

Mapping Spaces for Democratic Participation in South Aceh

Leena Avonius, assisted by Olle Tornquist and Fadhli Ali¹

This paper explores to what extent democratic local governance reforms have become effective and visible in South Aceh, one of the twenty-three districts in Aceh province, Indonesia. Aceh, having suffered from three decades of civil conflict that ended in 2005 in the signing of peace agreement in Helsinki, has a special status within Indonesia. Indonesian regional autonomy laws that determine local governance are thus effective in Aceh only in those matters that the Law on the Governing of Aceh does not cover. Aceh's political situation is also different from the other parts of Indonesia as it is the only Indonesian region that has local political parties. Conflict-related politics also still appear to prevail in Aceh.

The paper will pay attention in particular to the participatory aspects of local democracy, and examine some major challenges in South Aceh for people's participation in local decision-making processes. Based on a research project, funded by the International Centre for Local Democracy (ICLD) and conducted by the Aceh Institute and the International Centre for Aceh and Indian Ocean Studies (ICAIOS) in 2010-2011, the paper will discuss the results of the project and its recommendations on how to address the challenges of participation.

Democratic Reforms in Transition

In 1998 Indonesia changed course in terms of governance and centre-regions relations. In the aftermath of the fall of Suharto's three decades of centralised rule the fourth most populated country in the world² entered an era of *Reformasi*, and decentralization processes both in terms of political decision-making and economy began. Indonesia has fundamentally changed during the post-Suharto era. The Constitution 1945, which was considered to be a taboo not to be touched upon, has been amended four times since 1998. Election laws, as well as laws on political parties, parliaments and district councils have all been revised to better match democratic principles. Numerous new state institutions have been established to guarantee that the rule of law, democracy and good governance, including the Constitutional Court, the Judicial Commission, Anti-Corruption Commission, and Commission for Child Protection.

Districts (*kabupaten*) and villages were empowered by the decentralization laws 22 and 25 in 1999. Law 22/1999, later replaced by law 32/2004, provided wider authority for

¹ Leena Avonius is the International Director of ICAIOS. She was the Team Leader of the research group of this project. Fadhli Ali is Researcher at the Aceh Institute. The information for this report has been attained from the studies conducted in South Aceh by Fadhli Ali, Saiful Mahdi, Zubaidah Djohar and Teuku Kemal Fasya. The project's Academic Advisor Olle Tornquist's role has been vital for the research process as well as for preparing this paper.

² According to the Indonesian Bureau of Statistics BPS there were 237,641,326 Indonesians in 2010.

districts in decision-making and development. The law 25/1999 provided the districts wider autonomy in financial matters. The districts were for example given more power to decide on exploitation of natural resources in their area. But decentralization policies do not seem that brought about higher economic growth or better redistribution of income in the regions. There are at least two reasons for this. First, while democratic principles have been put on paper in laws, regulations and new government structures they have not necessarily been implemented well through practices and programs in the society. Second, policies that have been put in place during the reformation era have not necessarily been aimed to increase welfare.³ Decentralization has also meant decentralization of corrupt practices and vested interests of individual leaders or groups. Local governance has not yet become professional, effective, efficient and credible.⁴

Post-New Order decentralisation has not necessarily led to fully reformed democratisation of Indonesian regions, but rather into what Gerry van Klinken (2009) has called 'patronage democracy,' borrowing the term from Kanchan Chandra's study on post-independence Indian politics. Electoral democratic structures exist parallel to and are interlinked with traditional and new patronage networks that involve local elites, civil servants and businesspeople as well as leaders of religious and social organisations. In order to win local (district) elections a candidate must be well-connected in such networks that guarantee the necessary financial and social support.

The transitional nature of post-conflict society in Aceh where power relations and centre-region as well as province-district relations are under negotiation makes an analysis of democracy and democratic participation particularly challenging. On the one hand many features of post-New Order patronage democracy in other Indonesian regions are clearly present in Aceh. On the other hand, post-conflict politics based on the Helsinki peace agreement and the following LoGA, through which members of the former insurgency movement are to be reintegrated into political and economic structures that themselves are in the making, form particular conditions that do not exist in other parts of Indonesia. In order to fully grasp the nature and aims of the participatory research project that will be discussed in the second part of this paper it is necessary to describe in some detail Aceh's post-conflict conditions.

Aceh's situation has been different from other Indonesian regions even prior to the current peace process. First, the decentralization laws that opened up way for local democracy to develop in other Indonesian regions in the early years of the new millennium did not have much effect in Aceh that continued to be ravaged by the civil

³ Kartasamita, Ginanjar: *Strategi Pembangunan Ekonomi: Antara Pertumbuhan dan Demokrasi*, a lecture given at STIE Ahmad Dahlan, in Jakarta, 28 April 2008.

