

Content lists available at SRN Intellectual Resources

# International Journal of Advances in Social Sciences and Humanities





Article

# A Study of Special Autonomy Policy and Its Effect on Aceh Community Welfare in Indonesia

Safrida Safrida a,\*, Rachmatika Lestari b, and Desi Maulida c

- <sup>a</sup> Department of Public Administration, Faculty of Social and Political Sciences, Universitas Teuku Umar Meureubo, 23681 Aceh Barat, Aceh, Indonesia.
- b Department of Law, Faculty of Social and Political Sciences, Universitas Teuku Umar, Meureubo, 23681 Aceh Barat, Aceh, Indonesia; rachmatikalestari@utu.ac.id
- Department of Communication, Faculty of Social and Political Sciences, Universitas Teuku Umar, Meureubo,
   23681 Aceh Barat, Aceh, Indonesia; desi.maulidadiar@gmail.com
- \* Correspondence: safrida1290@utu.ac.id

**Citations:** Safrida, S., Lestari, R., & Maulida, D. (2022). A Study of Special Autonomy Policy and Its Effect on Aceh Community Welfare in Indonesia. *International Journal of Advances in Social Sciences and Humanities*, 1(2), 82-92.

Academic Editor: Taufiqquddin Ande.

Received: 6 February 2021 Accepted: 20 May 2022 Published: 31 May 2022

Abstract: The management of special autonomy funds in Lhokseumawe City has not worked well, all market infrastructure development that uses the autonomy fund cannot prosper the community, and infrastructure development until now is still abandoned and cannot be used for community needs. The purpose of this study is to investigate the policy of the Lhokseumawe City government in the management of Aceh special autonomy funds. Also, to identify the management of Aceh's special autonomy funds in the field of market infrastructure is on target or not. This research uses a qualitative approach with descriptive research type analysis. The results showed that the policy of the Lhokseumawe City government in the management of market infrastructure through special autonomy funds included actors involved in the process of preparing special autonomy budgets, namely Badan Perencana Pembangunan Daerah (BAPPEDA) and also Dewan Perwakilan Rakyat Kab/Kota (DPRK), while the actors involved in market development that is Dinas Perindustrian Perdagangan dan Koperasi (DISPERINDAGKOP), and Satuan Polisi Pamong Praja (SATPOL PP). In conclusion, this study indicated that Lhokseumawe city government policy in the process of preparing the autonomy budget did not involve street vendors and the surrounding community as direct stakeholders. Market development planning programs are carried out in a "top-down" manner so that the impact on the resulting program is not appropriate to the needs and cannot be felt directly by the community. The development of market infrastructure using special autonomy funds is less felt by the community, this is because planning does not involve the community and is mostly not by the needs of the community, so in the field, the community rejects the help of this market development. The recommendation given in this study is that there must be community involvement in the Musyawarah Rencana Pembangunan (MUSREMBANG).

**Keywords:** policy; special autonomy; community welfare.



Copyright: © 2022 by the authors. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY) license (https://creativecommons.org/licenses/by/4.0/).

https://doi.org/10.56225/ijassh.v1i2.43

# 1. Introduction

Regional autonomy is a big demand for regions that have a lot of natural resources like Aceh. The implementation of the acceleration of regional autonomy has been explained in Law Number 32 of 2004 Concerning Regional Government, namely that the regions can regulate their regions themselves. In addition, the Central Government also gave special autonomy to support autonomous regions such as Aceh Province which was legalized in Law Number 18 of 2001 Concerning Special Autonomy in Aceh Province (Kuncoro, 2004). In practising government policy, Aceh Province year 2006 as explained in Law Number 11 of 2006 concerning the Pemerintahan Aceh (UUPA), Aceh was a provincial region that was a special legal community unit and was given special authority to regulate and administer government affairs and the interests of the local community following statutory regulations, and the Government of Aceh obtained the special autonomy region of Aceh. (Rasyidin, Muhmammad Hasyem, 2015). The enactment of special autonomy was implemented from 2002 to 2027 by providing special autonomy funds of approximately Rp. 100,000,000,000 (one hundred trillion rupiah) (USD 7,059,750,000), and further the funds provided will continue to increase from year to year. As data from the Aceh Financial Office as seen in Table 1 below:

Table 1. Number of Special Autonomy Budget of Aceh and APBD of Aceh Province 2008/2015

Year	Special Autonomy Fund (IDR)	Percentage	APBD	Percentage
2008	3.500.000.000.000	-	-	-
2009	3.700.000.000.000	5.71	-	-
2010	3.800.000.000.000	2.70	6.403.400.815.592	-
2011	4.510.656.496.500	18.7	7.089.389.677.661	10.71
2012	5.476.288.764.000	21.4	8.714.808.324.801	22.92
2013	6.677.902.153.000	21.9	10.111.367.470.983	16.02
2014	7.287.860.554.000	9.13	11.164.408.627.448	10.41
2015	8.402.850.996.000	15.29	12.010.742.783.065	7.58
Total	43.355.558.963.500		55.494.207.669.550	

Source: Aceh Financial Office (2015)

