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Recentralization of Regional Authority: Legal Implications of the Enactment of Emergency Law Number 2 of 2022 on Job Creation in Regional Autonomy

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Abstract
The Enactment of Emergency Law Number 2 of 2022 on Job Creation (Job Creation Emergency Law) brings significant juridical implications to the implementation of decentralisation in Indonesia. This research aims to analyse the form of recentralization policy in the Job Creation Emergency Law and the implications of the recentralization policy in the Job Creation Emergency Law on the implementation of regional autonomy in Indonesia. Employing a normative juridical research method, and conceptual and statutory approaches, this research concludes: firstly, there are at least three forms of recentralisation following this Emergency Law, including health policy based on Law Number 36 of 2009 concerning Health, repositioning of the status and relation of the central and regional governments related to the role of regional governments in implementing or establishing legislation which should be interpreted as the execution of presidential authority, and the centralisation of business licencing that shifts the mechanism and system of business licences to the centre; secondly, the emergency Law Number 2 of 2022 on Job Creation threatens the success of the implementation of regional autonomy. The success of regional autonomy, which can be measured by the independence of the regions in the sense of reduced dependency on the central government and the ability of the regions to enhance their economic capabilities, is increasingly jeopardised by the Job Creation Emergency Law, which substantially contains recentralization policy. However, in the context of business licencing, there exists an anomaly in the form of eased licencing expected by centralising the system and mechanisms, thus opening the tap to investment, which in turn will boost not only the national economy but also the economies of the regions where the businesses operate.

Keywords: decentralisation, recentralization, Job creation, Emergency Law

Introduction

The enactment of Emergency Law Number 2 of 2022 on Job Creation (Job Creation Emergency Law) at the end of 2022 has indeed startled many people. The polemic and controversy among the public accompanied the establishment of this legal product. This Emergency Law is considered to have many loopholes, both in terms of its formation, constitutionality, and content. In terms of the formation process, the legal product is considered to not meet the qualifications of an urgent situation as the main requirement for the establishment of a product in the form of an emergency law as outlined by Article 22 of the 1945 Constitution of the Republic of Indonesia. In terms of constitutionality, this emergency law is seen as a form of resistance to the Constitutional Court's decision, although by its creator, the law is claimed to be a follow-up to the Constitutional Court's decision.[1]

In terms of material content, this Emergency Law is exactly the same as Law Number 11 of 2020 on Job Creation, so the legal implications caused are of course identical between the emergency law and the law, including those related to the implementation of regional autonomy in Indonesia. In essence, the regional autonomy policy, which is based on giving the widest possible authority for regions to manage their own households in accordance with their respective regional potentials and diversity, is seen as increasingly reduced and narrowed with the existence of this Job Creation Emergency Law.

The implementation of regional autonomy based on Law Number 23 of 2014 on Regional Government, which has been amended several times, most recently with Law Number 9 of 2015 on the Second Amendment to Law Number 23 of 2014 on Regional Government, has

[1] The general explanation of Emergency Law Number 1 of 2022 Concerning Job Creation explicitly states that the regulation is a follow-up to Constitutional Court Decision Number 91/PUU-XVIII/2020 regarding the Formal Review of Law Number 11 of 2020 Concerning Job Creation.

explicitly mentioned the division of authority between the central government and regional government. Besides the authority that falls within the central domain, it is also a regional authority. The existence of this Emergency Law is considered to pull back some of the authority that has been given to regions to become a central authority.

Normatively and juridically, the provisions in Law Number 23 of 2014 that divide authority between the regional government and the central government are a derivation of the provisions of Article 18 paragraphs (1) and (2) of the 1945 Constitution. Both of these articles are the basic foundation for the implementation of regional autonomy within the framework of a unitary state in Indonesia. The division of authority between the government, provincial regional government, and regency/city government is formulated based on the mandate of the article, which explicitly gives such broad authority to regional government. Even post-reform, the legal root of regional autonomy was strengthened by the addition of Articles 18A and 18B of the 1945 Constitution.[2]

Since the authority between the central government and the region has been clearly and explicitly divided, the legal consequences are that the central government and the regional government have their respective duties and obligations. The affairs of the regional government cannot be mixed with the authority of the central government in the context of implementing regional autonomy, and vice versa. Although within the framework of a unitary state, the exercise of regional government authority should not contradict central government policy.[3]

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[2] Muhammad Ridwansyah, "Upaya Menemukan Konsep Ideal Hubungan Pusat-Daerah Menurut Undang-Undang Dsar Negara Republik Indonesia Tahun 1945," *Jurnal Konstitusi* 14, no. 4 (2017): 843, https://doi.org/10.31078/jk1447.