⁴ Indonesian Department of Home Affairs has evaluated the implementation of autonomy in the districts in 2007 and 2010. The evaluations show that majority of districts are not performing well. It has to be said, however, that some districts have very successfully used their wider autonomy to provide improved public services and enhance local development. These include for example Sragen and Surakarta in Central Jawa, Wakatobi district in Southeast Sulawesi, Hugua and Gowa districts in South Sulawesi, Solok in West Sumatra province, Serdang Badagai in North Sumatra, and Jembrana in Bali.

conflict. The martial law was lifted in 1998, but military operations continued in the province. The freedom provided opportunities for GAM to recruit more supporters and the conflict that had previously been limited to northern and eastern parts of Aceh spread all across the province. In 2003 a military emergency was again proclaimed in Aceh, and special conditions prevailed until the peace process. Second, Aceh had had a special status in Indonesia since the settlement of the Islamic rebellion in the late 1950s. However, the special status that was agreed on paper had not been put much into practice in the New Order years. In the post-Suharto era new special laws were passed to regulate Aceh's special autonomy status. The laws 44/1999 and 18/2001 stipulated more clearly what Aceh's special status would mean in practical terms, but neither law was implemented as the conflict continued.⁵

Aceh's long conflict ended in August 2005 with the signing of Helsinki MoU. The features of Aceh's special status that had been agreed upon in principle in Helsinki were given legal force through the Law on the Governing of Aceh (LoGA) in mid-2006. To implement the stipulations of LoGA five new Government Regulations and three Presidential Regulations are needed, determining political issues (the local political parties in Aceh), the division of authorities between the central government and Aceh government, as well as economic matters (oil and gas revenues). Since 2006 there has been a continuing negotiation process between Aceh and Jakarta government representatives to prepare the required regulations, and thus determine what Aceh's special status means in practice. Some regulations are still under negotiation.

In the context of such complex matters as local governance both the LoGA and national regional autonomy laws are followed, and it often remains unclear to what extent Aceh can diverge from other provinces. In Aceh, the province and districts sometimes have differing ideas how the mutual relation between the two levels should be organised. This is the case for example in the dispute over the management of Special Autonomy Funds, which currently form over half of Aceh's provincial budget (APBA). Currently some 60 % of these funds must be allocated to development programs of districts. This has been the case, but in practice the funds are not transferred to the districts, but remain with the province that allocates the funds to the districts as they implement the agreed development projects. Coordinating Forum of Aceh's districts Forum KKA has repeatedly requested that the funds should be transferred to the districts and the district governments should have full authority to manage them.⁶

Aceh's political structures are also in transition. The Helsinki MoU envisions Aceh's democratic framework as a multiparty democracy, in which both national and local political parties are representing the interests of their constituencies in provincial parliament (DPRA) and district councils (DPRK). The parties are entitled to put forward candidates in Gubernurial and Bupati elections, and independent candidates are also

⁵ The only aspect of these laws that was implemented were the articles that made Islamic Sharia law compulsory to all Muslims in Aceh. The implementation of Sharia continues to be a controversial issue in Aceh.

⁶ See for example Islahuddin (forthcoming): *Some Preliminary Notes on Aceh Special Autonomy Funds and Oil and Gas Earning Funds*.

allowed to run for these positions.⁷ To allow local political parties was the most difficult issue at the table in the peace talks in Helsinki, as the representatives of the Government of Indonesia were initially strongly against it. As an alternative there was an offer that Jakarta would assist GAM to establish a national political party, which was rejected by GAM. GAM representatives insisted instead that it was in their interests to allow anybody in Aceh to establish a political party rather than aim for a power-sharing arrangement with national political parties.

The inclusive democratic framework that was consequently drafted in Helsinki was upheld by the winning coalition in the 2006 elections when the Governor of Aceh and most district heads Bupatis were elected. It turned out that in the Gubernatorial election political party candidates had no chance against the independent candidates. Even in the districts that were perceived as stern supporters of national political parties and with anti-GAM majority voted for the pair Irwandi Yusuf, who despite strong GAM background was not supported by the Aceh Transitional Committee KPA,⁸ and Muhammad Nazar who represented a civil society organization SIRA.⁹ They won in all but six of Aceh's then 21 districts. In two districts another independent candidate pair won, and Golkar-nominated pair won in four districts.

Having executive leaders at the provincial level with strong links to GAM and the civil society turned out beneficial for peace and reconstruction in Aceh, as they had the skills and courage that were needed negotiate with both the central government and GAM's military commanders. Similar combination was victorious also in many districts: A GAM-affiliated Bupati with most commonly SIRA-linked Vice Bupati leads ten out of current 23 districts, while other districts are led by a pair representing most commonly a coalition of two or more national political parties. At the district level (as well as province level) it has turned out in practice that the GAM-SIRA cooperation has been less than smooth, and led into internal power struggles in the Executive.

After 2006 election it seems that it was possible to develop democratic representation and participation further and through these increase social and economic welfare in Aceh. There was openness that allowed new groups to approach the government and

⁷ MoU section 1.2. on Political participation outlines these principles. LoGA implemented the MoU by enabling the establishment of local political parties in Aceh. LoGA limited the participation of independent candidates to the first Gubernatorial/Bupati elections that were held in 2006, but in December 2010 the Indonesian Constitutional Court revoked the LoGA article in question (Art. 256), thus opening the opportunity for independent candidates in all future elections.

⁸ KPA was formed in late 2005 to represent GAM and particularly its military wing TNA to the Aceh Monitoring Mission and government agencies. This was an ad hoc solution as the disarmament of GAM demanded that the military structures of GAM must be demolished but at the same time there was a need to allow their representation in the processes of reintegration.

