

**THE DEVELOPMENT OF DECENTRALIZATION IN INDONESIA
AFTER POLITICAL REFORM**

UNDERGRADUATE THESIS



**This undergraduate thesis is submitted as one of the requirements to obtain
the degree of Bachelor of Laws
at the Faculty of Law Universitas Muhammadiyah Yogyakarta**

**Name : Arista Indah Astuti
Student Number : 20140610492
Faculty : Law
Major : Law Science (International Program for Law and Sharia)
Field of Study : Constitutional Law**

FACULTY OF LAW

UNIVERSITAS MUHAMMADIYAH YOGYAKARTA

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DECLARATION PAGE

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

I hereby declare that the Undergraduate Thesis which is entitled “**THE DEVELOPMENT OF DECENTRALIZATION IN INDONESIA AFTER POLITICAL REFORM**” its content is truly the work of my own and I did not do a plagiarise or quote in ways that are inconsistent with the prevailing ethic in the scientific community. On this statement, I am ready to be bear the risk/any sanctions imposed to me in accordance with the applicable regulations, if in the future a breach of scientific ethics are found, I am willing to accept the sanctions.

Written by

Name : Arista Indah Astuti
Student Number : 20140610492
Faculty : Law
Major : International Program for Law and Sharia
University : Universitas Muhammadiyah Yogyakarta

Yogyakarta, 11th May, 2018.



DEDICATION

This undergraduate thesis is dedicated to

My Lord, Allah SWT

Prophet Muhammad SAW

My Beloved Parents

Muhammad Wasit (Alm)

Sri Darumastuti, S.Ag

Murjani

My Lovely Brothers

Fajar Eka Sulistya

Arief Prabowo, S.T

FOREWORD

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Law No. 33 of 2004 on Financial Balance.

Law No. 23 of 2014 on Local Government.

Law No. 9 of 2015 on Local Government.

LIST OF ABBREVIATION

PERPPU	: <i>Peraturan Pemerintah Pengganti Undang-Undang</i> (Government Regulation in Lieu of Law)
US	: United States
EU	: European Union
DPRD	: <i>Dewan Perwakilan Rakyat Daerah</i> (Regional People's Representative Council)
BUMD	: <i>Badan Usaha Milik Daerah</i> (Regionally-owned Enterprises)
APBD	: <i>Anggaran Pendapatan dan Belanja Daerah</i> (Local Government Budget)
RPJPD	: <i>Rancangan Pembangunan Jangka Panjang Daerah</i> (Regional Long-Term Development Plan)
RPJMD	: <i>Rancangan Pembangunan Jangka Menengah Daerah</i> (Regional Medium-Term Development Plan)
RKPD	: <i>Rencana Kerja Pembangunan Daerah</i> (Regional Development Work Plan)
MPRS	: <i>Majelis Permusyawaratan Rakyat Sementara</i> (Provisional People's Consultative Assembly)
MPR	: <i>Majelis Permusyawaratan Rakyat</i> (People's Consultative Assembly)
NKRI	: <i>Negara Kesatuan Republik Indonesia</i> (The Unitary State of the Republic of Indonesia)
PGSP	: Provincial Governance Strengthening Program
BAPPENAS	: <i>Badan Perencanaan Pembangunan Nasional</i> (National Development Planning Agency)
UNDP	: United Nation Development Programme
KPK	: <i>Komisi Pemberantasan Korupsi</i> (Corruption Eradication Commission)