

INTER-RELIGIOUS HARMONY: THE CHALLENGING VILLAGE FUNDS MANAGEMENT IN THE REGIONS OF SHARIA LAW IMPLEMENTATION

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Abstract

In accordance with the implementation of village autonomy, village governments face challenges in governing village funds and maintaining inter-religious harmony. This research analyzed the internalization of inter-religious harmony in the region where Islamic Law is implemented and specifically investigated how village administrations sustain inter-religious harmony during the village funds management process. This article also examined religious minorities' participation in the village funds management process through the lens of harmony among religious communities. This paper employed qualitative methodology to examine cases from various villages in Banda Aceh City, where the predominant population and all village leaders are Muslim, exhibiting a propensity to allocate village funds exclusively for Muslim activities. At the same time, other religious villagers constitute co-existing minority groups. The researcher identified the case locations in three villages across two distinct sub-districts, focusing on the inter-religious population around worship house distribution areas. The data were assessed by comparing findings from observations, in-depth interviews, and document reviews about village fund administration from 2016 to 2020 through triangulation analysis. The study's findings indicated that diverse religious minorities participate in village funds management during the planning and implementation phases. Focusing on how to foster inter-religious harmony principles, encompassing tolerance, equality, and collaboration among religious communities, this research elaborated on how the village fund management in Banda Aceh City occurs steadily, lacking dynamism and conflicts among religions.

Keywords: *financial management, religious minority, village governance*

Abstrak

Sejalan dengan pelaksanaan otonomi desa, pemerintah desa menghadapi tantangan dalam mengelola dana desa dan memelihara kerukunan antarumat beragama. Penelitian ini menganalisis internalisasi kerukunan antarumat beragama di wilayah yang menerapkan Shariat Islam, khususnya menyelidiki bagaimana pemerintah desa memelihara kerukunan antarumat beragama selama proses pengelolaan dana desa. Artikel ini mengkaji partisipasi kelompok agama minoritas dalam proses pengelolaan dana desa melalui sudut pandang kerukunan antarumat beragama. Tulisan ini menggunakan metodologi kualitatif untuk mengkaji kasus-kasus dari berbagai desa di Kota Banda Aceh, yang mayoritas penduduknya dan semua pemimpin desa beragama Islam dan kecenderungannya dalam mengalokasikan dana desa secara eksklusif untuk kegiatan-kegiatan umat Islam. Padahal di sana hidup berdampingan penduduk agama lainnya sebagai kelompok minoritas. Peneliti mengidentifikasi lokasi kasus di tiga desa di dua kecamatan yang berbeda, dengan fokus pada penduduk antarumat beragama di sekitar wilayah sebaran rumah ibadah. Data dinilai dengan membandingkan temuan-temuan dari hasil observasi, wawancara mendalam, dan telaah dokumen tentang pengelolaan dana desa dari tahun 2016 hingga 2020 melalui analisis triangulasi. Temuan penelitian menunjukkan bahwa berbagai kelompok minoritas agama turut berpartisipasi dalam pengelolaan dana desa selama tahap perencanaan dan pelaksanaan. Berfokus pada upaya pembinaan asas kerukunan antarumat beragama, meliputi toleransi, kesetaraan, dan kerja sama antarumat beragama, penelitian ini menguraikan bagaimana pengelolaan dana desa di Kota Banda Aceh berlangsung secara berkesinambungan, tanpa adanya dinamika dan konflik antarumat beragama.

Kata kunci: *Pengelolaan keuangan, Minoritas agama, Tata kelola desa*

INTRODUCTION

The implementation of Law Number 6 of 2014, known as the Village Law, granted village governments the autonomy to govern and manage village funds derived from the State Revenue and Expenditure Budget (APBN). Abdul Halim Iskandar, the former Minister of Villages, Development of Isolated Regions, and Transmigration Affairs, reported that the allocation of village funds from 2015 to 2020 totalled IDR 323 trillion (Susanto, 2021). Between 2015 and 2020, Aceh Province was allocated IDR 24.8 trillion in village funds. The figures are as follows: IDR 1.7 trillion in 2015, IDR 3.82 trillion in 2016, IDR 4.89 trillion in 2017, IDR 4.45 trillion in 2018, IDR 4.95 trillion in 2019, and IDR 4.98 trillion in 2020 (DPMG Aceh, 2020). As of July 2024, the Aceh Government reported the distribution of at least 44.2 trillion in village funds to 6,497 villages within Aceh province (Fajri, 2024).

Obviously, the village government has the autonomy to allocate the village funds in accordance with the local village community's priority needs. Yet, the government also established a policy to regulate the priority in using village funds, which is an important reference in managing village funds; it aims to ensure that the achievement of the target use of village funds is in line with the objectives of national development. The village funds policy, hopefully, will improve the welfare of village communities and the quality of human life and poverty alleviation through the fulfilment of basic needs, development of village facilities and infrastructure, development of local economic potential, and sustainable utilization of natural resources and the environment (Indonesian Law, 2014).