Table 1 shows recipient of special autonomy funds for each year continues to grow, even in 2015 there was a large increase of IDR 8,402,850,996,000. The special autonomy assistance provided to the Government of Aceh aims to improve the welfare of the community, including being used in several fields including infrastructure maintenance development, people's economic empowerment, poverty alleviation, education, health, and social. In addition, the budget of the Aceh Province APBD is also very large and devoted to the development of the entire regency/city. With the size of the budget, both special autonomy and the amount of APBD should greatly help existing development, but until now such a large budget amount has not been able to improve the welfare of the Acehnese people. Management of special autonomy funds based on Qanun Number 2 of 2013 concerning Amendments to Aceh Qanun Number 2 of 2008 concerning Procedures for allocating Additional Oil and Gas Production Sharing Funds, special autonomy funds finance development programs and activities, particularly development and maintenance of infrastructure, empowering the people's economy poverty alleviation and education, social and health funding (Pemeritah Aceh, 2013). The Lhokseumawe City Government gets a special autonomy fund every year for development, but the special autonomy fund given so far has not been managed properly, its management has not been based on the needs of the community. Moreover, these funds are quite large, reaching Rp. 117 billion every year.

However, the economic life of the people, in particular, is still far from prosperity (Serambi Indonesia, 2016), The amount of special autonomy budget from 2013 to 2015 for the Lhokseumawe city government showed an increase. This can be seen in Table 2:

Table 2. Number of Special Autonomy Budget and APBK Lhokseumawe City

Year	Special Autonomy Fund	APBK
2013	72.755.223.531	664.778.513.161
2014	73.732.980.017	795.850.276.317
2015	73.902.055.739	964.491.807.996

Source: Bappeda Lhokseumawe City (2016)

Table 2 captures the special autonomy fund budgeted for the Lhokseumawe City government also experienced an increase aimed at improving community welfare. Of the number of funds used for infrastructure development in terms of economic speeding, one of them is in the development of existing markets throughout Lhokseumawe City. However, what is happening now with the number of funds provided, both funds from the central government and from

funds generated by the Lhokseumawe City government itself, until now there are still many Lhokseumawe people who have not benefited from the funds provided for the last 20 years.

There are some inaccurate targets in the use of special autonomy funds, including funds for markets development purposing to improve the economy of the community, but until now it has not been used and is neglected, for instance, the program in 2012, namely the Development of the Kuta Kareung Fruit and Vegetable Market with a budget of Rp. 2,047,519,000 (USD. 144,549.72), then the program in 2013, namely the third Development of the Lhokseumawe Region Inpres Market with a budget of Rp. 1,901,000,000., (USD 134,205.85) and the Construction of the Los Angeles Traditional Market Village District of Banda Sakti Rp. 100,000,000,000 (USD 7,059.75) (Bappeda Kota Lhokseumawe, 2017). As stated in the examples before, many markets are built to improve the community's economy, however, the buildings made have not been able to use by society.

Regarding infrastructure development that is predicted to prosper the people, the Lhokseumawe City Government has realized several infrastructure programs or projects funded from special autonomy funds, following the description in Table 3:

Table 3. Several Infrastructure Programs Sourced special autonomy funds in 2012/2015

Year	Program Type	Budget Amount	Description
2012	Fruit and Vegetable Market in Kuta Kareung	2.047.519.000	Abandoned
2013	Construction of terminal building loading and unloading (continued)	4.757.300.000	Abandoned
2013	Development of Inpres Market Lhokseumawe City Phase III	1.901.000.000	Abandoned
	Development of Los Pasar Tradisional Gampong Kota Banda Sakti		
	District		
2014	Provision of Facilities and Infrastructure for The Management of Gar-	707.300.000	Abandoned
	bage (Special Autonomy)		
2014	Mon Geudong Stadium Parks and Cuisine	2.699.000.000	Abandoned
2015	Development of Los and Kios of Gampong City Market Phase II	100.000.0000	Abandoned
2015	Construction of MCK and Promotional Market Channel of Simpang Line 400.000.00		Abandoned

Source: Bappeda Lhokseumawe City (2016)

Table 3 describes all infrastructure development made by the Lhokseumawe city government using special autonomy funds aimed at improving the community economy through the provision of facilities and infrastructure such as markets, but the development that comes from public money cannot even prosper the community, even the markets and development built from the special autonomy fund in the field are not well managed. Almost the average use of special autonomy funds used for infrastructure development is still very minimally used for public development. Based on data obtained in Lhokseumawe City, especially in Banda Sakti District about 8 projects were built using special autonomy funds, some have been used by the community such as buildings in Legos. Of the successful development, only about 13% were used and about 87% had not been used by the community. Therefore, this is very impactful on the welfare of the community (Early observations, September 18, 2016).