[3] Throughout its journey, the relationship between the Central Government and Regional Governments within the framework of regional autonomy has indeed fluctuated, following the legal foundation of regional autonomy in the form of laws. Since the reform era, the laws governing regional autonomy have been changed several times, starting with Law Number 22 of 1999, Law Number 32 of 2004, and currently Law

The division of authority between the central government and regional government, which is the soul of the implementation of regional autonomy, then becomes biassed when it is juxtaposed with the existence of the Job Creation Emergency Law. The point of bias occurs because the central government in the emergency law exceeds the authority as has been limitatively determined in Law Number 23 of 2014 on one side and narrows and reduces the authority of regional government on the other side. The division of affairs between the regional government and the central government, as has been explicitly regulated, does not run as it should, but there is a mix of authority between the central government and the regional government. In this context, regional government seems to become the executor of central policy, which, in the end, means independence in running government in the region in accordance with the spirit of decentralisation and regional autonomy cannot be implemented consistently.

There are several studies that examine the validity of the job creation law that is correlated with the existence of regional autonomy in Indonesia. First, the results of research by La Ode Bariun and Hijriani,[4] which focus on the achievement of the validity of the job creation law on regional autonomy, the existence of regional regulations as a form of implementation of the job creation law, and the aspect of recentralization of authority on the validity of the job creation law, Second, research by Syofyan Hadi and Tomy Michael,[5] whose focus of analysis is on the relevance of recentralization with the principle of regional autonomy and

Number 23 of 2014. Dudung Abdullah, "Hubungan Pemerintah Pusat Dengan Pemerintah Daerah," *Jurnal Hukum Positum* 1, no. 1 (2016): 102, https://doi.org/10.35706/positum.v1i1.501.

[4] La Ode Bariun dan Hijriani, "Masa Depan Otonomi Daerah Terhadap Keberlakuan Undang-Undang Cipta Kerja (Resentralisasi ataukah Desentralisasi)," *Laporan Penelitian*, no. Kerjasama Mahkamah Konstitusi Republik Indonesia dan Fakultas Hukum Universitas Sulawesi Tenggara (2021).

[5] Syofyan Hadi dan Tomy Michael, "Implikasi Hukum Resentralisasi Kewenangan Penyelenggaraan Urusan Konkuren terhadap Keberlakuan Produk Hukum Daerah," *Jurnal Wawasan Yuridika* 5, no. 2 (2021): 267, https://doi.org/10.25072/jwy.v5i2.489.

the legal implications of recentralization of authority on the validity of regional legal products after the enactment of the job creation law.[6] Third, research by Yusika Riendy focuses on the impact of the enactment of the job creation law on regional autonomy in the context of environmental governance.[7]

Different from the results of the above research, in this paper the author intends to examine and analyse the forms of recentralization policy in the Job Creation Emergency Law, namely certain norms in the regulation that draw regional authority and its implications, from the perspective of regional autonomy.

When the regulation was still in the form of a Draught Law on Job Creation, which, when ratified, became Law Number 11 of 2020, then repealed with the Job Creation Regulation but substantially the same, the Secretary of the Coordinating Ministry for Economic Affairs stated that the Draught Law on Job Creation has been in line with the spirit of implementing regional autonomy as mandated by Articles 18, 18A, and 18B of the 1945 Constitution. This indicates that there are two axes that both provide different and contradictory justifications. Given the controversy and differences of opinion, it is necessary to reposition how the conception of regional autonomy is built as an agreement on the administration of government post-reform and its correlation with the emergence of this Job Creation Regulation. In this paper, the focus for dissecting this issue is directed at two things: what form of recentralization policy is in the Job Creation Regulation, and what are the implications of the recentralization policy in the Job Creation Regulation on the implementation of regional autonomy in Indonesia?

