



ISSN NO. 2320-5407

Journal homepage: <http://www.journalijar.com>Journal DOI: [10.21474/IJAR01](https://doi.org/10.21474/IJAR01)

INTERNATIONAL JOURNAL
OF ADVANCED RESEARCH

RESEARCH ARTICLE

The Approach of Spatial Law in Investment and its Relation to the Implementation of Regional Autonomy.

Syarifuddin Hasyim,

Law Faculty of Syiah Kuala University, Banda Aceh, Indonesia.

Manuscript Info

Manuscript History:

Received: 14 April 2016
Final Accepted: 19 May 2016
Published Online: June 2016

Key words:

Spatial Law, Investment, Regional
Autonomy

*Corresponding Author

Syarifuddin Hasyim

Abstract

The result of study shows that there is an overlapping arrangement on regional spatial. It is caused by no confirm authority between provinces and districts in regional, or more regulations on the same object such as location license and right on the land, license of nuisance act, and license of building on regional investment project. The act will be definitely confronted with regional town planning. As the result, deviation of land function cannot be avoided so that farm land will be changed to industrial land. It is caused by weakness of law enforcement and ineffective control of government as well as lack of people participation in arranging the regional town planning.

Copy Right, IJAR, 2016,. All rights reserved.

Introduction

The Republic of Indonesia, proclaimed on August 17th 1945, through its constitution stated the aim of the nation to protect the whole people of Indonesia and the entire homeland of Indonesia, to advance general prosperity, to develop the nation's intellectual life, and to contribute to the implementation of a world order based on freedom, lasting peace and social justice.

The implementation of the nation's goal, as the legal consequences, made the government to work not only in the field of governance, but also in the aspect of social welfare by means of National Development Program. In addition, one of the government's duties is to organize the arrangement of space for the greatest prosperity of the society. This is the elaboration of article 33 paragraph (3) in the 1945 constitution which states "*Land, water and natural resources contained are controlled by the State to be used for the welfare of the society.*"

The prosperity should not be only enjoyed by the current generation but also the future one. Likewise, the national development not only pursues the outer prosperity or inner necessity, but balance between the two. Therefore, the space should be used harmoniously, constantly, and balanced in the sustainable development. In other words, space arrangement needs to be viewed as an effort to utilize space resources in accordance with the purpose to prosper the society. Besides, the spatial planning is an integral part of the overall national development goals.

The People's Consultative Assembly of the Republic of Indonesia in the provision of MPR RI number IV/MPR/1999 which stated about State Policy General Guidelines, chapter IV direction of national development policies in letter G about regional development in letter e (lowercase) declares: "accelerating effective and powerful regional economic development by empowering the actors and the economic potential of the region, and concerning on the arrangement of space, both physically and socially, so there will be an equality in the economic growth which is in line with the implementation of regional autonomy."

The Law No. 32 of 2004 the local government has the authorities to manage national resources available in the region and is responsible for maintaining the environment in accordance with the legislation." Meanwhile, verse (2) mentioned the authority in the maritime area, as defined in article 3, including (a) The exploration, exploitation, conservation and management of marine resources is limited to the sea area; (b) The management of administrative

interests; (c) Spatial arrangement; (d) Enforcement of the regulations issued by the Region or delegated authority by the Government; and (e) The enforcement of security and sovereignty. Whereas paragraph 3 states that local authority of districts and areas of the city in the marine area, as meant by paragraph 2 is as far as one-third of the sea border of the provinces. Then, by government regulation number 25 year 2000 on governmental and provincial authority as autonomous region, Article 2 paragraph 3 number 13 about spatial management declared (i) The establishment of national spatial planning based on the spatial of districts and provinces; (ii) The criteria determination of the catchment area ecosystems in watersheds; (iii) The spatial arrangement of water is measured in twelve (12) miles; (iv) The facility of inter-provincial arrangement cooperation. The Law No. 23 of 2014 on local government, especially concerning space arrangement mentioned in article 12 paragraph 1 states that government's mandatory affairs relating to basic services includes public works and arrangement of space, and affairs which do not belong to basic services is capital investment.