The government has prioritized village finances through the Regulation of the Minister of Villages (Permendesa) in alignment with the budget year execution. The regulation has been promulgated multiple times since the initial allocation of village finances in the 2015 fiscal year. Typically, the allocation of village finances focuses on two primary areas of activity each year: infrastructure development and community empowerment. This policy seeks to govern the distribution of village funds to enhance infrastructure and public facilities, thereby improving community welfare, elevating the quality of human life, and diminishing the poverty rate in villages (Regulation of Minister Villages, Isolated Regions and Transmigrations Affairs, 2018). Instead, the government limit the village funds used for religious activities.

In practice, the allocation of village fund usage is often determined by the specific needs of the village, influenced by varying cultural and demographic characteristics. In Aceh province, the allocation of village funds across various regions will take into account the distinct preferences of villagers at both the district and village levels. The characteristics of the village population are a critical factor in the utilization of village funds. Despite the lack of prioritization of village funds for religious activities, the initial distribution of these funds by the government saw many villages in Aceh province allocating resources to construct "Meunasah," which serves as physical structures for worship and community gatherings among

Muslims. In Pidie Regency, data from the 2017 budget year indicates that the construction of Meunasah accounted for the highest absorption of village fund usage in the infrastructure and facilities development category, representing 12.77% of total expenditures. Currently, the construction of village shops, categorized under national development priorities, ranks second at approximately 5.05% (P3MD, 2017). The characteristics of the population in Pidie Regency were directly proportional, with a Muslim majority of 99.95% (Pidie, 2021).

Pidie Regency reflects the province of Aceh, which has a predominantly Muslim population and exhibits significant dominance in the construction of Meunasah. Nonetheless, the site serves not only as a place of worship for Muslim residents but also facilitates social activities, including religious education, village discussions, governmental meetings, customary events, and various other functions. Conversely, nearly all regencies and cities in Aceh province contain non-Muslim residents, with certain areas exhibiting a significant degree of religious diversity. Banda Aceh City, the capital of Aceh Province, exhibits a more diverse demographic characterized by various religious affiliations than other districts/cities in Aceh. As of 2020, the religious demographics of Banda Aceh City included 239,695 Muslims, 1,703 Christians, 506 Catholics, 18 Hindus, and 2,764 Buddhists (Banda Aceh, 2020). Accordingly, Muslims are still the majority, while other religious populations are minority populations. Hence, I posit that the village funds management in areas such as population characteristics, such as Banda Aceh, obviously faced challenges maintaining religious harmony and instead potentially tended to neglect minorities' rights.

I assume that village funds management where religious minorities co-exist in the region of Sharia law implementation tends to elevate the potential sensitivity of conflict due to neglect of minority rights. Instead, if village funds are meticulously governed, fairness is implemented, and the rights and interests of all village residents are treated equally, it would result in effective growth at the village level. In distributing village funds for religious activities, the village government, as the entity accountable for village development, must exercise prudence in managing these funds, ensuring that the allocation for religious infrastructure, religious holidays, and other regular religious activities is equitable and decided democratically. The anguish caused by the inequitable distribution of various activities must not be overlooked since this worry may lead to future conflicts (Scheffler, 2007). This study seeks to analyse and ascertain the possibility of this conflict to preserve the harmony of religious groups. This study will examine how village administrations navigate the many concerns of multicultural residents to promote harmonious coexistence amid inter-religious differences.

This research focuses on examining various case studies from different villages in Banda Aceh City, highlighting the experiences of villagers of religious minorities within a predominantly Muslim population governed by a Muslim village head in Banda Aceh City. Serving as the capital of Aceh Province, the city

operates under regional regulations (Qanun Aceh) that enforce Sharia law. This paper assesses the execution of religious harmony in the village funds management process specified according to the Joint agreement between the Minister of Religious Affairs (MORA) and Minister of Domestics Affairs (MODA) No. 9 of 2006 and No. 8 of 2006. It examines varied practices of tolerance, equality, and collaboration in village funds management practice at the village level. This work contributed to the established academic reference and governmental policy for the application of the principle of religious harmony. This study is essential for identifying potential conflicts within the dynamics of a pluralistic society, particularly in maintaining religious harmony in the region of Sharia law implementation.

Prior studies have contributed to some work related to interreligious harmony. Achmad (2013) employed a historical perspective to demonstrate that interreligious concord in Islam has been established since its inception, so laying the groundwork for the interaction between Islam and other religions. Nonetheless, the study is somewhat detached from Indonesia's contexts, particularly Banda Aceh. Furthermore, certain scholars examined local wisdom as a paradigm for interfaith communication aimed at fostering religious harmony in Indonesia (Agung et al., 2024; Witro et al., 2022), focusing on the behaviours and interactions of religious communities. Although conducted in many places in Indonesia, the study fails to contribute to the research on the dynamics of village fund management at the grassroots level. While certain academics concentrated on the village level, T. Susanto et al., (2022); Parwanto et al., (2022); and Maknun (2020) examined the evolution of religious concord in various villages in Indonesia, excluding areas where Sharia law is implemented. They expound on how villages cultivate tolerance, equality, and collaboration principles to foster religious peace. This study offers detailed empirical evidence from many places and circumstances, demonstrating how the village administration sustains inter-religious cooperation in areas where Sharia law is enforced.

