 Discriminative Policy of the Prohibition to Hold Land Ownership for Chinese Indonesian in Yogyakarta

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INFO ARTIKEL

Info Publikasi:
Research Article

Kata Kunci:
Chinese Indonesian;
Land Ownership;
Discriminative Policy;

Article History
Dikirim: 12 Juli 2023
Diterima: 26 Juni 2023
Dipublikasi: 7 Agustus 2023

ABSTRAK


ABSTRACT

Chinese Indonesians who live in Yogyakarta can no longer possess land ownership legally since the Instructions of the Head of the Special Region of Yogyakarta Number K.898 Year 1975 came into effect. Surprisingly, the discrimination finds its root even before the creation of the nation state of Indonesia. Dutch colonial government is the first authority to initiate such
discriminative policy to attenuate Chinese, Arabs, and Indians economic influence in the region and monopolize economic assets above the land. This ethnocentric legal norm permeates and continues its influence in Yogyakarta until now. This paper demonstrates that the instruction as the legal basis in prohibiting Chinese Indonesians to enjoy land ownership is discriminative. Thus, it is against the legal norms that are applicable in Indonesia. Indonesian legal system treats its citizen equally and does not endorse an ethno-nationalist view that discriminate particular ethnicities. In addition, this paper demonstrates that the instruction cannot be classified as a law, according to legal procedure in Indonesia, therefore renders it unlawful. Lastly, this paper also demonstrates that the instruction is ineffective to serve its purpose because there are many legal loopholes and practices that can avoid its provision.

INTRODUCTION

Many individuals and institutions had made multiple legal efforts to challenge the discriminative policy of land ownership against non-indigenous resident particularly the Chinese in Yogyakarta (Ratih, 2018, p. 40). One of the most famous lawsuit that challenge such policy was the done by Handoko a Chinese-Indonesian who was born and raised in Yogyakarta. He challenged the Instruction No. K898/1975 (the instruction) to Administrative Court of Yogyakarta but were rejected because the instruction is not classified as discretion (diskresi) which is not the jurisdiction of administrative court. His second attempt also rejected by the Constitutinal Court. (Susilo, 2010, p. 442). He tried to file a lawsuit in the form of material examination (uji materi), however, the Supreme Court declined Handoko’s request because the instruction does not classify as a law (undang-undang) thus the Supreme Court has no jurisdiction over it. (Heryansyah & Nugraha, 2019, p. 353-379). However, Handoko’s legal effort to challenge the instruction was not welcomed by the people at large. He received a backlash from large number of people even from Yogyakarta royal family members; one of them was Kanjeng Gusti Pangeran Haryo (KGPH) Hadiwinoto the brother of Sultan Hamengkubuwono X. He argued, with rather uncompromising tone, that the Chinese is indebted to Yogyakarta because the Chinese was granted the opportunity by the local which is the Javanese to have a peaceful life in the city. Hadiwinoto remarks also supported by his
cousin KRT Poerbokusumo that said Handoko should respect the instruction and its rulings. Perbokusumo went as far as threatening to banish Handoko from Yogyakarta if he persisted in continuing his legal effort. The rejection of Handoko’s act from the members of the royal court gained massive support from the people, especially in social media. This proves that the instruction interchangeably influences the socio-political milieu of Yogyakarta.