The spatial arrangement has been regulated in the statute number 24 year 1992 about Spatial Arrangement (also known as Laws on Local Regulations) which was promulgated since October, 13th 1992. This indicated the establishment of a united national law in the field of spatial arrangement. The aim of this statute is to review and adjust various sectorial provisions including things related to the utilization of space which has been prevailed earlier. Afterwards, Law No. 24 of 1992, amended by Law No. 26 of 2007 regarding to the arrangement of the room which was legalized on 27 April 2007.

Syafrudin (1993, p.4) called the The Laws on Local Regulations) as basic of the determination of a specific norms applied or partly (sector ally) applied. It can be said so because there are some legislation rules related to the definition of space (Article 1 Paragraph 1 the Laws on Local Regulations), which gives the authority to the local government.

The basic authority as mentioned in Article 1 paragraph 1 The Laws on Local Regulations stated that the legislation governing about space gives authority to the government's to regulate the followings:

(a) Nuisance laws that control the negative impact of a business activity, related to the location and form of activities performed at that location which are annoying, posing danger to the user, either in adjacent or remote location; (b) Agrarian fundamental law, especially on the land use and the respect for the rights of society over the land in defining the physical plan of a region, both urban and rural area; (c) Watering law, particularly regarding the maintenance and security of the location of water resources, its utilization, exploitation and maintenance; (d) Environmental laws, especially regarding the institutional related to the integrated implementation of the national policy on environmental management; (e) Forestry fundamental law, especially concerning the planning about the location of the former forest of the Government Regulation No. 38 of 1970; (f) The law on the road, especially regarding the copyright works.

Laws are viewed as the second fundamental history in the field of spatial, after the enactment of Law No. 4 of 1982 on Environmental Fundamentals, as amended by Law No. 23 of 1997. Later, the law is amended through the law No. 32 of 2009 on the management and protection of the environment. The definition of environment in Environmental Law by Silalahi (2001, p. 287) is "the unity of space with all things, power, condition, and living creatures, including humans and their behavior, which affect the continuance of the livelihood and the welfare of humans and other creatures".

Moreover, the law number 22 of 1999, amended by law No. 32 of 2004 about local authorities in accordance with article 13 letter b, mentions that the local government has authorities in planning, utilization and supervision of spatial. In addition, these laws changed through law No. 23 of 2014, which states the arrangement of space is an obligatory functions related to basic services or in accordance with article 12 paragraph 1 letter c law No. 23 of 2014. Besides, the local government through mandatory authority unrelated to basic services, there has been arranged about investment or can be seen in article 12 paragraph 2 letter l.

While the provincial spatial plan is an elaboration of strategy and direction policy of the national spatial utilization into the strategy and structure of the province spatial use, including: (a) the purpose of spatial use of provinces to increase social welfare and security defense; (b) structures and patterns of spatial use of provinces; (c) guidelines controlling the use of provincial land.

As well as the provincial regional spatial plan includes: (a) direction of the management of protected areas and cultivation area; (b) direction of the management of rural areas, urban areas, and regions; (c) direction of the development of residential areas, forestry, agriculture, mining, industry, tourism and other areas; (d) direction of the development of the central system of rural and urban settlements; (e) direction of the development of regional infrastructure systems that include transport infrastructure, telecommunications, energy, water and environmental management facilities; (f) the direction of development of the priority areas; (g) directions of policy of the land use, use of water, use of air, and use of human resources and man-made resources.

Various policy directions and guidelines are set in the regional spatial plan, one of which is the direction or guideline for the location of investments that took place in the area whether carried out by government or society. This is in accordance with the policy of regional autonomy which gives authority to the district and the city, in the "field of governance must be implemented by the district and the city area including public works, health, education and culture, agriculture, transportation, industry and trade, investment, environment, land, cooperatives and labor". Besides, with the October policy in 1993, all investment licensing process has been devolved to the district/city which previously was the authority of the Investment and Promotion Board of Provinces.

As pointed out in advance, within the framework of the implementation of regional autonomy, the spatial management of the authority is the city government. The state administrative law divides the forms of authority obtained through attributive (atribution), the delegation (sub-delegation) and mandate. The authority given will be balanced by the principle of the regional administration, whether the principle of decentralization, deconcentration, and the principle of assistance (*medebeweind*).