[6] Syofyan Hadi dan Tomy Michael.

[7] Yusika Riendy, "Dampak Undang-Undang Cipta Kerja Terhadap Otonomi Daerah," *Pamulang Law Review* 4, no. 1 (2021), https://doi.org/10.32493/palrev.v4i1.12794.

Research Method

This research falls into the category of normative legal research, which is conducted by studying library materials. The approach used in this research is conceptual and legal. A conceptual approach is taken by studying the views and doctrines of legal experts. This means that the research is conducted based on a theoretical framework specifically regarding regional autonomy, which is used to examine the aspect of recentralization as a consequence of the enactment of the job creation law. The legal approach is used because this research starts with a valid and binding legal product as the basis for conducting the research, namely the Job Creation Law. The data used in this research are primary and secondary legal materials. The legal materials used in this research are primary legal materials in the form of the 1945 Constitution of the Republic of Indonesia, Emergency Law Number 2 of 2022 concerning Job Creation, and Law Number 23 of 2014 concerning Regional Government.

Centralization Policy in Emergency Law Number 2 of 2022 Concerning Job Creation

Decentralisation is a consequence of the effort to maintain a unitary state that is unable to accommodate a centralised or centralistic government mechanism due to the high diversity of regions. Moreover, according to Adnan Buyung Nasution, the concept of "unity" has been distorted into "unity and uniformity," which is closer to uniformity.[8] The logical consequence of uniformity in high diversity would be to reduce the potential of the regions. The follow-up effect is that the region finds it difficult to become an independent and prosperous region. If left

[8] Harun Alrasyid, "'Federalisme Mungkinkah Bagi Indonesia (Beberapa Butir Pemikiran)' dalam Adnan Buyung Nasution, dkk Federalisme Untuk Indonesia," Kompas (Jakarta, 1999).

unchecked, it would not be impossible for it to end in disintegration due to the low level of regional trust in the centre and the inequality in terms of prosperity. This is considering that not a few of the region's natural resources, which are its wealth, are drained and used more for central interests without agreement with the region.[9] Thus, the principle of decentralisation becomes a compromise to maintain a unitary state by recognising regional diversity.

A unitary state with this decentralization principle results in certain tasks that can be managed independently by a region, thus creating a reciprocal relationship that gives rise to authority, financial, and supervision relationships as regulated in the law.[10] The region is given the opportunity and power to manage its own household, which is called an autonomous region. The transfer of authority from the central government to the regional government, according to Sri Soemantri, is the essence of a unitary state with a decentralised system.[11] In line with this opinion, Miriam Budiarjo said that a unitary state does indeed mean that power lies in the central government and not in the regional government, but the central government has the authority to hand over some of its power to the regional government based on autonomous rights, but the final stage of ultimate authority remains with the central government.[12] Thus, the relationship between the centre and the region also includes a wide range of issues such as nationalism, national democracy, and state-society relations. To avoid overlap and collisions in authority and efforts to pull interests together (spanning of interests), the region is required to submit

[9] Ni'matul Huda dan Despan Heryansyah, "Kompleksitas Otonomi Daerah dan Gagasan Negara Federal Dalam Negara Kesatuan Republik Indonesia," *Jurnal Hukum Ius Quia Iustum* 26, no. 2 (2019): 239, https://doi.org/10.20885/iustum.vol26.iss2.art2.

[10] Ni'matul Huda, *Perkembangan Hukum Tata Negara: Perdebatan dan Gagasan Penyempurnaan*, Cetakan Pe (Yogyakarta: FH UII Press, 2014).

[11] Sri Soemantri M, "Pengantar Perbandingan Antar Hukum Tata Negara", dalam Ni'Matul Huda, *Desentralisasi Asimetris Dalam NKRI (Kajian Terhadap Daerah Istimewa, Daerah Khusus, dan Otonomi Khusus)*, Cetakan Pe (Bandung: Nusa Media, 2014).