Albeit the harsh repudiation from the royal court and the majority of people in Yogyakarta, the stream of protest for the discriminating policy still lives on. In 2019, Felix Juanardo Winata, a student from Gadjah Mada University, did the most recent legal effort related to the issue. (Lubis, 2021). According to article 60 of the Act Number 8 Year 2011 regarding Constitutional Court, an article and/or a section of the law that already been examined cannot be examined for a second time. (Siregar, 2018, p. 100-108). This resulted in the fact that the instruction cannot be brought again upon the court. This forced Felix to turn his emphasis to Article 7 Point (2) letter d of the Act Number 13 Year 2012 regarding the Special District of Yogyakarta that bestows the regional government the authority over land management. He argues this particular article is responsible for the existence of the instruction. The article makes overlapping authority between central and regional government. (Illiyani, 2020). It gives regional government a complete authority to decide land disputes and affairs without central government involvement, which is resulting to arbitrary action of regional government of Yogyakarta to bypass hierarchal structure of Indonesian legal system, which is proven by the creation of the instruction. In spite of individual legal efforts, Ngo’s and other institutions also take a part in this toil to end the discrimination. National Anti-Discrimination Movement (Gerakan Nasional Anti Diskriminasi) also voiced their dissent in this issue. They tried to correspond with the President regarding this issue, but the Regional Government of Yogyakarta responded the letter first, saying that the instruction is a kind of affirmative policy to protect land ownership of local people in Yogyakarta from so-called “immigrants” that have relatively greater economic power. (Elfianta, et al, 2021).

Until now, the instruction has not yet revoked that perpetuates Chinese-Indonesian discrimination over land ownership. Multiple failed legal attempts, which also exacerbated by
strong social legitimacy towards the issue makes it difficult to reform the policy. This paper tries to demonstrate that the instruction has formal and material defects (*cacat formil dan materil*), thus makes it unlawful and should be revoked.

**METHODODLOGY**

This research paper is conducted in a qualitative manner that employs a normative judicial approach. The main object analysis is statutes that classify as statutory research. The statutes that are subjected to analysis includes the Indonesian 1945 Constitution, the Basic Agrarian Law Number 5 Year (UUPA), the Law Number 39 Year 199 regarding Human Rights, the Law Number 40 Year 2008 regarding Abolition of Discrimination, etc. In addition, the analysis supplemented by related legal opinion found in legal papers and jurisprudence found in court decisions.

**RESULT AND DISCUSSION**

*The Discrimination of the Rights to Own Land in Yogyakarta*

Before scrutinizing the formal and material defect of the instruction, it is essential to comprehend the notion of land ownership in Yogyakarta. Whether rights to own land in Indonesia based on some racial-group hierarchy like was in Dutch Colonial times. The prohibition to grant rights to own land was practiced by the *Vereenigde Oost Indische Compagnie* (VOC). The first record of this prohibition was in 1620. VOC members were prohibited to sell or grant land ownership to non-VOC members. The prohibition also develops in 1875 following the implementation of *Grond Vervreemding Verbod* that prohibit to grant land ownership to non-Indonesian people which are the Chinese, Arabs, and Indians, only the Dutch who was the government and the locals or Indonesians (Javanese, etc.) are allowed to have land ownership. The Dutch embraced such political law (politik hukum) arrangement not for the purpose to protect the rights of the locals but merely for political economic reason. In that time, the Chinese, Arabs, and Indians have owned large portion of land in several regions like in Java and Minahasa. The Dutch did such arrangement to curtail their economic activities.
Furthermore, somehow such arrangement technique also being adopted by Sultanate of Yogyakarta in 1925. The sultanate issued a Rijksblad or state gazette that also prohibits foreigner to have land ownership. The Rijksblad is believed to be the “genesis” of instruction No. K/898/I/A/75, which is essentially, serves the same purpose.

However, after the independence of Indonesia, the founding fathers preached for social equality, justice, and unity. They were rejecting racial discrimination in any form, which were practiced by Dutch colonizer. With that spirit, Indonesia adopts the doctrine of nation’s rights (hak bangsa) in its agrarian law. This nation’s rights is understood as a collective right that can be exercised by either individuals, corporation or governments. The Basic Agrarian Law recognizes all-natural resource like land and air including all things contained within are to be owned by all of Indonesian people (seluruh rakyat Indonesia). It implies that all Indonesian people have equal rights to master over Indonesian soil.