These days, the spatial arrangement is done from top to bottom (top-down approach); government legitimately has the full authority to regulate it. It had an impact on the spatial arrangement as if the room were set up, without its occupants, resulting in a setting that is contrary to the interests of individuals or the public. Therefore, the usual principle of autonomy, real and responsible, the full paradigm of legitimacy in the hands of the government must be converted into the spatial which oriented in public interest. On the other hand, the society should be given the opportunity to participate and to know about the spatial management, so that the society will be able to utilize the space well and in line with the regional spatial plan. In other words, it is called the spatial management from the bottom (bottom-up approach).

National development needs the support of spatial planning, so does the regional development. Therefore, the authority that has been given to the regions enables the local government to actually implement it through various regional regulations (Qanun) which can furthermore, the provincial spatial plan is served as guideline for (a) principal policy formulation of space utilization in the province; (b) realizing alignment, engagement, and the development of inter-provincial balance and harmony among sectors; (c) directing the location of investment held by the government or society accommodate a variety of interests that do not result in overlapping the spatial arrangement in the area.

In relation to the above purpose, spatial approach is a strategy of spatial arrangement, especially for granting permission for investment, for example in the provision of Location Permit on Land Rights and Act Disorders which took place in the Region. The problems that arise for granting Location Permit on Land Rights and Act Disorders as opposed to the arrangement of the Regional Space, or bad system of spatial planning and land use, mixed land use between the industrial area and settlements, between business and residential center.

Based on the above description, the problems are formulated as follows: (1) How does the legal aspects of the authority of the Regional Government toward the spatial arrangement as the direction of investment in the region? (2) Does the implementation of investment taking place in the Region fit the General Spatial Planning? (3) How are the benefits of investment to the implementation of regional autonomy in the region?

Literature review

In order to answer the problems identified in this study, the concept of state of law is used. "State of Law" is used as the grand theory. In addition, it is supported by the authority theory which is the concept of administrative law, including attributive, the delegation (sub-delegation) and mandates, investment theory and planning as a second theory (middle range theory), and the theory of regional autonomy as the application.

Prior to detail explanation of some concepts outlined above, to address the identification of the problem, the variables of this research proposal will be described, they are: (1) spatial, (2) investment, (3) regional autonomy. These three variables are correlated (correlation) each other, both independent variables and the dependent one. The independent variables are the spatial and investment, while the dependent variable is local autonomy.

To define the spatial sense, first it is better to define the word “approach”. According to Yusbadudu and Zein (1994, p.7), the word “approach” can be defined: (1) how to approach, how to build relationships with others, and (2) how to carry out the work (e.g. scientific research) with the proper methods and techniques in order to obtain accurate and reliable data. This approach is sometimes called ‘strategy’. Soekarwati (1990, p.7) stated how that will be pursued. In Indonesia for example, the concept of development trilogy uses basic strategy that is how equitable development results can be achieved and how economic growth can be improved. In another words the strategy defined as measures needed to achieve or facilitate to accelerate the achievement of goals and objectives that have been established as an explanation of the ideas which are conceptual, analytical, realistic, rational and comprehensive. While the procedure according Yusbaddu (1994, p. 1441) implies rules, and systems. In addition, article 1 of Law no.26 of 2007 on spatial planning means a container which includes land space, sea, and air as a single territory where humans and other living creatures live and do activities. Spatial also means, “a structural form and spatial use either planned or not”.

Furthermore, Yusbaddu (1994, p. 537) claims that investment comprises definitions: (1) investing in a company or project, (2) the amount of capital invested in a company. Besides, according to article 1 of law no. 23 of 2014 on local regulations, the regional autonomy means the autonomous regional authority to regulate and manage the interests of local people’s own initiative based on the aspirations of the people in accordance with the legislation.

The explanation above shows that the spatial planning approach implies a strategy or the steps that must be done based on the rules, norms, system (law) to the planning, utilization, space control of land, sea, and air for the needs of humans and other living things both as regional development policy and guideline for investment. It is the obligation of the region in the implementation of regional autonomy, the region has authority to manage and regulate public interests with the aspirations of the people in the region itself.