Likewise, the traditional market building of many sub-districts in Lhokseumawe City, until now there are still many abandoned. Many projects are not on target and buildings such as traditional markets are left unattended, without any benefit to the community, even the development of markets built for the community, they do not even know the purpose of the development. Therefore, this only benefits the contractor who takes advantage of the work of the special autonomy and oil and gas project package of Aceh Province. Funds that should be aimed at the welfare of the community, such as infrastructure maintenance and improving the economy of the community have not even been implemented properly. Cahyono (2016) evaluated the implementation of the special autonomy of Aceh had failed in the welfare of the people. It is also complicated by internal conflicts after more than six years have passed, now we are witnessing how the implementation of special autonomy that has been running is not even in line with expectations.

Based on the previous research above, the study that the authors of this analysis have never done before. This research focuses on actors involved in the budget policy drafting process and the budget policy formulation process. The urgency of this research needs to be done is that the provision of special autonomy funds whose purpose is used to improve society, such as in terms of infrastructure maintenance and improving the economy of the community, in reality, has not been implemented properly. This study examined the policies of special autonomy and welfare of Acehnese people as seen from planning for the benefit of the community. Aspects that will be studied are the planning, and accuracy of special autonomy budgets in Lhokseumawe City.

# 2. Literature Review

Ulya (2014) studied the reflection Memorandum of Understanding (MoU) Helsinki about the meaning of special autonomy in Aceh. The results showed that the application of regional autonomy after reform focuses on the

independence of provincial regions in building their households. The concept of autonomy is divided into three, namely ordinary autonomy, special autonomy and special autonomy, which is emphasized in Article 18, Article 18A and Article 18B of the 1945 Constitution (Pemerintah Pusat, 1946). The reason for granting special autonomy status in Aceh is to eliminate GAM movement aimed at separating from NKRI. The granting of special autonomy status was held up through the Helsinki MoU which was transformed in Law No. 11 of 2006 concerning the Government of Aceh.

The method used is normative juridical. This research uses a statute approach and a case approach. Based on the analysis conducted it was found that the existence of the Helsinki MoU as outlined in Law No. 11 of 2006 on Aceh Government is a manifestation of the rapture of values that are a privilege in Aceh, as well as adding several other specificities such as regional politics. Aceh also has specificities and privileges in the Aceh Government Law, one of which determines the symbol and flag of the region. Zaki Ulya's research (2014) and this study, this study analyzed the problem of special autonomy given since 2008 for 20 years. The difference lies, in the author's research focuses on the formulation of special autonomy fund policies in the field of infrastructure using qualitative research methods, while previous research analyzed the problem of reflection of the Helsinki Memorandum of Understanding (MoU) in relation to the meaning of special autonomy in Aceh with normative juridical methods.

Faradisi (2015) analyzed the influence of Regional Native Income, General Allocation Fund, Special Allocation Fund, and Special Autonomy Fund on economic growth in Aceh Province Regency / City from 2008 to 2011. Economic growth as a dependent variable with indicators of Produk Domestik Regional Bruto (PDRB) growth rate, local native income, general allocation funds, special allocation funds, and special autonomy funds as independent variables. This study used panel data and Fixed Effect Model (FEM) analysis tools by taking samples of 7 regencies and 3 cities in Aceh province. The results showed that economic growth could be explained by the original regional income, general allocation fund, special allocation fund, and special autonomy fund of 87.30% (Adj R 2).

The link between this research and previous research lies in analyzing economic problems in Aceh from a special Autonomy fund. The difference lies, in previous research that used quantitative methods in data management and focused on determinants of economic growth in Aceh. While this research focuses on the formulation of special autonomy fund policies for development in the field of Lhokseumawe City infrastructure. The results of the study conducted by (Warouw et al., 2016), under the title "Analysis of the Use of Special Autonomy Funds in the Sorong City Government in West Papua Province", showed that Special Autonomy or Special Government in Papua was granted by the Central Government under Special Autonomy Law Number 21 of 2001. This law is given with the intention that there is special attention from the Central Government to all sectors of development in Papua.

Previous research methods used qualitative descriptive analysis methods. It is an analysis that collects, compiles, manages, and analyzes number data, in order to provide an overview of a particular situation so that it can be concluded, that the use of special autonomy fund budgets is focused on four things, namely health, education, economic empowerment, and infrastructure. The Special Autonomy Budget channelled by the Central Government to the City of Sorong is always increasing, always fully realized and there are no irregularities.

Previous research explained that the use of special autonomy funds for development in the city of Sorong Papua has been well managed in the fields of education, health, economy and infrastructure and no irregularities occurred. The equation of previous research with this study is to analyze the special autonomy funds provided by the central government for local governments that are distributed to all districts/cities as one of the privileges in terms of improving development, using qualitative methods that use data collection techniques in observation, interview, and documentation. While the difference lies, previous research focused on the analysis of the use of funds in Sorong City of West Papua Province, while this study focused more on planning the use of special autonomy funds in 2014/2015.