⁹ SIRA, or Information Centre for Aceh Referendum had been formed in 1999 to channel the popular demands to organise a referendum that would allow Acehnese to vote whether they want to be part of Indonesia or become independent. Later SIRA has become a political party with same acronym, but now referring to Suara Independen Rakyat Aceh, or Aceh People's Independent Voice.

cooperate with them. But the 2009 provincial parliament and district council elections seem to have taken Aceh to different direction. Towards the 2009 election local political parties had been established and six of them competed in the elections. The election results indicated that Aceh clearly moved away from the multi-party inclusive democracy that had been intended in the peace agreement, and towards de facto power-sharing between Partai Aceh (PA) that now represented GAM and national political parties, and Partai Demokrat (PD) in particular. In the provincial parliament PA won 33 out of 69 seats, which was far more than any of the following parties (PD has 10 seats, Golkar 8, PAN 5, PKS 4, and PPP 3 seats. All six other parties in the DPRA only got 1 seat each).

In the district councils the situation varies, but the dominance of PA is clear particularly in the northeastern part of Aceh. In seven districts PA won over fifty percent of the votes, and will be thus ruling the district councils singlehandedly until 2014. In ten districts PA's portion of representative seats is between 20-40 %, while other parties have at least potentially possibility of effective opposition politics through coalitions. South Aceh district, which is the focus of the research project discussed in this paper, belongs to this category. In the remaining six districts there are no leading political parties as any party holds maximum a few seats. In these districts voters have clearly elected individuals despite of their political party affiliation.

Since 2009 elections Aceh's provincial governance has become highly influenced by the PA and its internal frictions. Even though PA does not form a single majority in the DPRA in practice it dominates every parliamentary committee and decision-making. As the current party leaders are not in favor of the current Governor the cooperation between the Executive and the Legislative has become burdensome. In this year the DPRA has managed to pass only one bylaw (Qanun), which was the budget of 2011. The Qanun was passed finally in late April, only after the central government had threatened to cut the general allocation funds to Aceh. Similar problems are repeated in the districts. The openness that prevailed in the 2006-2008 period has vanished, and exclusive politics and economy that is dominated by PA/KPA¹⁰ and business people close to them has taken over.

The reasons why Aceh has moved further away from inclusive democratic model have been assessed by a number of scholars. After the 2006 election there were high expectations for a more accountable and less collusive government under Irwandi and Nazar. Even though the reforms have fallen short of high expectations many political agents interviewed by the Aceh Participatory Research Team in late 2008 agreed that serious efforts had been made to improve governance and to get rid of old corrupt practices. But corrupt practices nevertheless continued, and most political actors interviewed perceived it an acceptable part of a 'transitional period.' Handing over projects to former GAM commanders was seen as a necessary measure to sustain peace. Clean, corruption-free governance was seen something to be happening in the future, but very few could specify how long Aceh should remain in the process of transition.¹¹

¹⁰ These are often in practice including the same people.

¹¹ The Aceh Participatory Research Team, 2010. 'Frameless Transition?' In Olle törnquist, Stanley Adi Prasetyo and Teresa Birks (eds.): *Aceh: The Role of Democracy for Peace and Reconstruction*. Yogyakarta: PCD Press Indonesia.

The 2009 political turn that sidelined previously dominant parties and provided key positions in the provincial parliament and district councils to PA has strengthened the tendency of 'transitional politics and economy.'

To summarise the problems of democracy in Aceh: the electoral system in Aceh and in Indonesia functions relatively well. Elections in Aceh in 2006 and 2009, despite some intimidation and money politics, showed that electoral democracy is at least satisfactory. But the same cannot be said about what happens in between the elections in terms of public governance, decision-making, developing policies and planning. Between elections the situation 'patronage democracy' prevails, in which political parties, government officials and old and new powerful actors and power structures play roles. In patronage democracy connections and loyalties overrun common good. Lobbying and networking – methods commonly used also by liberal civil society groups and student organizations in Indonesia and globally – are main methods for promoting one's own interests. Decisions are made and priorities set in private meetings rather than through formal meetings where all interest groups would be present and have equal chances to present their interests. There seems to be lack of interest on establishing and strengthening any interest-based popular organizations that would have democratic access to the political and executive positions in the province. 'Transition' is presented as acceptable reason for upholding old corrupt practices.¹²

South Aceh Project

Based on the situation analysis briefly discussed above Olle Tornquist, Fajran Zain and Leena Avonius designed a participatory research project in late 2009. The aim was to see how research could be used to assist in enhancing democratization from below by way of developing a strategy that would be inspired by other experiences. As in the current situation many vital democratic actors of change in Aceh appear to be excluded from public governance processes the project aimed to examine how to make public governance in Aceh more inclusive. The initiators aimed to use applied research to facilitate transformative politics by examining how popular demands from below could be better organized to get their voices heard, and how could democratic inclusion of broad interest based organizations in public governance be ensured.

To achieve the goal it was considered better to focus on one district rather than the whole province. In this way, the questions discussed would remain more concrete and tangible. The selected district could function as a pilot case, in where the problems and options could be specified and from which other districts could later learn from. The selected district should have challenges that are typical for Aceh at large. A preferred district would need to be as much as possible untouched by the post-tsunami reconstruction, as in the main tsunami area conditions had been quite unusual due to massive international aid efforts since late 2004. Another condition that was thought to be important was that the district's 2009 election results would somehow represent the

¹² For more information see Törnquist et.al. *Aceh: The Role of Democracy*; Edward Aspinall 'Combatants to Contractors: The Political Economy of Peace in Aceh.' *Indonesia* vol. 27, April 2009; Leena Avonius et. Al. (eds.) *Building Peace in Aceh: Politics, Reintegration and Communities*, forthcoming.

inclusive vision of Aceh politics that had characterized the peace agreement. Thus, a district with multiparty district council was preferable, limiting the selection to those ten districts that had neither absolute majority of a party nor scattered representation of individual politicians. As most research had at the time focused on areas in the vicinity of the provincial capital Banda Aceh the initiators also wanted to focus on a district that would have been less studied. South Aceh district fulfilled the above criteria.¹³

It was, however, also considered necessary to ensure that there was sufficient will of local government as well as non-government actors to contribute and make use of the results. It was decided that Fajran Zain would visit South Aceh, the district that the team thought having most potential, and discuss with government and non-government stakeholders there to assess whether there was local interest towards this kind of endeavor. The visit convinced the initiators that the research project was possible, and a proposal was prepared for the ICLD with a recommended research focus in South Aceh district.