As stated in advance, “State of Law” becomes the basis of the theoretical framework as a grand theory. In addition, the legal authority theory is the concept of the State administration obtained through attributive, the delegation (sub-delegation), and the mandate, investment theory and planning theory as a middle range theory, and the theory of regional autonomy as an application. Attamimi (1992, p. 3) states the theory is a set of understandings, the starting point, and the principles which are interrelated each other. Nazir (1984, p. 21) says that the theory is the principal means to express a systematic relationships between social phenomenon and nature being studied. Theory is an abstraction of understanding or relationship of proportion or proposition. Meanwhile, according to Kellinger, theory is a set of concept or construct that is related to each other, a set of proportions which contains a systematic view of phenomena.

Indonesia, according to Basyah (1985, p.11), is a “State of Law” based on Pancasila. Moreover, an explanation of the 1945 Constitution, the system of government states that Indonesia is a country based on law (*rechtsstaat*). It is also used as a base by Yamin (1959, p. 27) to designate that Indonesia is a country based on law. In addition, the third amendment also states that Indonesia is a country of law.

The fact the above clearly shows that Indonesia is a state of law. The problem is whether the Indonesia adheres law in the formal definition (narrow meaning) or the notion of material (broader meaning). State of law in the narrow meaning as expressed by Kant and Fischer is the State as a “night watchman”. It means that country only concerns solely on security. The country will act in case the security or regulation is disrupted. Another case definition of state of law in the broad sense or also called the “Modern State of Law”. State in this sense not only concerns on security but also actively participate in public affairs for the welfare of the society. Therefore, the notion of State of law in the broader sense is closely related to the definition of the “Welfare State”. So, the supremacy of the legislature is replaced by the supremacy of the executive body. This is a logical consequence of a welfare state that is the economy led by the government to increase the power of the executive government.

In this case, investment in Indonesia is one of the efforts to encourage national economic strength in development in order to realize the welfare of society. This is the task of the State administration in the field of public service. The

use of space in investment especially in the Region area is the government's authority delegated to local governments such as provinces, districts, or cities which aim is the welfare and prosperity of the people as mandated by Article 33 (3) UUD 1945 which further elaboration is regulated in the legislation. This includes the Agrarian Basic Law, Environmental Law, Spatial Law, and local regulations as well as other regulations related to space.

Some purposes of investment are: (1) to accelerate the process of regional growth with the use of all the potential that exists in the Region and (2) in order to increase local revenue as much as possible for the benefit of the implementation of regional development as a concrete manifestation of the autonomy given by the principle of decentralization.

Investment planning is intended to accelerate the implementation of regional development as well as one of the efforts of regional autonomy charging. It cannot be denied that the purpose of local development is basically for the people's welfare. Muslim (1986, p. 6) states that the welfare of the people is a part of the national development's goals which are established in the regions. Those goals must suit the physical, social, as well as economic condition of in the regions concerned.

In other words, the regional development and national development are identical things. In this case, Hartono (1992, p. 29) states that economic development is the development of economic potential of the region. Therefore, national development is similar to the regional development.

Furthermore, Hartono (1992, p.29) also states that the economic development, especially the process of transforming potential economic power into real economic strength, can be obtained through stock investment, the use of technology, changes in knowledge, skills enhancement, and greater organizational and management abilities.

Related to the implementation of regional autonomy, the investment is one way to increase regional revenue as an effort to prepare as much stock as possible. In relation to the objective of forming a government as stated above, the Assembly makes a bow in the framework of national development, known as the Broad State Policy Guidelines. The bow becomes the State administrative guidelines in governing to achieve people's welfare.

In the task of carrying out social welfare through national development the government has duties related to the granting of authority or delegation of authority from the government to the state administration under the provisions of the applicable legislation in the form of legislation or regulation of implementation.

Mustafa (1985, p. 48) by Lameire mentioned in Bestuurzorg that the tasks of State administration in the Welfare State is to organize welfare that have a special sign, that is the State administration is given the freedom on their own initiative to act carefully and quickly in resolving interests for the welfare of society. In other words, the administration of the State in carrying out Bestuurzorg given in Freies Ermessen is to give freedom to the State administration on its own initiative to undertake actions to resolve urgent issues and regulatory settlement because it has not yet made by the competent authority.