[12] Miriam Budiarjo, *Dasar-Dasar Ilmu Politik* (Jakarta: PT. Gramedia Pustaka Utama, 2008).

and comply organizationally based on applicable laws and regulations with the principle of unity command.[13] Thus, viewing decentralisation and regional autonomy in Indonesia must be tied to the principle of a unitary state. No matter how autonomous a region is, without considering national interests as a whole, it will cause disintegration, something that is far from the original intent of implementing regional autonomy in Indonesia.[14]

Based on the unitary state based on decentralisation, Article 18 of the 1945 Constitution of the Republic of Indonesia stipulates that the Indonesian state is divided into provincial regions, and these provincial regions are then divided into regencies and cities, each of which has a regional government as regulated in the law. The term region in this unitary state is a term for the parts of the state to denote the technical term for a territorial part that governs itself in the Unitary State of the Republic of Indonesia. The division of these regions is then linked in the administration of government relations between regional governments and the central government, including authority relations, finance, public services, utilisation of natural resources, and other resources carried out fairly and harmoniously.[15]

In general, this decentralisation is a concept that signals the delegation of authority from the central government to the regional government to regulate and manage its own territory. The main goal of decentralisation is to improve the efficiency and effectiveness of government administration in providing services to the community due to the far-reaching reach of the central government. Decentralisation, with this meaning, is actualized in the form of regional autonomy policies in

[13] Huda, *Perkembangan Hukum Tata Negara: Perdebatan dan Gagasan Penyempurnaan*, 241.

[14] Wasisto Raharjo Jati, "Inkonsistensi Paradigma Otonomi Daerah di Indonesia: Dilema Sentralisasi atau Desentralisasi," *Jurnal Konstitusi* 9, no. 4 (2012): 746, https://doi.org/10.31078/jk947.

[15] Huda, *Perkembangan Hukum Tata Negara: Perdebatan dan Gagasan Penyempurnaan*, 244.

Indonesia.[16] Bagir Manan interprets this regional autonomy as a way of dividing authority, tasks, and responsibilities to regulate and manage government affairs between the central government and the regional government, so that the regional government will have a number of government affairs both in the form of handover and on the basis of recognition, or left to the region's own household affairs.[17] The principle underlying this in the post-reform Indonesia context, according to Saldi Isra, is residual power, that is, the authority of an autonomous region includes authority in all fields of government except central authority specifically determined by law.[18] So extensive is it that the impression created is of the principle of broad autonomy (general competence), while its limited autonomy lies in the province.[19]

Departing from the line of thinking above, regional autonomy can be interpreted as the rights, authorities, and obligations of the region to regulate and manage its own household, obtained through the transfer of government affairs from the central government to the regional government in accordance with the conditions and capabilities of the region. If we want to examine it operationally, autonomy has the root words "auto" and "nomos" from Greek, which mean self and regulation. Thus was born the word autonomia," which means to regulate oneself or make one's own decisions.[20]

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[16] Sakinah Nadir, "Otonomi Daerah dan Desentralisasi Desa: Menuju Pemberdayaan Masyarakat Desa," *Jurnal Politik Profetik* 1, no. 1 (2013): 1, https://doi.org/10.24252/profetik.v1i1a7.

[17] Bagir Manan, *Hubungan Antara Pusat dan Daerah Menurut UUD 1945* (Jakarta: Sinar Harapan, 1994).

[18] Saldi Isra, "Pembagian Kewenangan Pusat-Daerah dalam Perspektif Undang-Undang Pemerintahan Aceh" dalam Andryan, "Harmonisasi Pemerintah Pusat dan Daerah Sebagai Efektifitas Sistem Pemerintahan," *Jurnal Legislasi* 16, no. 4 (2019): 424.

[19] Yusdianto, "Hubungan Kewenangan Pusat dan Daerah Menurut Undang-Undang Nomor 23 Tahun 2014 tentang Pemerintahan Daerah," *Padjajaran Jurnal Ilmu Hukum* 2, no. 3 (2015): 486, https://doi.org/10.22304/pjih.v2n3.a4.