Further research was conducted by Cut Sri Hartati, Syukri Abdullah, Mulia Saputra (Hartati et al., 2016) under the title "The Effect of Receiving Special Autonomy Funds and Additional Oil and Gas Revenue Sharing Funds on Capital Expenditure and Its Impact on the District / City Human Development Index in Aceh" which uses quantitative methods. The results of this previous study showed that the variables of receipt of special autonomy funds and Tambahan Dana Bagi Hasil (TDBH) of Oil and Gas had a positive effect, both jointly and partially on district/city capital expenditures in Aceh. Receipt of TDBH Migas special autonomy fund and capital expenditure both jointly and partially affects the Indeks Pembangunan Manusia (IPM) of District/City in Aceh. This shows that the large receipt of funds from special autonomy funds and TDBH of Oil dan Gas allocated in capital expenditures can adequately increase IPM. The results of direct or indirect influence testing prove that capital expenditure does not mediate the effect of receiving special autonomy funds on IPM, then the test results also prove capital expenditure mediates the influence of TDBH Oil and Gas on IPM.

Previous research above explained that special autonomy funds are very influential on district/city capital expenditures both on IPM. The similarity of this previous research with this study in terms of equally analyzing the acceptance of special autonomy funds in Aceh, while the difference is that previous research used quantitative research methods by analyzing the influence of Aceh special autonomy funds impacted on Indeks Pembangunan Manusia (IPM), while this study focused on analyzing the management of special autonomy funds in the field of infrastructure in Lhokseumawe City.

Furthermore, the research conducted by Suharyo (Suharyo, 2016), with the research title "Special Autonomy in Papua and Aceh as an Embodiment of the Implementation of the Role of Law in Community Welfare". The methods used in this previous study were carried out qualitatively. The results showed that Special Autonomy in Papua based on Law No. 21 of 2001 on Special Autonomy for Papua Province, and Special Autonomy in Aceh based on Law No. 18 of 2001 on Special Autonomy for Aceh Special Region Province as Nanggroe Aceh Darussalam Province and Law No. 11 of 2006 on Aceh Government is a political solution, legal solution, and solution to realize prosperity in resolving security upheavals that want separation from the Republic of Indonesia amid the euphoria of democracy in Indonesia. The legislation as a product of the law, in it contains aspects of local democracy, people's welfare, human rights protection in the context of the Republic of Indonesia. With normative legal research methods, we seek to answer whether special autonomy laws are the embodiment of the role of law in realizing the welfare of society, to when it will be applied and how the obstacles faced in the implementation of the law. From the analysis conducted from previous research it appears that special autonomy regulations that can be said to be responsive legal products in their implementation are still quite a lot of obstacles that surround it. The implementation and continuity of special autonomy laws must still be elaborated further regarding its consistency, as well as its alignment with the achievement of community welfare. In conjunction with the previous studies, there needs to be a renewal of rules in the implementation of special autonomy consistently. Suharyo's research equation with this study is to jointly analyze the special autonomy that exists in Aceh using qualitative methods. The difference in previous research, Suharyo also analyzed special autonomy in Papua which focuses on special autonomy as an embodiment of the implementation of the role of law in the welfare of the community, while this study analyzes the management of special autonomy funds in the field of infrastructure in Lhokseumawe City.

# 3. Materials and Methods

This study is designed using a qualitative approach. Qualitative research is a humanistic research model, which places humans as the main subject in social or cultural events (Pasolong, 2012). This study uses primary data and secondary data as well. The Informants were determined by using the purposive method including Mulyanto Bappeda of the Lhokseumawe region, Muslem Kasubbid of the Non-APBK Planning of Bappeda, Halimuddin Head of the Department Industry, Trade, Cooperatives and Small, Medium Enterprises, Keuchik and local society as many as 4 people. Data collection techniques used by using observation, the researcher directly participated in the research location to analyze the abandoned market including the fruit and vegetable market in Kareung Kuta, it was found that many market buildings have been damaged, and the doors and roofs are no longer available and there is no road access anymore. Similarly, the culinary market and the *Pajasera* market on the second floor are not used at all just because the trading process is not as normal as the usual market. The researcher interviewed the actors who were involved in the market development planning process conducted in the Lhokseumawe region and documented projects that had not been functioned yet. Finally, the data analysis technique was carried out as presented by (Milles and Habermen, 2004) including reducing, presenting, and drawing conclusions.

# 4. Results

# 4.1. Special Autonomy and Welfare Policy of Aceh Community in Lhokseumawe City

# 4.1.1. Actors Involved in the Budget Policy Drafting Process

The main focus of the public policy is public service, which is everything that is closely related to the needs and improvement of the quality of many people. The main implementers of public policy are state bodies or government agencies as commonly referred to as bureaucracy. Broadly speaking, public services can be divided into two major parts, namely services that are mass (public service) and those that are individual (civil service). Those included in the realm of public service include the provision of public facilities, transportation, hospitals, schools, electricity, clean water, irrigation, public safety maintenance, electricity, and others. While those included in the civil service area include services in making the identity of residents, Poor Family Health Insurance (Askeskin), driving licenses, and other population administration.

Special autonomy funds are provided by the central government and managed by local governments even with the involvement of districts/cities that aim for development in the region and advancing the welfare of the community. Public policy on special autonomy is granted under Law No. 11 of 2006 in the Aceh government. The policy of granting special autonomy funds to Aceh Province is one of the political decisions to implement programs in order to achieve social goals.