By giving Freies Ermessen to the administration of the State, most of the power held by the legislators (legislative) was transferred to the government, the State administration as an implementation the local development in all aspects of community life in the region. Moreover, within the framework of regional autonomy, the region was given full authority to manage its needs with its own capabilities, including the spatial area. Soemantri (1981, p. 53) argues the delegation of authority from the central government to autonomous regions. It is not specified in the constitution because it is the essence of the unitary state. Basah (1985, p.5) also claims that any activities within the framework of the state remains in a bond of unitary state, including the regional autonomy a quo.

The autonomy granting aims to make the region actively take part to succeed the national development. Thus, autonomy is the freedom to define and advance the special interests with its own finances, determine its own law, and form its own government.

Furthermore, local government through regional authority regulates and manages the needs of local people's initiative based on the aspirations of the people in accordance with the legislation. While the autonomous region is the unity of the legal community who have the authority to limit certain areas and to regulate and manage their own initiative based on the aspirations of the people in the bonds of the Unitary State of Indonesian Republic.

The implementation of the regional affairs is defined to run the regional needs with a broad, real, and responsible autonomy teaching. If it is used as a basic standard of local autonomy as a quo, it cannot be separated from the potential, situations, conditions. According to Basah (1985, p. 37), the potential here means that natural and human resources are factors that can be a source to finance the region, so that local governance can reach its target.

In another description, Basah (1985, p. 37) said that one measurement of decentralization is every potential things in the region to be productive (productivity). Therefore, the potential (natural resources) of a region and the utility to be productive are inseparable from the spatial arrangement of the region itself.

Silalahi (2000, p. 80) states that the spatial arrangement means a regular arrangement of spaces. In other words, it covered a simple meaning which is very easily understood and implemented. Therefore, the spatial is a variety of activities, facilities and infrastructure. A good spatial arrangement is resulted from great space organization activities called spatial planning. In this case, the arrangement of space consists of three main activities, namely spatial planning, spatial embodiment, and the spatial control.

Furthermore, Silalahi (2000, p. 80) also states that spatial planning is an activity determining the location of various indoor activities to meet human needs by utilizing the available resources. Therefore, well-planned and directed spatial planning is very important by keep considering the use of space and also the environmental aspect.

In addition, Silalahi (2000, p. 80) mentions activities to exploit natural resources will question the problem on how they were taken from the nature (exploration, exploitation, and so on). This is in line with the former description that the natural resources are potential that needs to be explored and exploited to become productive.

Furthermore, Harun (2001, p.1-2) argues that well-planned and consistent management and the use of natural resources will guarantee long-term public welfare. Spatial planning aims to balance the form and manner of exploitation of natural resources to fulfill of the growth of welfare and the natural capacity. In addition, spatial planning is done by considering harmony and balance of cultivation and protection function, the dimension of time, technology, social, cultures as well as the functions of defense and security, and integrated management of resources, functions, and environment, as well as the quality of the space. Spatial planning includes structures and patterns of space utilization which covers the use of land, water, air, and other natural resources such as security and defense functions as a sub-system of spatial planning.

Viewing from the base of authority, it is very clear by the enactment of the Law on spatial planning. The enactment of the legislation intended to guarantee legal certainty of space utilization. Therefore, this law became the foundation for assessing and adjusting the legislation that contains provisions on aspects of the use of space. They are regulations regarding to water, land, forestry, mining, rural development, urban, transmigration, industry, settlements, roads, continental shelf, tourism, transportation, telecommunications, and others.

By attributive spatial planning law, the head of provinces (governors) and the heads of district/city (regents/mayors) can attributively authorize to administer the arrangement of each space in the region. The result of the spatial planning is stated in the local governments in local regulations, as Aceh called Qanun.

The governor or regent/mayor in organizing spatial planning is not only limited to implementation in planning, utilization, or supervision, but also sticks to the coordination authority. It can be seen that the head of region becomes the main autonomous government tool that organizes the right, authority, and responsibilities of the autonomous regions.

Research method

Method

Related to the purpose of this study descriptive analysis was conducted. The descriptions of the problem in the study were obtained by using:

- Normative juridical approach, which examines the legal rules (legal research) of various legislations on spatial planning approach in relation to the investment and the implementation of regional autonomy.

- Empirical juridical approach (socio-legal research), which is intended to observe the implementation of regional authority of districts/cities to the spatial and investment and how it relates to the implementation of regional autonomy.