This research project aimed to map fundamental aspects of local democracy in post-conflict Aceh. In its initial phase (2010-2011) the project conducted a participatory research on democratic processes in South Aceh district. Four themes were taken under scrutiny: physical planning, production economy, social security and access to justice.¹⁴ The themes were developed in the beginning of the project at a workshop that brought together representatives of South Aceh district government and district council, academics and non-governmental actors coming from South Aceh district, as well as the representatives of ICLD and the two implementing organizations The Aceh Institute and ICAIOS. Based on two days of discussions a more detailed project plan was created. In addition to recruiting four researchers and a number of local research assistants two Consultative Groups were formed.

The research focused on existing practices, formal as well as informal institutions and highlighted challenges and opportunities for participatory democratic practices in Aceh. It identified key problems, but also discussed the possibilities to learn from other experiences. The leading idea of the research was that if one could specify the problems and options and engage actors of change in discussing and analyzing them, it would be possible to go from research to academically credible recommendations by identifying what would be the space for democratic improvements that are presently available in South Aceh and what could be learnt from other contexts where there have been similar problems and inspiring attempts to overcome them. Possible comparative examples included the most comprehensive historical cases of democracy-led combinations of welfare and growth in Scandinavia, but also more recent attempts to move in similar directions in for instance Brazil, India and the Philippines, as well as local cases in other parts of Indonesia.

¹³ Other possible districts would have been in the southeastern part of Aceh, but their closeness to Medan, one of Indonesia's biggest cities, was seen as a disadvantage. Another good candidates would have been West Aceh and Nagan Raya, but both were tsunami aid areas.

¹⁴ Initially a separate theme of education was to be included, but it was decided that education and health issues would be covered under 'social security' theme.

This kind of research project calls for a participatory and user oriented approach. A team of concerned local scholars needed to cooperate with senior international colleagues as well as local practitioners within the administration, interest organizations and civil society groups – to get access to the best possible information (theoretical/practical, local/global), get qualified comments on draft results and to foster implementation of recommendations. To ensure the maximum impact of research the project involved government and non-government stakeholders throughout the process. This was done by forming consultative groups that had regular meetings with research team to discuss the issues under scrutiny. One Consultative Group functioned at the provincial level, and included academics and civil society representatives with South Aceh background and commitment to develop their home district. The second Consultative Group was formed in South Aceh, consisting of government officials, politicians and civil society representatives. The second consultative group was clearly less successful, possibly because wider distance (as researchers were working in Banda Aceh and not based on South Aceh).

The aim of research was to identify and analyse the spaces for democratic interest-based participation and suggest ways to foster appropriate institutions and the capacity amongst key actors to promote and use them. The leading research question was ‘where do people go when they have problem that they deem to be of common (and not just private) concern?’¹⁵ This question can only be asked within the framework of some major sectors – we opted for access to justice, education, physical planning and production as they seemed to be particularly vital. As there are hardly any previous studies and very little reliable data available on South Aceh, it was essential to first establish an overall idea of these sectors, and their major problems. Only after that it would be possible to identify the problems and challenges of people’s participation, and to identify possible solutions.

The research was conducted by four research teams between June 2010 and November 2010. Each researcher was assisted by a number of research assistants with local knowledge. In the beginning of field research the team presented their research plans and initial hypotheses to South Aceh government representatives, consultative groups and to non-governmental stakeholders in Tapaktuan (the capital of South Aceh district). All researchers collected data through interviews, focus group discussions, and observation. A researcher conducted a survey with a structured interview forms amongst village chiefs. Secondary research material was collected in forms of government documents, statistics, media coverage etc. Each researcher had to prepare a research report, which were repeatedly revised after having been commented and discussed by the Team Leader as well as the fellow researchers in coordination meetings of the research group. The drafts were also presented to consultative groups and to South Aceh stakeholders.

Project’s academic advisor Olle Tornquist joined the research team in a visit to South Aceh in September 2010, and in addition to attending the seminar with the South Aceh

¹⁵ See Olle Törnquist, 2009. ‘Introduction: The Problem of Representation! Towards an Analytical Framework.’ In Olle Törnquist, Neil Webster and Kristian Stokke (eds.): *Rethinking Popular Representation*. New York: Palgrave MacMillan.

stakeholders had individual consultations with each researcher. His student Ida Hauger Ratikainen, who was during that time preparing a MA thesis that compared Scandinavian and South Aceh democracy, participated in these meetings. After the visit to South Aceh, the team with Olle Tornquist and Team Leader Leena Avonius started to push for deeper analysis of the spaces of democracy and participation in South Aceh. The researchers had mapped quite well the situation and major problems, but they had been less successful in analyzing the problems and preparing recommendations. For example access to public services was often brought up as a form of participation in decision-making processes. A lesson learned from the process is that it would be important to provide good theoretical framework to the researchers in the beginning of the research, which the timeframe of this project did not allow. To some extent the difficulties in grasping theoretical issues reflects current weaknesses in social and political analysis in Aceh, which is not uncommon in a post-conflict society like Aceh.