This study will incorporate the research of Fanzikri (2021) those who examined "The Effectiveness of Utilizing Village Funds for Diverse Religious Activities in Banda Aceh." Through an assessment of village funding allocated from the 2016 to 2020 fiscal years across various villages in Banda Aceh, he demonstrated that the monies designated for religious activities are restricted to Muslim communities, encompassing TPA activities and religious comprehension training initiatives. However, funding was allocated only for Muslim activities and not for Christians, Hindus, and Buddhists. This research investigated how the village administration sustains inter-religious harmony despite the allocation of some village funds exclusively for Muslim religious activities in certain villages of Banda Aceh. In contrast, other minority religious populations do not receive such funding. The study systematically elaborates on the extent to which inter-religious harmony occurs within the village funds management process sequentially by encompassing

the stages of planning and budgeting, implementation, and accountability reporting. This research then examines the implementation of harmonious coexistence among religious minorities and the extent to which their rights are involved through tolerance, equality, and collaboration in the village funds management.

METHOD

This study employs a descriptive qualitative methodology to comprehensively depict and narrate inter-religious harmony in the cases of village funds management in Banda Aceh City. A descriptive qualitative study thoroughly elucidates and comprehends a phenomenon within a particular setting by examining and interpreting various facts (Paluck, 2010). Investigating the phenomena entails collecting data on context-specific human experiences, behaviours, attitudes, sentiments, and emotions from the viewpoint of a particular demographic of interest. Elucidating the phenomenon beyond mere description necessitates the identification of patterns, themes, and relationships within the data to cultivate a more profound comprehension (Munck, 1998). Both the exploration and elucidation of the phenomena in descriptive qualitative research facilitate a comprehensive comprehension of the phenomenon within its sociocultural context (Cissé & Rasmussen, 2022). Consequently, this strategy is appropriate for this investigation.

This research is classified as a case study. Some social researchers (Flyvbjerg, 2006; Gerring, 2004; Skocpol & Somers, 1980) assert that case studies are essential for offering detailed descriptions and facilitating vicarious experiences while recognizing that they do not seek statistical generalization. Conversely, Gerring (2004) contends that case studies can facilitate the generation of causal inferences. The chosen cases encompass all attributes by taking into account socio-cultural and geographic aspects. Teixeira et al., (2022) assert that researchers can guarantee the representativeness of a case study location by employing a systematic methodology for selecting study regions. This study was carried out in three villages across two distinct sub-districts: Kuta Alam and Baiturrahman Districts. This conclusion is derived from the geographical distribution of places of worship and the predominant various religious demographics in Banda Aceh City, according to the Indonesia Central Bureau of Statistics (BPS) data from 2020.

Table 1.

Research Focus

Dimensions	Indicators	References
Village funds management process	a) Planning and Budgeting b) Implementation c) Reporting of accountability	Permendagri No 20 Years 2018 concerning Village Financial Management.
Inter-religious Harmony	a) Tolerance b) Equality c) Collaboration	Joint agreement between MORA and MODA No 9 of 2006 and No 8 of 2006.

Sumber: Researcher, 2022

By focusing on managing village funds for the 2015 to 2020 budget years, this study will examine the dimensions of the village funds management process and inter-religious harmony. The measurement of this dimension can be found in Table 1.

Data was gathered through observational methods and comprehensive interviews as primary data, alongside document analysis as secondary data. This study included contributions from several informants, notably Keuchik, who acts as the village government leader and is responsible for the village funds use. Also, Tuha Peut Gampong (TPG) figures are the components of the village government responsible for regulating and overseeing village development. Included the village apparatus, which is responsible for the execution of village money utilization. Fourth, religious leaders are societal members entitled to participate in the village development process and lead their communities. The element of Community and Village Empowerment Service (DPMG) of Banda Aceh City is the principal agency representing the Banda Aceh City Government in the development of village governance. Data analysis was conducted by examining general claims based on interviews, and it tests and compares the link among different data categories, grounded in empirical findings through classification and validation. This data triangulation will assess data validity by employing several perspectives to elucidate meaning and confirm the consistency of interpretative observations (Farquhar et al., 2020). Using triangulation by delineating and contrasting data and information gathered in the field ensures internal validity.

RESULT AND DISCUSSION

Inter-religious harmony represents an ideal state for a society consisting of diverse religious backgrounds, allowing coexistence in peace while recognizing and respecting the rights of people and groups to practice their faith according to their beliefs. The Indonesian government promotes the preservation of interfaith harmony among local governments and communities at all levels, including villages. According to the Joint Ministerial Regulation (PBM) issued by the MORA dan the MODA, Numbers 9 and 8 of 2006, inter-religious harmony is characterized as a relationship among diverse religious communities founded on tolerance, mutual understanding, respect for equality in the practice of their religious beliefs, and collaboration in community, national, and state affairs within the Unitary State of the Republic of Indonesia, as established by Pancasila and the 1945 Constitution of the Republic of Indonesia. The MORA has established strategic objectives for three indicators of inter-religious harmony: tolerance, equality, and cooperation. Tolerance denotes the disposition of reciprocal acceptance and respect between one religious community and another. Second, equality denotes the readiness to safeguard one another and ensure mutual rights and possibilities. Third, cooperation involves socializing, empathizing, and sympathizing with one another in social, economic, cultural, and religious contexts. This study examines three indicators as benchmarks for assessing the index of religious harmony within a society, particularly regarding the village fund management process (Sila & Fakhruddin (2020).