Technique of Data Collection

Two methods were used to obtain the data in this research, they are:

Library Research, this study uses normative legal research methods (doctrinal) through the literature of the primary, secondary and tertiary legal materials related to this study.

Field Research was used to obtain primary data (non-doctrinal) through interviews with the respondents involved in this study. They were all relevant Agency of Spatial Planning Coordination in Aceh such as Governor of Aceh, Head of Aceh Regional Development Planning Board, Mayor of Banda Aceh, Mayor of Sabang, Regent of North Aceh District, Department of Infrastructure Development, the department of Urban and Housing, Department of Environmental Impact Control, head of the Aceh provincial office, and also investors in Aceh.

Research Location

The location of this research was in the province of Aceh. By choosing Banda Aceh as the capital of Aceh, Sabang as an integrated regional economic growth in the western region and as a free port, and Lhokseumawe in North Aceh district as an industrial area. These three regions have the fastest growing rate and the spatial issues are quite complex compared to other regions. These areas are the main growth areas or regions located in Aceh Province. Besides, comparative studies were also needed. The location of the study as a comparative study was in West Java Province which is also known as the key/strategic region. It has divided the space of the province into some National Activity Centers and the key regions. West Java also has small, medium, and large-scale of industries and it is the region whose degree of investment realization is on the first top level. These two provinces were chosen as the location of this study based on certain considerations such as the area, population, complexity of problems, and as a major center and the industrial area of the region. In the other words, it used purposive sampling.

Result and discussion

The authority of local governments to spatial arrangement is clearly mentioned in the construction of section 10 and 11 of Law No. 26 year 2007 on spatial planning. Attributively, spatial authority is delegated from the central government to the local in level I and level II. Then, with the enactment of Law No. 22 of 1999 on local governments, such authority is the whole authority from the government to the provinces, districts, and cities with the limits of their authorities as mentioned in Government Regulation No. 25 of 2000 about authority of provinces as autonomous regions. Also, it has been regulated in the acknowledgment list of district and municipal authorities. Similarly, The government's authority on investment planning, has been regulated in the law number 22 of 1999 about the local government. The authority of the central government is delegated to the regional level I (the governor). Then the governor delegates it to the first level local authorities, namely the Board of Regional Investment Coordination which only exists in the province level. Through licensing deregulation with October Policy in 1993, all of the investment authority is delegated to regions of level II.

As Law number 22 of 1999 on local government is established, authority is transferred to districts and cities. In this case, for the districts and cities, investment is an obligation that must be carried out by the regents and mayors. In addition, the spatial plan has not fully become a reference and basic development programs. This is due to the spatial plan itself has not accommodate all sectoral programs or it can be said that spatial plan has not been fully used by agencies which are supposed to use it. Furthermore, it also has not been promoted to the public and private sector, so that the misuse of space which contradicts to regional spatial planning occurs.

Furthermore, synchronizing the spatial structure of provinces and districts/cities and various viewpoints/aspirations faced problems caused by weak sectoral coordination and sectoral ego where each sector concerns on their own interests. This made the spatial planning run ineffectively and not in line with the spatial arrangement. Also, the city planning does not suit to the land use, distribution of activities, or building system which resulted in a chaotic city.

It is unavoidable that Investments taking place in the local area were still found contradict with the spatial arrangement of the province/district/city. For example, there was still the license/allowance of cultivation in the

protected areas to be productively cultivated. Another fundamental factor is that the spatial arrangement is influenced by the main factors such as the population growth, the transportation, and an unhealthy environment.

There are three advantages of investment related to the implementation of regional autonomy, namely: (1) the growth rate (GDP) of a region can be increased from an underdeveloped region into a developed one by the presence of infrastructures as a result of development projects and investments, (2) the availability of job field, so that the number of unemployed in the region could be reduced, and (3) the level of Local Revenue will increase, both in tax revenue and retribution to the region. Automatically, the region can financially run its autonomy.

From the above explanations, the appropriate policies that should be done by the local government are as follows:

- The participation of the community as a public should be involved especially in the spatial planning of their own regions, and must be supported by accurate data called Geographic Information System;
- The existence of local regulations and the Direction of Technical Implementation which governs authority boundaries between provinces and districts/cities;
- The same language between the central government and local communities or stakeholders is crucial;
- The potential of natural resources, technology, science and management needs to be promoted to the local government's officials;
- Licensing services should be one-Gate service;
- Need to establish an institution/agency that accommodate investments in districts and cities;
- Improvement of human resources at the local government;
- Law Enforcement;
- Effective Supervision.