The researchers were asked to revise and complete their research reports towards the end of 2010. In the sections below the main results will be summarized, together with recommendations that were generated from the team's discussions of the results. Before discussing the results and recommendations a brief description of South Aceh district is given.

South Aceh's current situation

The district of South Aceh (Aceh Selatan, see the lower part of Aceh province map below) is one of the 23 administrative districts in Aceh. It is located on Aceh's western coast in Indonesia. Its land area is 400,510 ha. Its coastline is 174 kilometers long. South Aceh district is divided into 18 sub-districts, and there are 248 villages in the whole district. Its administrative centre is Tapaktuan. South Aceh has a population of 211,564 people. There are around fifty thousand households, with an average size of four persons per household. The population consists of three ethnic groups: around 40 % are Acehnese, 35 % Jame, and 25 % of Kluet.



Aceh peace process that started in August 2005 by the signing of Helsinki MoU between the Government of Indonesia and the Free Aceh Movement GAM has brought about many changes in South Aceh. The district and its population were badly affected by the civil conflict, and its economy and government are still struggling to rise from poverty. Peace process has introduced political changes and advanced democratization of the district. South Aceh district held its first post-conflict election of the District Head (Bupati) in 2007. Independent candidates, Husein Yusuf with his Deputy Daska Aziz were given the popular mandate to lead the district government for a five-year term. In 2009, a new district council was elected. Ten political parties won seats in the 30-seat district council. The largest group is Partai Aceh, a local political party that was established by the former GAM combatants. It holds ten seats. Two next biggest parties are national: Partai Demokrat and PKPI both hold four seats. Amongst the remaining parties there are also two other local political parties in the council, each holding one seat. The existence of other local political parties than the PA makes South Aceh district special as in most districts local parties could not pass the electoral threshold.

South Aceh district government consists of 27 departments, agencies and offices. There are 7.014 civil servants. The high number of civil servants is a problematic issue in the district, as during the last five years over 70 % of the district's annual budget has been spent on the salaries and other costs of bureaucracy. Due to this, less than one third of budget funds are available for government programs and public expenditure. The government recognizes the problems that this causes to the district's development and economic growth, and is currently considering ways to cut down its routine costs.

The main sources of livelihood in South Aceh are agriculture and fishing. Over two thirds (67,8 % or almost thirty-five thousand households) earns a living from farming

food crops or cash crops. Main food crop is rice, and main cash crops are nutmeg and palm oil. Patchouli oil is also being produced in South Aceh. There are some six thousand fisherman households in 14 South Aceh's sub-districts. All major production areas still have great growth potential in South Aceh. There is plenty of idle farmland, and under-developed technology keeps the production of fisheries far below the Maximum Sustainable Yield (in less than twelve thousand tons, which is some 40% of MYS).

Some 70 % of South Aceh's land area falls under categorization of various types of conservation areas. Eighty thousand hectares belong to the Gunung Leuser National Park. In the long run the wide conservation area could be seen as a challenge for increasing agricultural production. Yet, at the same time the National Park and conservation areas could provide additional sources of livelihood if for example ecological tourism would be developed. The unique nature also attracts many researchers of flora and fauna. The conservation area can also support the district's economy thorough carbon trade.

Research Results and Recommendations

The research conducted in this project brought up numerous and complex problems and challenges in South Aceh's development in the four fields that were under examination in our research.¹⁶ The major issues can, however, be summarized as stagnating production, poor democratic governance, limited capacity of citizens to participate, and lack of vision amongst the district leadership.

Stagnating Production

The South Aceh economy is currently experiencing stagnation in production. Stagnation can be detected in idle fields, the non-increasing production of rice, decreasing production of nutmeg, and only a very slow increase in the production of fisheries. The market in South Aceh is sluggish with low purchasing power of both consumers and the government. In the post-conflict period a number of shop-houses have been built in South Aceh, but today there are many closed-down shops or shops that have never even opened their doors in South Aceh's commercial centres Tapaktuan and Kuta Fajar. Unemployment rate in South Aceh is 9,83 %, which is higher than the neighboring districts Aceh Singkil (7,81 %) or Aceh Barat Daya (7,21 %).¹⁷

A number of reasons can be given to the stagnation. First, there are limited budget funds available to support production economy due to the fact that some 70-73 % of the district budget is spent on the salaries of civil servants and routine operational costs. As most funds are spent on maintaining the government bureaucracy, very little is available for public expenditure and investments that are often essential in

¹⁶ A full research report *Pemetaan Ruang Demokrasi di Aceh Selatan* was handed over to South Aceh government representatives as well as the Aceh Governor in early 2011. The results will be published later in a book.

¹⁷Balai Pusat Statistik: 'Hasil Sakernas, Indikator terpilih Ekonomi Aceh sampai bulan Agustus 2010.'

economically difficult times to stimulate the local economy and counter the effects of recession. Thus the government does not have funds available for projects proposed by residents even if they in principle would agree that they are important.

Second, the lack of funds allocated to programs, but also poorly designed, implemented and coordinated interventions in the key economic sectors are hindering production development and economic growth. For example, infrastructure in the fields of agriculture and fisheries is insufficient. Irrigation system has been built in many sub-districts, but only parts of it are fully functioning.¹⁸ If the infrastructure would be made fully functional it would remarkably increase the productive area of rice fields in South Aceh district. In nutmeg production – a major product of South Aceh – has been seriously affected by a pest over the last years. The lack of coordination has made efforts to solve the problem ineffective. In the fisheries – another important economic sector in the district – there are limited opportunities to raise capital available for the fishermen, and the investment climate is not considered attractive by those who hold capital.