The equality to possess the rights of ownership over land is emphasized in article 9 paragraph 2 of Basic Agrarian Law that states “Every Indonesian citizen, both men and women, has an equal opportunity to acquire a land right and to obtain the benefits and yields thereof for himself/herself or for his/her family”. However, the law also rejects any form of exploitation that reflected in article 7 “To prevent the public interest from being harmed, excessive land ownership and possession is forbidden, and article 11 paragraph 2 “Differences in social conditions and the legal needs of societal groups shall, wherever necessary, be taken into account by providing guaranteed protection for the interests of the economically weaker groups.”

The law does not recognize any form of discrimination based on racial background and ethnicity; rather provides justice to the economically weak. The narrative that assumes Chinese Indonesian are profit oriented capitalistic merchant still embedded in Indonesian’s view while in reality is not. In contrast, many wealthy Javanese owned a great deal of land in Yogyakarta. In fact, they are also contributing to economic monopoly. Thus, instruction No. K/898/I/A/75 is discriminative and ineffective to tackle economic exploitation.
Formal Defect of the Instruction Number K/898/I/A/75

Indonesia abides to the principle of unitary state that recognizes supreme authority to the central government. The central government could delegate some of its power to the regional government. Unlike federal state, regional government in unitary state serves as central government proxy, which means it is not acting on its own agency but the agency of central government. Thus, regional government cannot regulate itself or make their own policy independent from the legal principle created by the central government. The understanding of the notion of unitary state regarding its legal system is most important because the legal system has to be formal and uniform to achieve legal certainty. In addition, Indonesian constitution recognizes that the state of Indonesia is a state based on law. It implies Indonesia required having a robust and solid legal system, particularly in its formal aspect (aspek formil).

According to Kees Schuit, a legal system must reflect three components, which are the substance, operational, and actual means. This section focuses on the operational means of the legal system. Indonesian legal system recognizes hierarchal legal structure. It means that some legal products are superior to others. Hans Kelsen also supports Schuit’s thesis. He postulates that structure and harmonization of regulation determine the juridical legitimation (keberlakuan yuridis) of such regulation. This implies that a regulation cannot go against the regulation that is more superior within the hierarchy. In addition, the inferior regulation not only cannot be against the regulations above them but should also derive its content from the superior regulations in order to realize the harmonization of legal system. This theory is called Stufenbautheorie that later will influence the creation of the Law Number 12 Year 2011. Retrospectively, the theory developed from the principle of Grundnorm that simply translated in English as Ground Norm. The principle of Grundnorm has been recognized in Dutch Civil Law Tradition which later being adopted in Indonesian legal system. The principle implies that a legal system should be based on philosophical thought successively from abstract constitution and lastly to more specific and concrete regulations. Moreover, Article 7 Paragraph 1 of the Act Number 12 Year 2011 Regarding
Law Making classifies and sorts legal products to hierarchal structure pursuant to Stufenbautheorie theory. The structure is divided to several regulations among other:

1. The 1945 constitution (Undang-Undang Dasar Negara Republik Indonesia Tahun 1945)
2. Resolutions of the People's Consultative Assembly (Ketetapan Majelis Permusyawaratan Rakyat)
3. Acts and government regulations in-lieu-of Acts (Undang-Undang dan Peraturan Pemerintah Pengganti Undang-Undang)
4. Government regulations (Peraturan Pemerintah)
5. Presidential regulations (Peraturan Presiden)
6. Provincial regulations (Peraturan Daerah Provinsi)
7. City/District regulations (Peraturan Daerah Kota/Kabupaten)

In Indonesian legal system nomenclature, there is a dichotomy between the nature of legal products, which are rules (regeling), and decision (beschikking). These legal products are classified as rules (peraturan) and it has the characteristic of regulating (regeling). According to article 1 paragraph 2 of the Act Number 12 Year 2011 regarding Law Making, Rules are written regulation that contain legal norms binding in general and formed or determined by a state agency or official authorized by the procedures specified in the Rules. Also, according to Jimly Asshiddiqie, regeling has characteristics which are general and abstract. A regeling’s validity is aimed at anyone who is subject to the formulation of general rules. In contrast, a beschikking only aimed at specific subject and circumstances. Further, according to Maria Farida Indrati, a regeling also has characteristic of continuity (dauerhaftig), means that it applies perennially. Contrary to beschikking that only applies temporarily (enmahlig). Lastly, the difference between regeling and beschikking is regarding court jurisdiction. A regeling is to be examined by Constitutional Court for an act (undang-undang) and by Supreme Court for any legal products below act (peraturan dibawah undang-undang) and a beschikking is to be examined by Administrative Court.