In general, the issuance of a public policy which includes the management of special autonomy funds based on Qanun Aceh Number 2 of 2013 concerning changes to Qanun Aceh Number 2 of 2008 concerning procedures for allocating additional oil and gas revenue sharing funds and the use of special autonomy funds can be distinguished in two characteristics, namely 'flowing down' and 'seeping upwards' (Pemerintah Aceh, 2013). The first characteristic of what it means by being granted special autonomy funds is when the policy is formed by a group of elites. The dominance

of the ruling elite manipulates existing tools of power to strengthen interests and instil their values. While the second character means policies derived from the demands of the wider community, in the management of special autonomy, this has not been implemented properly.

Actors who frame public policy have binding powers for many communities such as the government, where the public expects the program to run from the special autonomy fund by the needs of the community. Therefore, in the process of making it must be governed by political authorities, namely those who receive mandates from the public or the public. But in practice that occurs, in terms of the management of special autonomy funds, there is no public engagement space in it, even in the implementation of development programs without a public hearing. The mandate is obtained through an electoral process so that the holder of that authority has the right to act on behalf of the people. The holder of this authority that we commonly refer to as official actors, namely the executive, legislative, judicial, and administrative bodies or government agencies (bureaucracy). Meanwhile, some belong to unofficial actors, namely interest groups, political parties, and individual citizens. The executive leader (president, governor, regent/mayor, and so on) is an element that plays an important role in the initiative and development of policy proposals. This policy can be contained in the form of decisions, regulations, or instructions.

The active role of a Mayor in the management of special autonomy funds for example can be seen from personal involvement in the formulation of policies together with the bureaucracy he leads. Together with the executive, the legislature also plays a crucial role in policymaking. Rules on the preparation of special autonomy budgets in the field of new infrastructure can be implemented if it has been passed by the legislature. Meanwhile, bureaucracy, the source of the proposer of a policy, this institution is also the main implementer of every policy produced. On the other hand, every citizen should have enough freedom to participate in the formulation of public policy, but in practice, it is not involved. In order for citizens to have a healthy critical attitude, sufficient self-esteem, and high confidence to propose their opinions, political information and public spaces must be opened as widely as possible for the benefit of many people.

Management of infrastructure through special autonomy funds is one of the policies that are launched by the government to help regional development. In implementing government policies, the actors involved in the formulation of special autonomy budget policies are controlled by a very minimal political elite, and there is not even the influence of input from the wider community. Therefore, in practice, the process of formulating policies for development planning with special autonomy funds is very simple, regardless of public needs.

Actors in the process of shaping public policy can be divided into two, namely the official actors who belong to the government or bureaucracy, executive, legislative and judicial and also unofficial actors, namely interest groups, political groups, and also individual citizens. However, in practice involved in the preparation of special autonomy budgets in the field of infrastructure only the government without community involvement. The process of preparing budget policies, especially in terms of the management of special autonomy funds, should all agencies be involved, for example in development planning. For now involved in the process of preparing special autonomy funds budgets including from related agencies such as the Regional Development Planning Agency (Bappeda) and also the DPRK, without community involvement. The lack of community involvement makes development not as expected.

# 4.1.2. Budget Policy Formulation Process

Budget policy formulation is a very important stage in development planning that is following community expectations. Individuals and community groups get space to participate or fight for their interests with a special autonomy fund that is so large given for the development of community infrastructure in Lhokseumawe City. In the process of policymaking, the authority rights holders absorb and accommodate it into the policies made, one of which is in the creation of the existing market in Lhokseumawe City.

In formulating a public policy, especially the management of special autonomy funds, the authority must adhere to a principle, namely so that a public policy can have the widest impact with the smallest risk. However, a policy must be carried out as effectively as possible and unexpected excesses or risks can be suppressed to a minimum. Public policy must in principle be an equilibrium or resultant achieved from the struggle of community groups. The size of a group's influence can be determined by several variables such as the number of members, organizational strength and group solidarity, funding capabilities, leadership, and access to decision-makers.

In fighting for each other's interests, each group can strategise by building coalitions with other groups. This is common in the legislature rather than the executive. The process of formulating special autonomy fund management policies is needed for the development planning process in infrastructure, including:

• Infrastructure development planning using special autonomy funds requires an understanding of the relationship between the Lhokseumawe City government and the required community environment that is part of it, but in infrastructure planning such as market making without a good relationship between the government and the five-foot swords so that the planning is rejected by the community.

- Something that seems good locally but is not necessarily acceptable to the community, because each community has different needs, so for planning there needs to be communication between the government and the community that will benefit from the development.
- Regional development in effective planning with special autonomy funds must be able to distinguish what should be done and what can be done, by using various development resources as best as possible in the development of the market in Lhokseumawe City so that it can be achieved, and benefit from complete and available information at the regional level due to the proximity of planning to the object of planning for community development that suits the needs.