There are also more structural problems that hinder economic production, both in the government and amongst the economic actors. Government departments tend to plan and implement programs sectorally, without coordination. This may lead into situation that a program supported by one government department will conflict with programs by other departments. Poor capacities of organisations representing the farmers and fishermen add up to the weaknesses that uphold stagnation of production.

Poor Democratic Governance

There is now increasing awareness that electoral reforms and democratic elections are not sufficient to bring about fundamental transformations in post-conflict areas. They must be accompanied by efforts to strengthen the capacity of the government departments and officials to run the government, prepare rational budgets and ensure that public expenditures are healthy and supportive of local economy and welfare. In post-conflict Aceh most good governance-programs have so far focused on the provincial level while few efforts have been made to improve the governance at the district/municipality level.¹⁹

Poor governance is visible in many ways in South Aceh government. A factor is the low capacity of civil servants. It is not always a question of poor skills as such, but poor allocation of human resources. In South Aceh, like elsewhere in Aceh, civil servants are regularly rotated from one department to another, without paying attention to what a person's educational background, personal skills and interests are. Meritocracy rarely plays a role in recruitment practices. Due to this, government departments lack staff members that have expertise in the field they are working in. For example, the fisheries department in South Aceh only has one staff member who has a degree in fisheries. Instead of expertise and merits civil servants appear to be recruited due to their family

¹⁸Research report by Fadhli Ali.

¹⁹In 2011 GIZ has recently started an EU-funded program that aims to improve the governance in eleven of Aceh's twenty-three districts. This program includes also South Aceh district.

or other connections. This is apparent for example in education and health sector: in primary schools there is a surplus of teachers but many of them are not qualified teachers even though the Indonesian law on education demands this, and the respondents working at the district hospital complained that they are pushed to hire staff that has no medical training but are relatives of 'important community members.'²⁰

The lack of transparency in governance is another fundamental problem that prevents people's participation in decision-making in South Aceh. While development planning processes in Aceh like elsewhere in Indonesia are in principle transparent and participatory, in practice citizens find it extremely difficult to access information on decisions that have been taken by the government, on budget allocation, and on decision-making processes that led into accepting some proposals and rejecting others. A survey conducted by the research team examining physical planning in South Aceh concluded that while at the village and sub-district level citizens are able to put forward their proposals via Musrenbang mechanism and make democratic decisions on which projects should be prioritised, it often happens that at the district level Musrenbang meeting their prioritised proposals 'disappear.' Projects that are accepted for implementation by the district government are often introduced by 'insiders' i.e. persons or enterprises that are well connected with high officials in the government.²¹ As a result the projects that are put forward by villagers themselves and based on participatory decision-making at the village level and the actual needs of the village are not implemented while projects that are based on interests of some individuals receive government funding.²²

Limited capacity of citizens to participate

But the government alone is not to be blamed for South Aceh's situation. The problems the district is confronting are complex and must be addressed from a number of perspectives. It is clear that in South Aceh there is democratic space for citizens' groups and organisations to move and manoeuvre. There are no restrictions to people's freedom to assemble and express their opinions. The authorities do not suppress demonstrations. Journalists can work freely. The space may be limited by poor access to information and lack of financial means, but it nevertheless is there. And yet, the citizens, neither as individuals nor as groups, do not maximally use the available space.

This does not mean that there would not be people's associations or organisations in South Aceh. Vice versa, they are numerous. There are some four hundred farmers' and fishermen's groups in the district. In addition to these there is a farmers' association (KTNA), a farmers' and fishermen's joint association (HKTJ), a labour union (SBSI), and a Chamber of Commerce to support entrepreneurs. In addition to these modern organisations there are traditional adat institutions in most socio-economic fields:

²⁰Research reports of Fadhli Ali and Teuku Kemal Fasya.

²¹ Nowadays these insiders seem to be most often connected with the KPA, and thus close to GAM-affiliated Bupati. The Head of the Chamber of Commerce suggested in one of the research seminars that the 'traditional businessmen' of South Aceh had been sidelined by the KPA.

²²Saiful Mahdi's research report.

Panglima Laot in fishing, Keujrun Blang in wet rice farming, and Seunebok in plantation/garden farming to mention the most relevant ones for this paper.²³

The problem with the modern organisations in South Aceh is, however, that they mostly exist on paper. Most of the year they are idle, and they become only active during the time when government assistance to farmers is being channelled. The organisations are thus merely tools to channel government aid.²⁴ There was an indication that at least some school committees – parental committees that have been established to control how the schools are run and provide input to the School Principal and teachers – also only meet twice a year, in the beginning of each semester when government assistance to schools is transferred.²⁵

It is not possible to pinpoint any core reason why citizens do not make the best out of the existing opportunities to participate in government's decision-making processes and affect government policies. Researchers identified some reasons that may make the organisations less attractive. Many organisations, and particularly the traditional ones, do not have strong networks and cooperation with partners outside their own village. Their activities are limited to their own community, which gives them little power to have impact on the government decisions that are taken above the village level.