[20] Murtir Jeddawi, *Negara Hukum, Good Governance, dan Korupsi di Daerah* (Yogyakarta: Total Media, 2011).

There are many positive aspects to implementing regional autonomy, especially when faced with a country with a fairly wide and complex regional distribution. Seen from the aspect of development planning, the implementation of regional autonomy provides a fairly wide space for a bottom-up development paradigm and is not just oriented to the top-down mechanism as much as a pure unitary state. Viewed from a political aspect, regional autonomy also provides leeway for regional governments to be able to regulate and manage their own households in accordance with the conditions and needs of each region. Regional governments have quite extensive authority to arrange their regions according to the potential and resources that are highlighted. Viewed from an economic aspect, regional governments will also benefit because they have a fairly large space to manage and utilise natural resources in their territory.[21]

The Liang Gie has divided the goals and targets to be achieved in the implementation of regional autonomy for a country into four parts. First, from a political perspective, regional autonomy is designed to prevent centralised government, that is, the accumulation of power in one hand or sector alone. Regional autonomy can also be a gateway to public participation, encouraging the community to actively participate in governance and thereby training themselves to use their democratic rights. Second, from the perspective of technical-organisational aspects of governance, regional autonomy is implemented to achieve effective government. Third, from a cultural aspect, regional autonomy is used to fully take into account the uniqueness, potential, and local wisdom and culture of the region. In line with the second goal, the compatibility of government administration with regional conditions and specificities can support efficient governance. Fourth, from an economic point of view, regional autonomy is expected to better support and improve the regional

[21] Nadir, "Otonomi Daerah dan Desentralisasi Desa: Menuju Pemberdayaan Masyarakat Desa."

economy.[22] From a sociological perspective, the policy of regional autonomy aims to bring government closer to the people so that governance can be carried out more effectively and efficiently. This is because the geographic scope of local government is certainly narrower than the scope of the central government on a national scale, so the aspirations of the community in terms of development can be better accommodated.

The practise of decentralisation and regional autonomy in Indonesia is currently legally based on Law Number 23 of 2014. The central and regional relations in government based on the principles of decentralisation and regional autonomy based on this law are areas given the freedom to organise government affairs but not given sovereignty. The region remains a unit of the national government. Therefore, policies made and implemented by the region are an integral part of national policy. The distinguishing element lies in how to use the wisdom, potential, innovation, competitiveness, and creativity of the region to achieve national goals at the local level, which in turn will support the achievement of overall national goals.[23] Through this law, regions are given considerable attention and space, and the central government that is mandated to formulate policies must pay attention to local wisdom in the region.

In relation to the division of authority, in accordance with the conception built on top and the normative juridical provisions in Law Number 23 of 2014, it has been classified that there are government affairs that are fully under the authority of the central government known as absolute government affairs, concurrent government affairs, and general government affairs. Absolute government affairs mean government affairs that are entirely under the authority of the central government.

[22] Jeddawi, *Negara Hukum, Good Governance, dan Korupsi di Daerah*.

[23] Lihat dalam Penjelasan Undang-Undang Nomor 23 Tahun 2014 tentang Pemerintahan Daerah

Concurrent government affairs are government affairs shared between the central government and the provincial, district, and city governments. Meanwhile, general government affairs are under the authority of the president as head of government.[24]

Government affairs included in concurrent affairs are the basis for implementing regional autonomy. Concurrent government affairs are all affairs other than absolute government affairs, namely foreign politics, defence, security, justice, national monetary and fiscal policy, and religion. Law Number 23 of 2014 also further classifies concurrent government affairs, namely mandatory government affairs and optional government affairs. Mandatory government affairs related to basic services include education, health, public works and spatial planning, public housing and settlement areas, peace, public order, and community protection, as well as social affairs. While mandatory government affairs not related to basic services include labour, women's empowerment and child protection, food, land, environment, population administration and civil registration, community and village empowerment, population control and family planning, transportation, communication, and informatics, cooperatives, small and medium enterprises, investment, youth and sports, statistics, cypher, culture, libraries, and archiving, Meanwhile, optional government affairs, as stipulated in Article 12 of Law Number 23 of 2014, consist of marine and fisheries, tourism, agriculture, forestry, energy and mineral resources, trade, industry, and transmigration.