On the other hand, the policy of prioritizing the utilization of village finances in Banda Aceh City adheres to the regulations established by the Ministry of Villages. The legislation permits the utilization of village revenues for specific religious activities, including the acquisition, building, development, and maintenance of educational and welfare infrastructure, such as religious learning parks. Furthermore, among the prioritized activities for village community empowerment, the village government may allocate village funds for comprehensive support for religious learning park educators, financial literacy training from an Islamic viewpoint, counselling to avert child marriage from a religious standpoint, and family education promoting harmony from an Islamic perspective (Regulation of Minister Villages, Isolated Regions and Transmigrations Affairs, 2018).

In addition to the village finances allocated by the federal government (APBN), the village additionally obtains budget transfers from the district/city administration, shares of tax revenue, and numerous other sources. All income generated by the village shall be consolidated in the Village Revenue and Expenditure Budget (APBDes) document;--In Banda Aceh City, APBDes is referred to as APBG, with "gampong" denoting the concept of a hamlet. APBG serves as a mechanism for the administration and strategizing of village finances within a developmental year. The Minister of Home Affairs Regulation Number 113 of 2014

stipulates that APBG comprises revenue, spending, and finance. Village income comprises native village income (PAG), government and regional authorities transfers, and additional revenue sources. This legislation requires that village finances be administered according to principles of transparency, accountability, and participation, executed with fiscal discipline (Regulation of Minister Domestic Affairs, 2014).

Furthermore, the management of village funds is intrinsically linked to overall village financial management. According to financial management principles, all operations related to village budget allocation must be planned, executed, and assessed transparently, engaging all strata of the village community. All management processes must adhere to administrative, technical, and legal accountability, in accordance with Law Number 6 of 2014 regarding Villages, Government Regulation Number 43 of 2014 implementing Law Number 6 of 2014, as amended by Government Regulation Number 47 of 2015; Government Regulation Number 60 of 2014 concerning Village Funds from the State Budget, amended multiple times, most recently by Government Regulation Number 8 of 2016 regarding the Second Amendment to Government Regulation Number 60 of 2014 concerning Village Funds from the State Revenue and Expenditure Budget.

The management of village money at the ministerial level was initially governed by *Permendagri* Number 114 of 2014, which pertains to Village Development Guidelines, and Number 113 of 2014, which addresses Village Financial Management. On 8 May 2018, the Government ratified *Permendagri* 20 of 2018 regarding Village Financial Management, superseding the prior regulations established in *Permendagri* Number 113 of 2014. Moreover, at the district or city level, its regulation is sanctioned and formulated by the regulation of the Regent or Mayor. These requirements require the village financial management process to be segmented into four phases: planning, execution, administration, and reporting and accountability. This article focuses on three stages of the financial management process: planning, implementation, and accountability reporting. The administrative process is excluded as the village government conducted the stage without necessitating citizen participation.

Participation of Inter-religious Figures in Village Funds Management

This section will detail the application of the principles of participation, accountability, and transparency in the village fund management process. Ensuring the minorities' rights, this section predominantly points out the result of analysing the involvement of village communities, especially religious minorities' participation and their contribution in every phase of the village fund management process, including planning, implementation, and Reporting of Accountability.

Planning

The planning stage serves as the foundational element in the management strategies for village funds. At this point, the village administration is required to create a six-year work plan document known as the village medium-term development plan (RPJMG). Furthermore, the RPJM will be segmented and formulated into an annual work plan document, commonly known as the village government work plan (RKPG). The village government annually develops a village revenue and expenditure budget plan (APBG) that aligns with the RKPG.

The village government and villagers engage in a systematic approach to develop programs and activities that support the implementation policy detailed in the planning document. This involves conducting a hamlet-level deliberation (Musdus/ Musyawarah Dusun) and a village-level deliberation (Musdes/ Musyawarah Desa) to collect a variety of suggestions and proposals that align with the needs of the village community. Some village administrations argue that the village government conducts Musdus and Musdes activities during the planning phase to collect aspirations and determine priorities for village development spending. In Gampong Keudah, the head of finance revealed that managing village funds begins during the planning stage, initiated by the Musdus and Musdes activities (Z. U. Rusli, personal communication, September 15, 2021). The leader of the TPG of Keudah indicated that all development planning in the village systematically involves Musdus and village development planning deliberation (Musrembangdes/Musyawarah Perencanaan Pembangunan Desa) (Sulaiman, personal communication, September 17, 2021).

According to the regulation of Villages Minister No. 2 of 2015 and replaced by No. 16 of 2019 concerning Village Deliberations, the Musdus and Musdes should be involved in the actors of the village government, TPG, and elements of the village community. In this term, all representative community figures have the right to be engaged with both Muslims and non-Muslims. This mandate was also implemented in Gampong Keudah. As the Head of TPG Keudah stated that either Muslims and other religious communities are actively involved; "they have the right to suggest activities," said Sulaiman (2021), who also serves as Secretary of Mukim Kutaraja and Head of Pague Gampong and Mutasib Banda Aceh City.

Even though inter-religious figures participated in the planning stage, all research informants revealed that the involvement of some residents in the village deliberation forum was not a representation of religious figures but rather as elements and/or village community actors. In Gampong Peunayong, for instance, Keuchik Peunayong stated that in the management of village funds in the activity planning stage, "many religious elements are involved in Musdus and Musdes, all representing elements of community groups, such as Posyandu, women groups, food extension workers, youth groups, and as members of the community," (T. S. Harun, personal communication, September 21, 2021).