The lack of networks also limits access to information and new ideas. School committees do not communicate about their problems and solutions to each other. The study identified some well-functioning school committees, and concludes that it would be important that the experiences from these committees would be communicated to other schools. It also seems that the district-level Education Council (MPD) that could potentially function as the body to forward input from the grassroots to the government has not taken this role, but functions more as a government partner in implementing the government programs. For organisations functioning in the economic field networking and cooperation with sister organisations would be equally important.

Another problem is the lack of organisations that represent the interests of particular producer groups. It is quite surprising that in a region like South Aceh where several cash crops are produced – nutmeg, patchouli oil, palm-oil, as well as some others – there are no strong associations that would represent the interests of the producers of these commodities. National associations of palm-oil, rubber or coconut producers do not have branches in South Aceh. But there are signs in Aceh that the situation is gradually changing. In Pidie Jaya district the coconut producers have formed their own association. In South Aceh, during the time of our research an association of nutmeg farmers was established. Patchouli oil farmers are currently getting organised with assistance from the Czech Caritas program that aims to empower local farmers to improve the quality of their product, and get a better price in the global market.

As organisations are weak or ineffective to represent the interests of citizen groups, strong and innovative individuals take initiative to prepare proposals and start projects. These efforts can have either positive or negative impact on the overall situation

²³ Fadhli Ali's report.

²⁴ Fadhli Ali's report.

²⁵ Teuku Kemal Fasya's report.

depending on how altruistic or egoistic are the intentions of the individual. For example an active School Principal who has connections outside the district may successfully be able to extract funds from the provincial or national level for his own school by bypassing the problematic district-level government department. But if the School Principal is passive he may decide against any action and let the school to be run down. The role of individuals is a determining factor also in other sectors. Individuals with good connections take proposals to Bupati or government departments outside the formal development planning mechanism. The proposals presented by people who are part of a patronage network are processed and accepted – possibly thanks to corruption though that is difficult to prove – while the proposals based on community needs and collective efforts become sidelined.

The predominant role of individuals is also related to the strongly patriarchal culture of South Aceh that has over the decades been maintained by the hierarchical and centralised bureaucracy. Villagers who are not in a leading position feel that they cannot take initiatives that would bypass the village chief, school teachers will leave the initiatives for the School Principal, and in government departments the staff members hesitate to suggest improvements as they might be perceived as criticism towards the Head of Department. The consequence of this is that all initiatives and all messages from below are highly dependent on particular individuals, on their willingness and capacities to act on behalf of the people. Capable leaders can and have moved masses in South Aceh, as could be observed in 1999 demonstrations demanding referendum for Aceh: in those days South Aceh was a very active district to voice these aspirations.

As citizens perceive that opportunities to influence the decision-making is limited and that despite the promises old corrupt practices seem to continue, there are increasing frustrations in the society. There have already been some examples that mass action has taken destructive rather than constructive forms. In late 2009 the people in Pasie Lembang village showed their frustration towards the government's inability to negotiate a land dispute between the village and the Gunung Leuser National Park by sealing the park agency's office and cutting down hundreds of trees in the national park.²⁶ In the sub-district of Bakongan the frustrated citizens burned down the healthcare centre that they considered was not functioning.²⁷ There have been several demonstrations in South Aceh district against mining companies or government providing licences for such companies while citizens are not benefiting from these enterprises. To conclude, the capacity for mass action is there in South Aceh, but taking negative and destructive forms.

Lack of vision amongst the district leadership

In order to develop South Aceh needs a clear vision for its future, and this vision must be translated into action in the long-term, mid-term and short-term plans. They should also be reflected in the district regulations that implement the national and provincial policies. The research team found very little indication that there would be a vision for South Aceh's future amongst the government officials interviewed. More often the district leaders were accusing outside factors – the lack of interest on the side of the

²⁶ Zubaidah Djohar's report.

²⁷ Teuku Kemal Fasya's report.

province and the central state, or the lack of outside investments – for the bad state of the district. They did not come up with visionary solutions for the problems even when they had an idea what the major problems were. The lack of vision makes the government to look pessimistic towards the future, and passive in terms of solutions.

Instead of making the necessary changes to turn the course of South Aceh towards a brighter future the same old practices seem to continue. This can be seen in the ever-increasing government bureaucracy. There are now twenty-seven government units in the district, and no less than sixteen sub-districts – and in 2011 the number will increase to eighteen – and the running of the bureaucracy will thus in the future consume even more of the district budget. There will be even less funds for developing the district and improving public services. In fact, the government bureaucracy should be slimmed and made more efficient, not made fatter and slower.

The lack of vision is also visible in the government actions in the field of economy. The government provides small assistance here and there, and has failed to handle the big issues like the nutmeg pest that has had serious impact on one of the main products of the district. There have been no strategic public investments for developing the most potential economic fields. Neither have there been active efforts to attract outside investments. Vocational education has not been developed to serve future needs of the district.

Recommended solutions

A core problem of South Aceh's development is low participation of people in policy-making and decision-making. Indonesian law 25 in 2004 on Development Planning System established Musrenbang as a mechanism that should guarantee people's participation in development planning, but our research shows that Musrenbang has not enabled people to participate successfully and fully in development planning processes. In fact, some villagers are so disappointed at Musrenbang system that they have stopped coming to the village meetings that should be the basis of participatory development planning. Their frustration has primarily been caused by the fact that the communally made proposals that were based on villagers' own needs and interests were not successful at the upper levels of Musrenbang process. They did not know why their proposals 'disappeared' and were sidelined by others brought through the backdoor by people with connections.