Regarding the instruction, it is obvious that Article 7 Paragraph 1 of the Act Number 12 Year 2011 regarding Law Making does not mention the word ‘instruction’ explicitly which means
it is not included in the hierarchy, thus it is also not recognized by the law. However, the content of the instruction has the characteristic of a *regeling*, which is aimed at anyone who is subject to the formulation of general rules. In its content, Vice-Governor of Yogyakarta allows Chinese-Indonesia to reside in Yogyakarta, but they will lose the rights to own land. Also, the instruction applies continuously as long as the instruction is still implemented. The same logic applied when Handoko wanted to challenge the instruction. He convinced that the instruction has the characteristics of a *regeling*, which are general, abstract, and continuous (*dauerhaftig*). In theory, Handoko’s argument to classify the instruction as a *regeling* is legitimate. However, according to Supreme Court Decision Number 13/P/HUM/2015, the instruction did not consider as a *regeling* because a *regeling* has to be explicitly mentioned in the Law Number 12 Year 2011 regarding Law Making, which in this case there is no mention about the word “instruction”. According to the law, provincial regulations consist of *Peraturan Daerah Provinsi* (Perda) and *Peraturan Gubernur* (Pergub). However, Pergub is not explicitly mentioned in the law but still recognized as valid regulation. In fact, the Law Number 12 Year 2011 regarding Law Making also recognizes other regulations beside those mentioned in article 7. Article 8 states that the types of regulation apart from those mentioned in article 7 are still recognized and valid under the law. Those types of regulation are regulations that are created by authorities, mainly executives. President, governor, and city mayor could issue a regulation (*peraturan*) that would be recognized as law.

Although, the instruction number K/898/I/A/75 was not issued by governor instead by vice-governor. That makes the instruction not recognized as a law, because vice-governor does not have the authority to issue such regulation. The title of the instruction number K/898/I/A/75 rather misleading and evasive because its title mention the Instructions of the Head of the Special Region of Yogyakarta (*Instruksi Kepala Daerah Daerah Istimewa Yogyakarta*) alludes people that this instruction was issued by the governor, in fact it was not. Paku Alam VIII who was the former vice-governor of Yogyakarta issued this instruction without any written consideration from the governed at that time. Therefore, according to Article 8 of the Act Number 12 Year 2011 regarding Law Making, vice-governor does not has the authority to issue a law which makes the instruction
unlawful. In addition, Governor’s decree of Yogyakarta number 38 Year 2016 regarding the Role of Vice-Governor of Yogyakarta states that there is no such authority to create and implement a regional regulation. Only the Governor has the authority to create and implement a regional regulation. The creation and implementation of such regulation also have to adhere to the legal protocol prescribed by the law. Therefore, the instruction number K/898/I/A/75 would deem unlawful because it issued by Vice-Governor who has no authority and bypassing a great deal of legal protocols.

Material Defect of the Instruction Number K/898/I/A/75

The second analytical proposition of this paper is to demonstrate to the reader that the instruction is materially defected (cacat materiiil). What does it mean by material defect is a regulation, contract, and procedure that are not in accordance with pertinent laws (hukum yang berlaku). To examine if such regulation is materially justified, it has to be thoroughly tested and compared with the relevant regulations above it. From constitution to lowest tier of regulations above it. In the case of Instruction Number K898/I/A/75, the relevant references to examine it ranging from the 1945 Constitution, relevant Acts (undang-undang), Government Regulations (Peraturan Pemerintah), Presidential Regulation (Peraturan Presiden), and Provincial Regulations (Peraturan Daerah Provinsi). Therefore, all those references could be tools to examine the legality of the instruction.