Attending citizens based on various religious in village deliberation forums who are unrecognized as representatives of religious figures is a proposition with the output of development activity proposals in the villages. Some informants argued that no religious community groups have proposed religious activities in the village deliberation forum except Muslims. As Keuchik Mulia admitted, some residents who represent their religion have never proposed religious activities, but they frequently proposed some general activities (Syukriadi, personal communication, September 9, 2021). The Secretary Government of Gampong Mulia said that some Chinese ethnic groups had proposed a cultural development activity such as a Barong Sai event. Still, because of the COVID-19 pandemic and budget refocusing in the years of 2020, "it was not accommodated to budgeting" (E. R. Lubis, personal communication, September 15, 2021).

It was a different condition in Gampong Keudah. The village apparatus declared that the residents with other religions except Muslims have never proposed some activities, including religious activities. A Hindu religious figure in Gampong Keudah confirmed this statement. According to him, no religious activities had ever been proposed in the deliberation because "We feel like a minority and have no rights" (R. Krisna, personal communication, September 17, 2021). In addition, Radha also admitted that he was embarrassed to propose Hindu religious activities when the majority of the Muslim community was enthusiastic about implementing Islamic law as local wisdom. Instead, he did not complain about the Muslim religious activities that village funds allocated due to the majority of the population and local wisdom.

On the other hand, the Secretary of the TPG Peunayong also conveyed a similar condition. The presence of minority religious citizens at meetings and deliberation forums does not propose religious activities but for public interest facilities and infrastructure "because they understand the existence of local wisdom and Islamic law in Banda Aceh City" (S. Syahril, personal communication, September 22, 2021). Moreover, another reason that there are not some proposals for religious activities from religious minority residents is that "most of the Chinese residents in Peunayong are mostly traders, most of them are migrants, they tend not to care about socio-religious conditions" (T. M. Saputra, personal communication, September 21, 2021). Based on confirmation from a Christian religious figure domiciled in Peunayong Village, religious activities have never been proposed because they are not yet needed. "Never proposed religious activities because it is unnecessary" (K. K. Siong, personal communication, September 22, 2021).

The aforementioned results indicate that the participation of diverse religious personalities in the village debate forum reflects the components of the village community rather than serving as representatives of their own faiths. This stage has embraced participatory concepts in village development planning, ensuring equitable community involvement (Junaedi, 2022; Fanzikri, 2019). Moreover, the

limited plans for religious activities in the village were due to government regulations that restricted the allocation of community finances for such programs (Fanzikri, 2021). The lack of ideas for religious activities from religious minorities in the deliberation forum indicates that non-Muslim people are cognizant of the application of Islamic law as local knowledge in Banda Aceh City. Local wisdom is seen as cultural appreciation and acknowledgement of diversity (Alhamuddin & Alifuddin, 2024). This perspective implicitly reflects the tolerance principles in the village funds management, particularly during the planning phase. This indicates that the village government opens space for religious minority participation in the management of village funds. It also indicates that the planning phase of village funds management in Banda Aceh City supports the implementation of inter-religious harmony.

Implementation

The execution of village funding is characterized by the initiation of several development initiatives categorized into distinct sectors, including infrastructure development, community empowerment, and community advancement. At this stage, community participation is evident through the engagement of the community and religious minorities in the execution of activities across various roles, including village officials, activity implementation teams (TPK/*Tim Pelaksana Kegiatan*), village community institution groups such as youth groups, youth organizations, Posyandu, and women's development groups, or their involvement in self-directed village development initiatives.

The data analysis indicates that the religious figure involved in this stage is consistently recognized as a villager rather than a religious leader. In Gampong Keudah, many religious constituents, encompassing either Muslims or others, participated in the execution of the village administration. The village government perceives the participation of these religious figures not as representatives of religious factions but as integral components of the community, regarded equally alongside other community members. *Keuchik Keudah* recognizes that a Christian individual holds the position of village official in his community. "Either Muslims or others in the village apparatus are equivalent to our government." (Marlidon, personal communication, September 15, 2021). According to him, various religious citizens take an equal role in several village activities, such as *Posyandu* cadres, PKK cadres, and sports instructors. In addition, many elements from various religions are involved in implementing mutual cooperation, such as village cash-intensive work activities (*PKTD/ Padat Karya Tunai Desa*), which the village funds finance.

The statement aligns with the confession of Hindu religious figures in Keudah village. Radha Krishna (2021), also a Pinaneta at the Banda Aceh City Temple, admitted that in implementing development, he was often present at activities such as mutual cooperation and PKTD activities. He said that even he frequently attended Muslim celebration activities, such as *Maulidir Rasul*, *Isra' Mi'raj*, etc. In

addition, he also admitted to being a sports instructor in Keudah village. Hence, he admitted that he was given the opportunity to manage some of the village funds allocated to children's soccer equipment.