The process of policy formulation in using special autonomy funds in the field of infrastructure requires gradual planning as described below:

- Data collection is carried out continuously, which serves to support and provide information at each stage of planning.
- All stages in the planning process are part of the cycle, then the objectives are periodically revisited, and the goals are reformulated onwards.
- A socialized plan is not the end of a process, but one that results from time to time for practical purposes. On the basis of the previous explanation, it can be described that the budget policy formulation process is in dire

On the basis of the previous explanation, it can be described that the budget policy formulation process is in dire need of accurate information and data. If outlined the stages of policy formulation depend on the following processes, namely:

#### 1. Planning

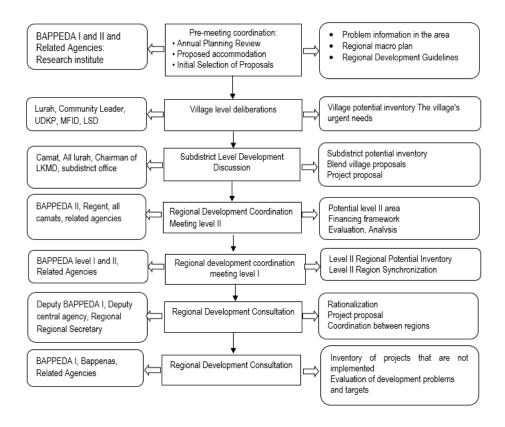


Figure 1. Outlines the process of policy formulation in development planning

Figure 1 indicates that the process of policy formulation in development planning requires many stages to be done, including the existence of information or problems coming from the community, and the existence of deliberation from the community level. The results can be explained policy formulation for the use of special autonomy funds for special infrastructure market development can be seen in the following Figure 2:

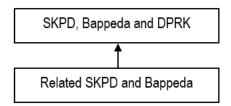


Figure 2. Planning Stages of Lhokseumawe Special Autonomy Fund Management

Figure 2 describes the management of special autonomy funds in planning is carried out so simply without involving the District or the community, even without the involvement of aid recipients such as street vendors or the surrounding community. Such development planning can be said in the formulation process using a top-down approach, where local governments play a role in determining budget allocations for the community without regard to local priorities or community needs so that many markets built using special autonomy funds until now cannot provide benefits to the community or get a useful impact.

Based on Article 1 number 18a Aceh Qanun Number 2 of 2013 concerning Amendments to Aceh Qanun Number 2 of 2008 about Procedures for the Allocation of Additional Oil and Gas Production Sharing Funds and Use of Special Autonomy Funds explains that in the management of special autonomy there must be deliberations on the planning of special autonomy development hereinafter referred to as Musrembang Otsus, which is a forum for preparation of program planning and development activities for Aceh and Regency / City development originating from special autonomy funds participated by representatives of the Aceh Government and Regency / City Governments and may include elements or other community representatives.

In the process of preparing budget policy planning and in the management of special autonomy funds all agencies are involved in development planning, the involvement of administrative bodies as government agents also determines public policy thus it has implications in determining community needs. For the time being involved in the planning process of the special autonomy fund program including related institutions, Bappeda, Disprindakop parties, consultants, Satpol PP and all SKPD in the Lhokseumawe region. However, planning for development programs using special autonomy funds such as market development planning in Lhoseumawe does not involve vendors or the surrounding community, so the programs made so far do not meet the needs of the community. Consequently, there are many markets not used by society as the target funds.

Based on an interview with Irwansyah as Head of Trade at the Department of Industry, Trade, Cooperatives and Small and Medium Enterprises, said that: "Regarding the budget formulation process of the special autonomy fund for market development in Lhokseumawe, data collection was first conducted for traders to be proposed to Bappeda to involve traders, for the initial planning of Industry, Trade, Cooperatives and Small and Medium Enterprises with existing data, while the street vendors themselves are not involved in market development planning because certainly the street vendors will refuse to build markets and revenue is different from the government so that the goals we want are not achieved, all the markets in Lhokseumawe before the data are collected, the number of traders available, and a careful planning process.

In this case, the government does not involve the community or the traders themselves as market-building users because according to him if the traders are involved, the planning process will not run according to the initial planning, there will be many opinions from different traders, and there may even be rejection. The description is not following the results of the study (Tsubouchi & Mori, 2021), where actually community or community involvement becomes necessary in the formulation because the impact of the policy will be centred on people who better understand the limitations faced so that planning can be more practical and needs. Based on this, the program provided so far has only been a program of the wishes of the government, not a requirement of the community.

#### Accuracy

The distribution of special autonomy funds from the provincial government to the Regency / City government is carried out on the basis of a memorandum of agreement between the Governor and the Regent/mayor. Article 183 of Law No. 11 of 2006 on the Government of Aceh (Central Government, 2006) states that OTSUS funds are prioritized to finance development, especially infrastructure development and maintenance, people's economic empowerment, poverty alleviation, and education, social, and health funding. By law, special autonomy funds are given to prosper the community, whereas in the use of special autonomy funds are divided and given according to their respective fields and implemented by their respective agencies. Therefore, the success of this program, of course, depends on the way or management policy of each agency that receives the program from special autonomy funding.

Based on the results of research in the field, it is explained that the policy of using special autonomy funds is given to meet the needs of the community, and market development is also one of the needs of the community in the informal sector. The market is needed in addition to tackling unemployment, the market is also used and provided as a place to

sell and regulate traders who still sell on the street and disrupt security and order, as well as the beauty of the city. The government clearly said there is nothing wrong with market development even without involving the community in its development planning, this is because if there is community involvement it will cause disputes, conflicts and differences of opinion so that development and infrastructure programs become incompatible with the expected goals.

