 250 billion in 2008 to 2009 ([Cahyono, 2012](#)). At that time, there was a case that befell the Governor of Aceh, where there was a kind of political budget affair in the Governor's working fund with members of the Ach People's Legislative Assembly in 2011 reaching IDR 413 billion. The Aceh Governor's wiring funds is a waste because they only flow to certain parties related to their politics ([Cahyono, 2012](#)). The funds should have been used to benefit the people of Aceh, for example, for the relocation of people who were victims of natural disasters. The Aceh government also allowed mining, as many as ten mining permits, namely gold and iron ore that had been issued, but instead created conflicts with the people ([Cahyono, 2012](#)). Thus, this has led to development in Aceh that only relies on government projects that a particular group of people only enjoys. Even though Aceh gets many funds, the people cannot enjoy this welfare because only a few elites enjoy it. The real sector stagnates, unemployment is still prevalent, people do not get jobs, and a particular group controls projects.

Poor management of special autonomy funds. The way to see the failure or success of asymmetric decentralization is by indicators of Aceh's welfare since 2006. Welfare is placed as the final goal, while special autonomy is an effort to achieve it. However, the special autonomy fund for Aceh has not shown a significant improvement in the welfare of the Acehnese people. Judging from the economic growth rate, the area of development is more concerning. There were six sectors during the first quarter of 2010 that experienced negative growth, namely the services sector (minus 0.03%), the construction sector (minus 0.30%), the oil and gas processing industry (0.42%), rental, finance, and corporate services (minus 1.17%), oil and gas mining (minus 2.09%), and excavation (minus 8.55%) ([Cahyono, 2012](#)). The allocation of the Special Autonomy Fund from 2008 to 2010 encountered many obstacles and was not well-targeted, starting from the provincial level to the district/city level.

This is due to delays and errors in program planning from the provincial to regional levels. The government does not provide a place for a program to run, which causes activities to be unfinished. In fact, since 2008, there have been findings that the management of the Special Autonomy funds has not been implemented effectively. Some programs are not following the contract, payments exceed physical implementation, and many other activities are neglected. Then, there is still a lot of quality work or development that can be said to be still very low, and of course, the company cannot use this function because it is not appropriate and the procurement is not following the community's needs.

Another problem regarding the Special Autonomy funds that has led to widespread poverty in Aceh is the excess use of the budget (Indonesia: Sisa Lebih Pembiayaan Anggaran, abbreviated as SILPA). In contrast, in Qanun Number 2 of 2008 concerning Procedures for Allocating Special Autonomy Funds, it is stated that the allocation of special autonomy funds is 60% for districts and 40% for provinces. Then, when SILPA occurs from the Special Autonomy fund, it is also used as provincial income because large amounts of SILPA funds should return to the Regency/City. Due to the selfishness of managing funds in the provinces, often these funds are not on target, even though the central government disburses huge special autonomy funds every year, up to trillions of rupiah (Cahyono, 2012). Issues regarding the management of special autonomy funds create a less harmonious relationship between the provincial government and district/city government. The struggle for authority between the special autonomy funds management has led to a prolonged and relentless conflict between the Regent or Mayor and the Governor of Aceh.

The discriminatory politics that developed in Aceh, namely the development that was carried out in a discriminatory manner, was only intended for areas or groups close to power, meaning only those who supported the current Governor or in areas where there were supporters of the Governor (Cahyono, 2012). Development in the Aceh region will usually fall into the area of supporters. This is unfortunate because development has not been evenly distributed, the government's performance is abysmal. According to data from (Cahyono, 2012), in an interview with Tagore Abubakar, the Regent of Bener Meriah, in 2011, the area most affected by discrimination was Aceh in the central part. This discrimination occurs due to ethnic, cultural, and linguistic differences with Aceh. They wanted to separate from Aceh and their region.

## Conclusion

The special autonomy fund for Aceh has not yet had a real impact in the Aceh region due to poverty and economic disparities in Aceh. However, the past two decades have indicated that the implementation of special autonomy has not gone as expected. In the economic sector, the special autonomy funds are not managed properly, resulting in the welfare of the Acehnese people not experiencing improvement. The research shows that a particular group of people only feels the welfare community is not affected. The irony is that only a select few groups of people close to the circle of power feel the impact. If the government does not reconstruct the special autonomy fund for Aceh, it will result in Aceh, which will not progress further, and poverty will be more evenly distributed, even though there is already a special autonomy fund.

Based on the formulation of the problem, it can be concluded that economic welfare is highly correlated with other aspects of welfare, but it cannot be denied that the orientation of economic development is the goal of the unique autonomy scheme. This departs from the assumption that in order to build community welfare, the economic aspect must first be improved. Moreover, what causes Aceh to remain a poor area are various factors: income that is still not evenly distributed, there is still much corruption, and special autonomy funds that cannot be optimized.

Thus, the author provides several recommendations regarding poverty that has been increasingly rampant until now so that the government is aware of several solutions. Need transparency from the existence of the special autonomy fund so that the public knows programs being implemented or made by the government. With this transparency, the government will be more honest by allocating funds following established procedures to avoid embezzlement of money. Need for a cooperation scheme. Reducing employment who are still experiencing poverty and wages are only low required cooperation between the private sector and community and requires technology and innovation that is still low, for example, in brick companies. The private sector plays an essential role in efforts to continue industry so that it does not depend on government projects based on specific periods. During project season, this industry is overwhelmed in meeting market needs because many requests are not fulfilled, while in the low season, the project stops production. The private sector plays a role in filling this void. Then, the adaptation of technology is also needed. Society (consumers and producers) must understand that industrialization requires other alternative tools to make the job easier. That process is called innovation diffusion, namely how a new idea and technology spread in culture.

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