Article 28 I (2) of the 1945 Constitution states that every person is entitled to be free from discriminative treatment on whatsoever basis and is entitled to acquire protection against such discriminative treatment. Contrary to that, the Instruction Number K898/I/A/75 does give such treatment to ethnicities, especially the Chinese. The Instruction suggests that this affirmative policy is intended to protect the economic weak group, which in this case is the local (Javanese). However, to determine that the Instruction in fact protecting the economic weak groups, it must be tested with rational and economic analysis, which requires accurate statistical tools. Later, this economic analysis and findings should be incorporated in academic script (naskah akademik) that
required as a basis for every establishment of regulations in Indonesia. Unlike Provincial Regulations (*Peraturan Daerah Provinsi*) and Governor’s Regulation (*Peraturan Gubernur*) that base their analysis on scientific findings contained in academic script. The Instruction Number K898/I/A/75 does not rest its legitimation to scientific analysis, but to the pre-colonial cultural and racial sentiment, that accuses Chinese-Indonesia as profit-oriented, exploitative, and manipulative entrepreneur. This proposition proves by the socio-cultural historical backdrop of the Instruction.

The Royal Court of Yogyakarta believes that the Chinese is allowed to live in Yogyakarta because the mercy of Hamengkubuwono VIII. The Chinese was hostile to the local people because their competitive and monopolistic business practice as well as proliferation of Opium that believed originated from Chinese traders. Thus, parallel with premise above, Instruction Number K898/I/A/75 is against Article 28 I (2) of 1945 Constitution that omit the rights of Chinese Indonesians to own a land.

Moreover, in article 9 (2) of Basic Agrarian Law Year 1960 states that every Indonesian citizen, both men and women, has an equal opportunity to acquire a land right and to obtain the benefits and yields thereof for himself/herself or for his/her family. This article posits that the rights to own land in Indonesia is based on citizenship not some racial background or ethnicity. Administratively, every Indonesian citizen that have Identity Card (*Kartu Tanda Penduduk/KTP*) are eligible to have access to possess right of ownership (*hak milik*). Basic Agrarian Law does apply a kind of affirmative action that refers to a policy that aimed at Indonesian nationals to protect the rights to own land against international monopoly. In fact, in the article 21, it is clearly stated that only Indonesian citizens can have a right of ownership (*hak milik*). Since Indonesia gained its independence, the underlying principle regarding the civil rights is always based on citizenship. There shall no discrimination whatsoever within the content of any regulations. However, the Instruction Number K898/I/A/75 places Chinese Indonesian to foreigner position, which is only allowed to possess right to cultivate (*Hak Guna Usaha*) and right of use of structures (*Hak Guna Bangunan*). These rights are limited rights subjected to foreigner. Thus, subjecting Chinese Indonesian to such kind of limitation is considered as a blatant discrimination. It creates
a suspicion that Government of Yogyakarta and its Royal Court repeats the raison d'etre of Dutch colonial system of *Grond Vervreemding Verbod* that benefit the oligarch rather than economically weak groups.

As a commitment to uphold the principles enshrined within the Universal Declaration of Human Rights (UDHR) and International Convention on the Elimination of All Forms of Racial Discrimination (ICCPR), Indonesia issued the Act Number 39 Year 1999 Regarding Human Rights. Article 5 (1) states that everyone is recognized as an individual who has the right to demand and obtain equal treatment and protection before the law as befits his or her human dignity. Actually, this article has two implication in our attempt to criticize the Instruction Number K898/I/A/7. Firstly, article 5 (1) approaches discrimination as an action that should be prevented in order not to violate the rights of people. Secondly, this article ensures and facilitates the right to demand any rights that are not yet obtained or already violated. To put it simply, it also guarantees a reinstatement. In relation to the Instruction Number K898/I/A/7, article 5 (1) theoretically annuls the legality of the instruction because it violates the notion of the article which is condemning discriminative acts that upset the human dignity. The article also justifies legal attempts to examine any discriminative regulations as Handoko and Felix have done. Also, any support and advocating effort done by institution or individuals alike.