It is obvious that in order to improve people's genuine participation in the decision-making the processes should be made more transparent particularly at the higher level (district level). In addition to poorly functioning development planning mechanism that fails to push through communally agreed development plans, the civil organisations and associations also are falling short of their ideal roles in South Aceh. There are hundreds of organisations and workers' groups, but they materialise only when government assistance is channelled and fail to represent their groups' interests and aspirations to the government. Either these organisations must be strengthened and transformed or new interest-based organisations and associations be established to represent various groups to the government.

To develop a solution that would improve people's participation in decision-making in South Aceh this project looked into experiences elsewhere. The successful historical Scandinavian experiences of combining welfare and growth were discussed. In the 1930s Scandinavian countries developed mechanisms that would protect them against aggressive capitalism and industrial conflicts, economic depression and poverty. The fundamental condition was that the benefits from the early Keynesian stimulation of the economy and the favorable export markets could be sustained thanks to central level collective agreements between employers' associations and trade unions, with the support of the new social democratic government. It was important that all parties benefited from the agreements. For entrepreneurs the incentive was industrial peace, and reasonable wage levels. Through collective agreements the trade unions gained equal wages benefiting particularly low-wage workers, more jobs and investments and growth also in weaker sectors. Wage earners themselves found security in equal wages, and were guaranteed basic social security through the state. Gradually the wage earners also gained influence in the country's executive boards and commissions.

It is obvious that Scandinavian model cannot directly be implemented in South Aceh. The situation and preconditions in South Aceh today are in many ways different and less favorable than they were in the 1930s Scandinavian countries. The scale is also different as Scandinavian models were designed for whole countries, while in Aceh we are only focusing on one district in one province. But Scandinavian example provided a vision for South Aceh by proving that enabling genuine participation of interest-based groups in public decision-making can enhance both economic growth and improved welfare. To develop a particular solution for South Aceh's situation, the research team recommended that the district government of South Aceh would facilitate production-related, interest-based representation (workers as well as entrepreneurs) in the process of making policies on how to develop the district. This could be done by establishing a forum that brings together government representatives and representatives of interest-based groups of key production sectors. Additional actors and institutions (media, NGOs, adat leaders etc.) could be enrolled if deemed necessary and agreed upon by the forum members.²⁸

It is important that such a forum would not be competing and trying to replace any existing planning system, but rather complement their work and assist them to improve participation. The forum should only work for a limited period of time (2-3 years for example) and have clearly defined and jointly agreed tasks. In Aceh and in Indonesia it is relatively easy to establish committees and forums, but far more difficult to make them fully functional. A risk is that the forum would become yet another body eating up government funds without much real impact on the overall situation. To avoid these risks the research team looked into experiences elsewhere in the developing countries.

The Indian state of Kerala is an example on attempts to foster locally rooted people's planning of development. In Kerala the state level planning board with local units was established to facilitate people's participation in development-planning. The government allocated significant proportions of its development budget for such local planning (30-40% of the planning budget). The local level development planning

²⁸ All four researchers also came up with a list of sectoral recommendations, but those will not be discussed in here.

committees had representation of all key stakeholders. Their work was fully transparent. The decision-making of which development projects to fund and pursue was in the hands of elected politicians in the local councils as well as the planning board. Brazil's Porto Alegre established a participative budgeting system in 1989, to find a way out of the unbearable situation in which the city did not even have sufficient funds for minimum level public works due to corrupt practices and massive number of citizens living in shanties that were neither formally existing nor supported. Led by a reformist Mayor the City Hall started to facilitate people's participation in budgeting and establish a transparent budgeting system. Gradually increasing number of people has been included, and the results are visible in improved services and healthier economic situation.

Such examples are important to assist to further design South Aceh's own model on how to increase participation of people in decision-making. In February 2011 the team presented the research results and the recommended solution to South Aceh government and non-government stakeholders. The response was very positive, as all agreed that the problems raised by the research were real and that there was a need to jointly take action to change the situation. Some were hesitant whether a forum would function, considering how many efforts there have been before in Indonesia to facilitate participation. But even the skeptics were ready to give it a try. The team then met with a number of politicians from the district council as well as government representatives who were also ready to move forward. With them more detailed discussions were held on how to proceed in practice.

South Aceh district government planning agency Bappeda was considered to be the best government body to take the leading role and coordinate the forum, both because of its central role in development and for the fact that its current Head is a progressive-minded person whom the research team found particularly committed to the project. In addition to stakeholders mentioned above, committed researchers and experts will also be needed to assist the forum in its work. Forum's tasks would include research, planning, facilitation, coordination and supervision of development programs. All its work must be transparent and open to public scrutiny. The Forum would have the right to suggest how substantial parts of the development budget should be used in the two target areas that were decided in the meeting where the idea was discussed: fisheries and plantation agriculture (*perkebunan*).²⁹ The Forum would, however, not play any role in implementing programs, while it would work closely together with other development agencies. All decisions over accepting proposals would remain to be taken by the district council. To implement the committee's proposals, the local and provincial government should be prepared to engage with relevant universal welfare measures to facilitate agreements between the interest representatives to foster development. And in implementing the proposals, many additional government units, administrators as well as actors in society are to be involved.

The implementing organizations of research project the Aceh Institute and ICAIOS as well as the ICLD are willing to further support the establishment of the forum. Currently

²⁹ These two sectors were selected, because they have highest potential of providing employment and economic growth.

preparations are on the way to move towards the implementation of the plan. The process will be documented and analysed by participating researchers.