A similar situation also transpired in Peunayong village. Notably, despite the Muslim population constituting approximately 35 percent, all components of the village government and the TPG of Peunayong are currently Muslim. According to *Keuchik Peunayong's* confession, numerous religious components were incorporated into the execution of events to represent community groups, including *Posyandu*, PKK, cooking instructors, and youth groups. As participants in TPK, "there are involved societal elements from either Muslims or others." (T. S. Harun, personal communication, September 21, 2021). The involvement of various religious elements was most apparent in PKTD activities and handling of COVID-19 in 2020. This confession was confirmed by the statement of a Christian religious figure, Kho Khie Siong, who was also a member of the previous Peunayong TPG. He explained that in the implementation of village activities, they were involved in many social activities, such as mutual cooperation, handling of COVID-19, PKK, and *Posyandu* administrators; he admitted that even his younger siblings are at the forefront of the executor of *Posyandu*. According to him, various parties from various religious backgrounds are involved in managing activities but not in managing the village finances.

An alternative situation transpired at Gampong Mulia. Certain religious minorities were disinterested in participating in the village government. The *Keuchik* and Government Secretary of Gampong Mulia have confessed that the participation of religious minority inhabitants in village development initiatives is exceedingly limited. Consequently, minorities typically tend to pass from the implementation process. Nevertheless, *Keuchik* Mulia stated there was a small segment of participation originating from the Christian Batak tribe. The Government Secretary of Gampong Mulia conveyed a similar sentiment. He asserts that the bulk of participants in the execution of development initiatives are indigenous communities, predominantly Muslim. "While non-Muslims are mostly busy with business and business, not involved in activities, and even less mingle"(E. R. Lubis, personal communication, September 15, 2021). Furthermore, in his explanation, some religious minority residents mingle in youth activities; even then, it is very small.

Broadly observed, Gampong Mulia is placed near the central market of Banda Aceh City, next to Gampong Peunayong. Where most minority groups, including Chinese ethnic, dominantly work as traders around the place.

The involvement of religious minorities in the execution phase of village fund management in Banda Aceh is noteworthy. The above explanations demonstrate the interaction and collaboration among many elements of the village community and its people, free from any discriminating inclinations (Kruja, 2020). Nevertheless, it remained constrained in terms of quantity. Fortunately, there were

no grievances or possible conflicts due to this condition and it is advantageous for inter-religious harmony. Simultaneously, in terms of improvement, it is supposed to be to increase the proportion of minority representation in the village government.

Reporting and Accountability

The reporting stage is the concluding phase of a series of compulsory village fund management stages outlined in the regulation. This stage seeks to assess the alignment between the village budget planning document and its implementation within the established methods and rules of accountability. The accountability process entails not only adhering to the formal legal requirements associated with financial accountability reporting to the TPG and the district/city government through a written report but also necessitates that the village government, as the budget user, secures public legitimacy by presenting reports on its activities and finances to the community during the *Musdes* forum. This exemplifies the principle of public accountability and transparency, asserting that information should be democratically accessible to the public, including religious minorities.

Based on triangulated analysis of primary and secondary data, it indicates that the village authority in Banda Aceh City has formally satisfied the elements of accountability in the management of local funds. Nevertheless, the village administration cannot now be classified as having enacted the idea of public accountability in a democratic manner. This is founded on multiple facts and acknowledgements from village government parties tasked with managing village revenues. Among the three villages designated as research sites, all reported that the accountability discourse was confined to meetings with only village government officials and TPG, excluding community engagement and religious groups. As elucidated by *Keuchik* Mulia. His administration submitted the village financial management accountability report to the TPG without convening a village assembly. The Government Secretary of *Gampong* Mulia articulated a comparable assertion, indicating that accountability is not achieved via village assemblies but solely through interactions between the village government and the TPG.

A similar acknowledgement also occurred in Gampong Peunayong that the accountability carried out between the village government and the TPG of Peunayong did not involve elements of the village community (T. M. Saputra, personal communication, September 21, 2021). This was also permitted by the Secretary of the TPG Peunayong, Said Syahril (2021). He conveys that the village budgetary accountability report was only discussed annually between the village government and the Peunayong TPG. Additionally, some local residents and Christian religious figures confirmed it by acknowledging that he was never involved and that there had never been a general meeting in the village to discuss the accountability report. "We were not involved in the accountability discussion"(K. K. Siong, personal communication, September 22, 2021). Even

though *Keuchik Keudah*, Mardilon (2021) expressed something different: it was stated that the accountability process was done through a general meeting at the Keuchik Office involving village officials, TPG, Kadus, and community leaders. However, this statement was refuted by one of the Keudah residents, who is also a Hindu religious figure. He admitted that he had never been involved in discussing accountability for managing village funds. He said he “never received an invitation to discuss the accountability of village funds used” (R. Krisna, personal communication, September 17, 2021).

Analysis of the reporting process in many villages within the Banda Aceh City region suggests that democratization in this process has not been fully realized. This may also affect the application of public accountability and transparency standards in the management of village funds. Therefore, the Banda Aceh government, through their Institution of Village Community Development (DPMG/ *Dinas Pemberdayaan Masyarakat Desa*), recommends that the village hold a village meeting to discuss accountability reports related to managing village funds. Andre (2021), an expert in village fund management at DPMG Banda Aceh City since 2015, encouraged that the accountability report process should also be discussed in the Village Deliberation (Andre, personal communication, September 28, 2021).