Moreover, the Instruction Number K898/I/A/7 also against the notion of Article 6 of Act Number 40 Year 2008 Regarding Elimination of Race and Ethnic Discrimination. The article ensures the protection against racial and ethnic discrimination. In addition, it also obliges government, citizens, and other constituencies to actively conduct such protection. Legally, this article reflects the supremacy of rule of law in Indonesia. Indonesian legal system recognizes civil rights as a right that enjoyed by Indonesian citizen regardless their religious and ethnic background. Thus, every individual that granted citizenship are fully integrated to the multiracial-cultural community of Indonesia. According to this article, the Instruction Number K898/I/A/7 violates the protection of minority which prone to discrimination and denies the fulfilment of rights of citizen. Historically, the Act was intended to systematically eradicate the discrimination based
on racial and ethnicity in economic, social, and political relationship. The horror of May riot still haunts in the mind of the people, especially the Chinese-Indonesian. They were accused of voluntarily creating and exacerbating the economic crisis at that time. However, most of the victims of looting, murder and rape were middle-income Chinese which in reality does not fit with the narrative of Chinese greedy capitalist that famously repeated.

Further, article 7-point a-d expounds protocols to execute article 6 in practice. Particularly, point d which states that to take effective action to reform, amend, revoke, or annul laws and regulations that contain racial and ethnic discrimination. Thus, this article justifies that the Instruction Number K898/I/A/7 should be revoked or annulled. In addition, according to the principle of Lex Superior Derogat Legi Inferiori which is a higher-level rule abrogates a lower one. Therefore, because the Instruction has proven containing discriminative content, the Act Number 40 Year 2008 Regarding Elimination of Race and Ethnic Discrimination has the authority to overrule it.

CONCLUSION

The Instructions of the Head of the Special Region of Yogyakarta Number K.898 Year 1975 is proven to unjustifiably discriminating Chinese-Indonesian as well as the Arabs and Indians. It also contains formal and material defects (cacat formil dan materiil). The legal attempts to challenge the instruction were facing great social-political pressure from the masses because there is still a profound stigmatization to Chinese people in Indonesia as a greedy capitalist merchant-entrepreneur. The condition is exacerbated by the implementation of the Instruction in 1975.

The Instruction Number K898/I/A/7 ignores the principle of Stufenbautheorie theory which is embedded in the Act Number 12 Year 2011 Regarding Law Making, especially in article 7 paragraph 1 that systematically sort out the hierarchy of legal products in Indonesia. The theory as well as the act assigned for the realization of a robust and harmonious legal system to achieve the notion of rule of law, which is mandated by the constitution. In addition, the Instruction does not fall under the classification neither of regelling nor of beschikking, which is creating massive
confusion regarding where the correct court to appeal with. Ultimately, the justice seekers cannot properly bring the case to the correct authority and create a deadlock to a legal remedy.

Lastly, the Instruction Number K898/I/A/7 contains material defects (cacat materiil). The instruction opposes the legal norms enshrined in superior regulations and laws such as article 28 I (2) of 1945 Constitution, article 9 (2) and 21 of Basic Agrarian Law Year 1960, article 5 (1) of the Act Number 39 Year 1999 Regarding Human Rights, and article 6 of the act Number 40 Year 2008 Regarding Elimination of Race and Ethnic Discrimination. Because according to the principle of Lex Superior Derogat Legi Inferiori, a higher-level rule abrogates a lower one. Thus, ideally, Instruction Number K898/I/A/7 must be in line with the regulations mentioned above.

REFERENCES