Based on the conception of decentralisation and regional autonomy and the legal basis that applies in Indonesia as described above, the division of authority between the central government and the regions has been clear. Government affairs have even been mentioned explicitly in every sector. Then government affairs that are not based on this division will certainly run counter to the spirit of decentralisation. In this context,

[24] Lihat dalam Pasal 9 Undang-Undang Nomor 23 Tahun 2014 tentang Pemerintahan Daerah

if, in the case of the central government, it exceeds the absolute authority that has been determined and takes certain sectors as explicitly mentioned, then of course such action is a form of effort to reduce the spirit of decentralisation and regional autonomy. This kind of policy is what is qualified in this paper as a form of recentralization, that is, the central government takes back decentralised regional government affairs.

This recentralization symptom in the Job Creation Emergency Law can be found in various sectors and in various content matters of articles. First, policies in the health sector Recentralization policies in this health aspect can be seen from the provisions in Law Number 36 of 2009 concerning Health, in which several of its content materials are amended by the Job Creation Emergency Law. The change instead reduces some autonomous regional authority in terms of community health administration in the regions.

Some regional authorities were changed through amendments to the content of Article 30 of Law Number 36 of 2009. In Article 30 paragraph (4), it is mentioned that every healthcare facility must obtain business permits from the central government or the regional government in accordance with their respective authorities, but the norms, standards, procedures, and criteria for this matter are determined by the central government. Another evidence of change can be found in Article 35 of Law Number 36 of 2009, where the previous provision stated that the regional government could determine the number and types of healthcare facilities and grant operating permits in their respective areas. However, through the Job Creation Emergency Law, provisions regarding healthcare facilities and business permits are determined in government regulations.

Second, there is a repositioning of the position and relationship between the central government and the regions. This is related to the position of the president as the head of the central government and its correlation with regional governance in regional autonomy. As explained

earlier, within the framework of decentralisation and regional autonomy, the central government and regional governments have different authorities according to the division of powers. Regional governments have the freedom to manage their own government affairs while maintaining synergy with national policies. Meanwhile, the central government also has its own space to exercise its authority. The central government is led by the president, who is assisted by ministries and non-ministerial government institutions. These provisions have been detailed and explicitly divided in Law Number 23 of 2014, for example, in Article 16 paragraph (3). However, the division of powers becomes biassed in the Job Creation Emergency Law. Article 174 states that with the implementation of this government regulation, the authority of ministers, heads of institutions, or regional governments that has been established in the law to carry out or form regulations must be interpreted as the implementation of the president's authority. This provision opens up the possibility of interpretation that regional governments are included as assistants to the president, whose positions are on par with ministers and other non-ministerial institutions..

Third, there is centralization of business licencing. The Job Creation Emergency Law transfers the mechanism and system of business licencing to the central government. The regional governments, which previously had the authority to regulate the business licensing system, are reduced by this government regulation. This can be seen through the amendment of Article 350 of Law Number 23 of 2014, which states that business licensing services must use an electronic licensing system managed by the central government. The regions are then only tasked with establishing a one-stop integrated service unit. Meanwhile, the norms, standards, procedures, and criteria are determined by the central government. Furthermore, regional governments that do not comply with these norms, standards, procedures, and criteria may face administrative sanctions, including the possible

takeover of the authority to grant business licences by ministries or institutions that are within the authority of the governor, as well as the governor, as the representative of the central government, for the authority to grant permits by regents or mayors.

Implications of the Resentralization Policy in Emergency Law Number 2 of 2022 on Job Creation on the Implementation of Regional Autonomy in Indonesia

The Implementation of Regional Autonomy in a country can be considered successful based on two aspects, as pointed out by Riswandha Imawan.[25] Firstly, it can be seen from the decreasing level of dependence of regional governments on the central government, not only in terms of planning but also in terms of funding. This assumption arises from the belief that a development plan will only be effective when it is formulated and implemented by the regional government itself. Secondly, it is the region's ability to enhance its own economic growth (growth from inside) and the external factors that directly influence the pace of regional development (growth from outside). In short, the success of regional autonomy implementation is measured by the extent to which the region is self-reliant in managing and governing its own affairs and how it can boost its regional economy.