In sum, the accountability reports regarding the management of village funds were deficient in democratic components. Both the Village community's representative and religious groups were not involved. Nevertheless, there were no opposes, criticisms, or complaints of the village government regarding that, either from Muslim citizens or minorities.

Despite not all stages of Village funds management significantly involving religious minorities, at least it did not impact or reduce the vibes of inter-religious harmony in Banda Aceh city. To elaborate strongly on the inter-religious harmony in the case of village funds management, this section analyses more about to what extent the inter-religious harmony principle applies much in the village funds management process. It is examined using three indicators: tolerance, equality, and cooperation.

Inter-Religious Harmony in Village Funds Management

In the management of village funds in Banda Aceh City, as previously outlined, there were no conflicts or dynamics among religious communities during the planning, implementation, and accountability phases. This condition represents a positive aspect of village fund management and supports inter-religious harmony. Despite not all stages of Village funds management significantly involving religious minorities, at least it did not adversely affect or diminish the atmosphere of inter-religious harmony in Banda Aceh city. This section rigorously examines the extent to which the idea of inter-religious harmony is applicable in the village funds management process. It is assessed using three

indicators based on Joint Agreement between MORA and Minister Domestic Affairs (2006): tolerance, equality, and cooperation.

Tolerance

The application of the tolerance concept in village fund management is evident in some village funds management stages, as previously detailed. In line with the concept of tolerance, which denotes reciprocal acceptance and respect between one religious community and another, it was proved that some inter-religious villagers were actively engaged in the community debating forum during the planning and implementation phase. It indicates that although most Muslim villagers and the head of the village were Muslim, they opened space for all diverse religious communities to engage and participate in the village development stages. Despite the absence of proposals for religious activities except for Muslim communities in the debate forum, on the one side, it indicates their recognition of Islamic law as a form of local wisdom in Banda Aceh City, reflecting an act of tolerance. Conversely, the government limited the village funds used for certain religious activities.

Nonetheless, this condition did not negatively impact or reduce the implementation of inter-religious tolerance during village funds management. According to the DPMG of Banda Aceh City, there have been no villagers' complaints or protests about the utilization of village money by inter-religious communities. Nonetheless, there is some dynamic situation within the particular religion rather than inter-religious. For example, a mosque administrator once expressed dissatisfaction with the village government regarding their absence of budget allocation for mosque administration, yet the village Mushalla has an allocated budget. The government legislation evidently restricted the village finances allocated for worship activities, "including mosque administration" (Andre, personal communication, September 28, 2021).

In conclusion, the village government and inter-religious villagers in Banda Aceh have demonstrated the principles of tolerance in managing village funds. As evidenced by Muslim residents equally accommodating various public infrastructure proposals from all villagers, including from religious minorities. Also, other religious villagers residents refrain from imposing their religious activities due to their tolerance of the local wisdom in Aceh province.

Equality

The principle of equality is also evident in the various stages of village fund management in Banda Aceh City, as previously discussed. This indicates the readiness to safeguard one another and ensure mutual rights and possibilities among inter-religious as equal villagers. During the planning stage, for instance, all village residents may participate and have the right to submit various activity proposals via the Musdus forum. This deliberation forum provides all residents

with equal rights and opportunities to engage and participate in proposing some public needs. It was also proven during the implementation phase of village development. For example, in implementing PKTD activities, all residents are granted the right to engage in the execution and utilization of village development funded by village resources. So that there is no discrimination against one villager or other religious villagers.

Village funds management is fundamentally intended to be conducted autonomously and to engage diverse societal elements. It is anticipated that, through this authority, "there were no complaints from citizens regarding inequality" (Andre, personal communication, September 28, 2021). The village government asserts there has been no conflict regarding inter-religious matters in managing village funds; "all residents were treated equally" (Syukriadi, personal communication, September 9, 2021). Regardless, some villagers often exhibit indifference towards the management of village funds. Even though Keuchik Mulia conveyed that information regarding the management of these funds is regularly disseminated through information boards and billboards at the village office. Broadly, observations indicate the presence of billboards and village information boards that detail the income, expenditure, and financing outlined in the current year's APBG, located in front of the Village office.

Furthermore, to uphold religious harmony, some villages have frequently organized meetings of the religious harmony forum (FKUB/ Forum Kerukunan Umat Beragama) at the village level. Even Gampong Mulia was the inaugural recipient of an award from the Aceh Provincial Ministry of Religious Affairs Office as a Harmony-Aware Village in 2017. The Mayor of Banda Aceh officially opened this multi-ethnic village following a series of evaluations conducted by the Aceh Regional of MORA team and the FKUB team of Aceh Province. In addition to Gampong Mulia, its neighbouring research subject, Gampong Peunayong, also received the second Village of Harmony awareness award in 2019 (Kumparan, 2019).

Cooperation

Cooperation encompasses social interaction, empathy, and sympathy within social, economic, cultural, and religious frameworks. This term is illustrated by specific cases in managing village funds in Banda Aceh City, as previously explained. During the implementation phase, some residents equally engaged and collaborated with various community members, regardless of their religious affiliations. Cooperation is also evidenced through engagement in social interactions that promote and disseminate empathy and solidarity in implementing village development initiatives (Mustolehudin et al., 2024).