Conclusion

The overlapping of authority was still found between the central government and regional government, the provincial government and districts/cities. Until now in Aceh, there are no rules in the form of local regulations which regulates the division of jurisdictional boundaries between the province and district/city, so that each claims that it is their authority of the spatial arrangement in the region.

Spatial arrangement as a direction for investment still faced obstacles in its implementation, such as the overlapping of authority between central and local government especially in the use of land, or no synchronization of the national spatial planning between with the provinces and the districts/cities. This caused errors in giving administration permits for investors. For example, investors were permitted for investment in protected areas and made it as productive/cultivation area. In addition, the participation of societies in the region to participate in the preparation of the spatial arrangement is really needed.

Benefits of investing in the implementation of regional autonomy is very influential on the level of local revenue, at least in the presence of the investment will take effect on: (1) the rate of growth of an area, for example, from backwardness to progress, (2) employment on investment projects, thus reducing the rate of unemployment in the area. The investment will bring influence to local revenue.

Aceh provincial government should immediately make local regulations (Qanun) governing jurisdictional boundaries between the province and district/city to the spatial arrangement of province and district/city. Administrative law enforcement against violations of spatial both the province and district/city is important to cope the violations from the procedure, especially in the area of investment projects in the regions. Regional potential

such as the natural resources needs to be promoted in order to raise investment in the region. In addition, all the bureaucracy that requires high economic costs should be cut, so that it make investors easier to invest in the area.

References

1. (1981). *Comparative Constitutional Law*, CV Rajawali, Jakarta.
2. (1986). *Three Writings about the Law*, Armico, Bandung.
3. (1992), *Space Life on Governance in the Region*, Panel Discussion Paper Faculty of Law UNPAR, Bandung.
4. Ahmad, K. (1996).
5. *Basics of Investment Management*, Rineka Cipta, Jakarta,
6. Attamimi, H. S. (1992). *Theory of Legislation of Indonesia*, one side of Sciences Legislation in Explaining and Clearing, Position Inauguration of Professors of the Faculty of Law, University of Indonesia, Jakarta.
7. Basah, S. (1985). *The existence of the Benchmarking Body Judicial Administration in Indonesia*, Alumni, Bandung.
8. Gautama, S. (1983). *Understanding the State of Law*, Alumni, Bandung.
9. Hartono, S. (1992). *Some Transnational Issues in Foreign Investment in Indonesia*, Bina Cipta, Bandung.
10. Harun, U. U. (2001). *Agropolitan Area Development Approach for Development in Aceh Province*, Cooperation Department of Planning OSS Itb With the Government of Aceh, Bandung.
11. Muslimin, A. (1986), *Aspects of the Law of Regional Autonomy*, Alumni, Bandung.
12. Mustafa, B. (1985), *Administrative Law*, Citra Aditya Bakti, Bandung.
13. Nazir, M. (1993). *Research Method*, Ghalia Indonesia, Jakarta.
14. Silalahi, M. D. (2001). *Environmental Laws in Environmental Law Enforcement System in Indonesia . Revised Edition*, Alumni, Bandung.
15. Soekarwati, (1990). *Basic Principles of Development Planning with Special Topics on Regional Planning*, Rajawali Pers, Jakarta.
16. Soemantri, S. M., & Saragih, B. (editor), (1993), *Indonesian state structure in Indonesia Political Life 30 Years Back to the Constitutional Law of 1945*, Pustaka sinar harapan, Jakarta.
17. Strong, F. C. (1996). *Modern Political Constitution*. The English Language Book Society and Sidwick & Jakson Limited, London.
18. Syafrudin, A. (1982), *The Ups and Downs of Regional Autonomy*, University of Parahyangan, Bandung.
19. Yamin, M. (1959). *Manuscript of the Constitutional Law of 1945 preparation*, Yayasan Prapanca, Jakarta.
20. Yusbadudu, & Zein, M. (1994). *Indonesian General Dictionary*, Pustaka Sinar Harapan, Jakarta.