The local government has not provided welfare rights, the community has not been able to determine its needs. The government that provides market development programs, even many markets are ready, but not even used by the community. Utilization of special autonomy funds for the welfare of the people should be used for productive things so that Aceh's economy, in this case, especially Lhokseumawe city becomes better in the future. Do not let the OTSUS funds that should be of great benefit to the community are not even channelled properly, for example, many long-term projects or fictitious projects. Large and abundant OTSUS funds will not be meaningful if there is no effect felt by the community.

According to Suaedi, Faldi dan Wardiyanto (2010), indicators of a successful policy and its failure include:

- 1. Judging from the process, namely the first by asking whether the implementation of the policy is following the design (design) concerning the policy. This is done by asking whether the program implementation is by what has been determined, namely looking at the program actions of individual projects, and secondly whether the program's objectives are achieved. The market-making program of the special autonomy fund in the Lhokseumawe region is the goal of improving the community's economy, but the program is not the actions and projects that should be, it can be seen that the market development cannot achieve its goal of increasing the welfare of the community, even the buildings that have been made can not be used and even looks abandoned. According to Jafaruddin, the General and Program Staff Subdivision in the Department of Industry, Trade, Cooperatives and Small and Medium Enterprises said that "The policy of using special autonomy funds is provided for the needs of the community as well as in the development of markets, the market is needed by the community other than to cope unemployment provided a place to sell can also be used to curb traders still running on the road and disturbing the security, beauty of the city, therefore the policy of the Department of Industry, Trade, Cooperatives and Small and Medium Enterprises with special autonomy funds makes the market on the right policy because market development is also based on community needs, unfortunately, it just not questioned to traders, thus it is concluded that everything is well since the market is the need of community". Development programs provided by the government are determined not based on needs caused by policy failure.
- 2. Judging from the achievement of its objectives, by asking whether the policy objectives have been achieved. This dimension can be measured by looking at 2 (two) factors, namely:
  - a. Impact or its effect on society individually and in groups. It can be seen that market development sourced from the special autonomy fund does not have an impact on the surrounding community, such as the vegetable market in Kuta Kareung, and there are several other markets that until now have not been used thus it becomes a damaged market. As explained by Muslem as the Head of the Non-APBK Planning Section at the Lhokseumawe's Bappeda, said that the abandoned projects in the Lhokseumawe region were left out of special autonomy funds, however when they were tried they would be re-functioning due to abandoned projects, abandoned development was due to the community being selfish towards development. given by the government, the community wants to have a direct impact or make money directly, which should be done in stages and made progress for the future of the community, for example, the market development is rejected by the community, even though it requires a process when all traders sell in the market but there is no trading process at all. Based on this case, it can be explained that the development of markets to improve the community's economy has not met the need of society and has not brought a positive impact on society as well.
  - b. The degree of change that occurs and the acceptance of the target group. The policy on the use of special autonomy funds for market development is provided for the needs of the community which is the needs of the community in the informal sector. The market is indeed needed by the community to tackle unemployment as well as to improve the economy and prosperity, but the market object in the Lhokseumawe region is not only in line with its intended development but also provided to the community even if it is not used properly.

#### 5. Conclusions

In conclusion, this study identified that the management of Aceh's special autonomy budget in the Lhokseumawe region related to market development programs to improve the community's economy starting from the budget planning process, implementing the planning process does not involve the community as users of the market itself such as vendors and surrounding communities who give a great contribution to the development. In terms of Planning so far

has been done top-down, where the public is not asked for prior information related to needs so programs made by the government, especially market development have been abandoned and cannot be used or accessed. Therefore, before starting the implementation of the program, from planning to program implementation, information and socialization should be given first to the community. Managing the special autonomy budget of Aceh, requires the involvement of all relevant stakeholders, both the community in general and especially the market user community because the community knows what they need thus the program is in line with what the community wants.

The problem behind the birth of a special autonomy policy for Aceh Province stems from the government's success in providing prosperity, prosperity, and recognition of the basic rights of the Acehnese people. The condition of Acehnese people in the fields of education, economy, culture and socio-politics is still very concerning. Some of them still live below the poverty line. In addition, fundamental issues such as human rights violations and denial of the welfare rights of Acehnese people have also not been resolved fairly and with dignity. This situation has resulted in the emergence of various discontents spread throughout the land of Aceh and expressed in various forms. So the target of this policy is not far from the problems faced by the people of Aceh and the will of the people, including the improvement of people's welfare, respect for civil rights and human rights or the basis of the people, the freedom to organize their households, and the equitable distribution of natural products for the people.

Based on the results of research in the field, the development in Lhokseumawe City is like an abandoned market, this is due to the facilities and infrastructure that have not been equipped so that it cannot be used by street vendors. The government built a market to help street vendors to be more organized in sales, but street vendors refused because the location was not strategic. So, the market is not a solution for traders, so there needs to be government firmness in making policies so that the implications are on target. The Local Government and also Satpol PP can work together for the implementation, therefore the need for firmness from the local government so that the implications of the development of the market can be carried out properly.