Based on these two indicators, considering the juridical facts signaling resentralization in the Government Regulation in Lieu of Law on Job Creation as described above, the implementation of regional autonomy is likely to be further from achieving success. The regions, which were expected to become more self-reliant through regional autonomy, will become more dependent on the central government. This can be observed through the efforts of the central government to take over

[25] Riswandha Imawan, "Dampak Pembangunan Nasional Terhadap Peningkatan Kemampuan Daerah" dalam Nadir, "Otonomi Daerah dan Desentralisasi Desa: Menuju Pemberdayaan Masyarakat Desa."

regional authorities. The scope of regional authority is also reduced by this Government Regulation. Furthermore, these authorities are crucial for supporting regional self-reliance.

Looking at the form of resentralization mentioned above, where regional authorities, which play a significant role in regional self-reliance, are being placed on par with ministers who are essentially assistants to the President, indirectly delegitimizes the regional leaders who should be at the forefront of implementing regional autonomy, instead turning them into assistants to the President. Moreover, it is emphasised that regional governments must interpret their role in enacting or forming legislation as the implementation of the President's authority. This will only increase the regions' dependence on the central government.

The second measure concerns the region's ability to boost its regional economy. This is also a threat to the regions, considering that the Government Regulation in Lieu of Law on Job Creation centralises business licencing at the national level. The regions no longer have authority in terms of licencing, apart from establishing a one-stop integrated service unit, while management remains under the central government. As is known, this authority significantly affects the generation of local revenue, which is a cornerstone of regional economic resources. In this context, regional governments seem to only serve as intermediaries or facilitators to streamline the business licencing process.

The author argues that there is indeed some ambivalence when looking at the objectives of regional autonomy in relation to the resentralization spirit in the Government Regulation in Lieu of Law on Job Creation, specifically regarding the mechanisms and systems of business licencing. As previously explained, the essence and social objectives of regional autonomy are to bring the government (in this case, the regional government) closer to the people, enabling effective and efficient governance. This is based on the understanding that a centralised

government system will hinder access for communities, especially those geographically distant from the central government. Therefore, having close access to the regional government through the spirit of decentralisation is considered the solution. However, in the context of business licensing, the Government Regulation in Lieu of Law on Job Creation centralizes the mechanisms and systems of business licensing to the central government, with the ideal intention of facilitating public access to obtain business licenses, which are also facilitated by the regional government through the integrated service unit. The expected implication is that investment opportunities will be widely available through simplified licencing processes, allowing business operations to run smoothly and ultimately contributing to the improvement of the regional economy in the areas where these businesses are established.

Conclusion

Based on the explanations above, several conclusions can be drawn. Firstly, there are at least three forms of policies in the Emergency Law on Job Creation (Perpu Cipta Kerja) that tend towards resentralization. These include policies in the healthcare sector that alter certain regional authorities in the provision of healthcare services in the regions, the repositioning of the central government and regional government relationship by implying that regional governments are assistants to the President, placing them on par with ministers and non-ministerial institutions, as well as the role of regional governments in enacting or forming legislation, which must be interpreted as the implementation of the President's authority. Secondly, the Emergency Law on Job Creation (Perpu Cipta Kerja) poses a threat to the success of regional autonomy. The success of regional autonomy, which can be measured by the region's self-reliance in terms of reducing dependence on the central government,

as well as the region's ability to enhance its economic capacity, are both at risk due to the substantial resentralization policies contained in the Government Regulation. Although there is an anomaly in the context of business licencing, where the centralised system and mechanisms are expected to facilitate licencing processes and open up investment opportunities, resulting in improved national and regional economies, Please note that this is a rough translation, and it is advisable to have the text reviewed by a professional translator for accuracy and context.

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