The management of special autonomy funds for planning is carried out so simply without involving the District or the community and even receiving aid such as vendors, a development built by the government is not based on community interests. Development planning using a top-down approach, where local governments play a role in determining budget allocations for the community without regarding the local priorities or community needs, so that many markets have been built using special autonomy funds are not able to meet the benefit to the community or get a beneficial impact for the welfare of the local community.

**Author Contributions:** Conceptualization, S.S., R.L. and D.M.; methodology, S.S., R.L. and D.M.; validation, S.S. and R.L.; formal analysis, S.S., R.L. and D.M.; investigation, S.S., R.L. and D.M.; resources, S.S., R.L. and D.M.; data curation, S.S., R.L. and D.M.; writing—original draft preparation, S.S., R.L. and D.M.; writing—review and editing, S.S., R.L. and D.M.; supervision, R.L. and D.M.; project administration, S.S.; funding acquisition, S.S. All authors have read and agreed to the published version of the manuscript.

Funding: This research received no external funding.

**Institutional Review Board Statement:** Not applicable.

Informed Consent Statement: Not applicable.

Data Availability Statement: Not applicable.

**Acknowledgments:** The author would like to thank Universitas Teuku Umar for supporting this research and publication. We would also like to thank the reviewers for their constructive comments and suggestions.

Conflicts of Interest: The authors declare no conflict of interest.

# References

Bappeda Kota Lhokseumawe. (2017). Program Infrastruktur Bersumber Dana Otonomi Khusus Tahun 2012/2015.

Cahyono, H. (2016). Evaluasi Atas Pelaksanaan Otonomi Khusus Aceh: Gagal Menyejahterakan Rakyat Dan Sarat Konflik Internal [Evaluation of the Implementation of Aceh's Special Autonomy: Failed to Welfare the People and Full of Internal Conflict]. Jurmal Penelitian Politik, 9(2), 1–22.

Faradisi, N. (2015). Determinan Pertumbuhan Ekonomi Di Propinsi Aceh. Signifikan: Jurnal Ilmu Ekonomi, 4(2), 151–172.

Hartati, C. S., Abdullah, S., & Saputra, M. (2016). Pengaruh Penerimaan Dana Otonomi Khusus Dan Tambahan Dana Bagi Hasil Migas Terhadap Belanja Modal Serta Dampaknya Pada Indeks Pembangunan Manusia Kabupaten/Kota Di Aceh. *Jurnal Administrasi Akuntansi: Program Pascasarjana Unsyiah*, *5*(2), 12–23.

Kuncoro, M. (2004). Otonomi dan Pembangunan Daerah. Erlangga.

Milles and Habermen. (2004). Metode Penelitian Kualitatif. Gholia offset.

Pasolong, H. (2012). Metode Penelitian Administrasi Publik. IKAPI.

- Pemerintah Pusat. (1946). Undang Undang Dasar Negara Republik Indonesia Tahun 1945. Pemerintah Pusat.
- Pemeritah Aceh. (2013). Qanun aceh no 2 tahun 2013 tentang perubahan atas qanun no 2 tahun 2008 tentang tata cara pengalokasian tambahan dana bagi hasil minyak dan gas dan penggunaan dana otonomi khusus. Pemerintah Aceh.
- Rasyidin, Muhmammad Hasyem, T. (2015). Desentralisasi Aceh Pasca Reformasi dan MoU Helsinki. Unimal Press.
- Serambi Indonesia. (2016). Dana Otsus Belum Mampu Sejahterkan Rakyat.
- Suaedi, Faldi dan Wardiyanto, B. (2010). Revitalisasi Administrasi Negara, Reformasi Birokrasi dan E-Government. Graha Ilmu.
- Suharyo. (2016). Otonomi Khusus di Papua dan Aceh Sebagai Perwujudan Implementasi Peranan Hukum Dalam Kesejahteraan Masyarakat. *Jurnal Rechtsvinding Media Pembinaan Hukum Nasional*, *5*(3), 323–337.
- Tsubouchi, K., & Mori, S. (2021). Pathway of adaptation to community relocation: prospects and limitations of community-centred planning. *International Journal of Disaster Risk Reduction*, 66(December 2021), 1–15.
- Ulya, Z. (2014). Refleksi Memorandum of Understanding (MoU) Helsinki Dalam Kaitan Makna Otonomi Khusus Di Aceh [Reflection on the Helsinki Memorandum of Understanding (MoU) in Relation to the Meaning of Special Autonomy in Aceh]. *Jurnal Konstitusi*, 11(2), 371–392.
- Warouw, S., Nangoy, G., & Runtu, T. (2016). Analisis Penggunaan Dana Otonomi Khusus Pada Pemerintah Kota Sorong Di Provinsi Papua Barat [Analysis of the Use of Special Autonomy Funds in the Sorong City Government in West Papua Province]. *Jurnal Berkala Ilmiah Efisiensi*, 16(1), 627–637.