In Keudah village, for instance, cooperation in managing village funds is implemented by including the inter-religious backgrounds appointed as the village administrators. Cooperation among inter-religious villagers also occurred through

their participation in various development activities. Keuchik Keudah asserts that managing village funds yields predominantly positive outcomes, noting the harmonious collaboration among community members of different religions. He emphasizes that all citizens, regardless of faith, are engaged equitably in social, cultural, and sports activities (Marlidon, personal communication, September 15, 2021). The leader of the TPG underpinned inter-religious cooperation in the village funds management, asserting, "All citizens are harmonious and blended in public, such as in voluntary cooperation monthly" (Sulaiman, personal communication, September 17, 2021). Radha Krishna, a Hindu religious leader residing in Gampong Keudah, confirmed and articulated this information. He recounted his experience participating in Kenduri Maulid Rasul, an annual Islamic celebration of the birth of Prophet Muhammad, stating, "I assisted some committees with washing dishes during the event." He acknowledged his appointment as the football coach for the children in the village (R. Krisna, personal communication, September 17, 2021).

Additionally, a similar situation also transpired in Gampong Peunayong. Based on the confession of Keuchik Peunayong, inter-religious communities coexisted and had social cooperation regarding managing village funds and development activities. He conveyed that collaboration among villagers, particularly from inter-religious backgrounds, was increased during COVID-19, such as in the distribution of masks and direct cash aid. They were involved equally in the Village institution against COVID-19. He asserted that "all equally cooperated in the name of the Peunayong village community to preserve religious harmony" (T. S. Harun, personal communication, September 21, 2021). Furthermore, Siong, the Christian religious leader had a similar sentiment, indicating some cooperation activities among inter-religious actors in the village. He recognized frequently assisting one another and frequently offered suggestions for village advancement. As the leader of the HAKKA Aceh Foundation, Siong often engaged in community development, including creating murals depicting themes of bravery on the village's vacant walls. "It was my idea, and I facilitated it with the support of the village funds" (K. K. Siong, personal communication, September 22, 2021).

However, it seems different in Gampong Mulia, where there is a lack of participation from inter-religious villagers. Despite this, Gampong Mulia was recognized by MORA for its commitment to religious harmony.

On the other hand, the dynamics in religious affairs there exist simply religious dynamics outside of village fund administration. For example, there was the closure of illicit churches belonging to numerous Christian groups in Gampong Peunayong. Nonetheless, most Muslims and other Christians, by collaborating with the City authorities, endorse this measure. The shutdown of the worship occurred due to the absence of a permit from the City government, and it commonly functions as a house rather than a worship (T. S. Harun, personal communication, September 21, 2021).

The aforementioned factors suggest that some interreligious harmony principles have been implemented relatively in the village fund administration process in Banda Aceh City. At least there is a lack of dynamics and disputes among different religions. Even the two villages selected for investigation were Gampong Mulia and Gampong Peunayong, both were recognized by MORA for their commitment to religious peace. Nevertheless, these conditions are dynamic and unpredictable. Hence, maintaining religious harmony is an everyday duty.

CONCLUSION

Inter-religious harmony is ever-challenged in social interaction, including in the village funds management process at the village level. This paper contributed to empirical evidence analysis as the lesson learned from the study case of the region that implemented Sharia law and religious minorities. It develops the existing religious harmony pieces of literature by focusing on the interaction among inter-religious villagers in the village funds management process. Also, it contributed to the development of administration studies by underlining that the development administration should be considered for inter-religious harmony.

The public administration perspective views that some developments should be aligned with policies and regulations' implementation vision. Hence, in examining both religious harmony and village funds management, this paper will consider some government regulations besides the existing theories outlined. Accordingly, this paper systematically provided an explanation regarding inter-religious harmony in the village funds management process by qualitatively evaluating the implementation of some policies. The discussion above relates to inter-religious harmony referred to the Joint Ministerial Regulation (PBM) issued by the MORA and the MODA Numbers 9 and 8 of 2006. This research analyzed inter-religious harmony by detailing three indicators: tolerance, equality, and cooperation. Focusing on the case of village funds management, it examined the implementation of inter-religious harmony, following some regulations of the Minister of Villages Affairs (PDPT RI) and the Mayor of Banda Aceh's Regulation concerning the stage of implementation of village funds management. Constitutionally, the government mandates village administrations to govern village funds through planning, implementation, and accountability reporting schema.

According to the aforementioned results and debate, although the Muslim majority is dominantly engaged in the village funds management process, religious minorities are also involved during the village funds management phases. In planning activities, villagers equally engaged in Musdus to discuss their desires for village development projects. Also, in the implementation stage, they were involved in various village activities, including participating in regular village services, traditional celebration events, and voluntary activities. It indicated that religious minorities co-exist with the Muslim majority, and the village government

opens space for inter-religious participation and contributes to the village funds management process equally.

Furthermore, the village governments have instituted inter-religious harmony principles in the village funds management phases by fostering tolerance, equality, and cooperation among villagers. Broadly speaking, from an inter-religious harmony point of view, the village fund management in Banda Aceh City seems steady, lacking dynamism and conflicts among religions. However, this study exhibits boundaries of subjectivity in its exploration and analysis of everyday phenomena to accurately represent the actual condition of the research subject. This can be achieved by broadening future studies by adopting the ethnographic approach. Additionally, additional research can expand inter-religious kinds of literature concord by juxtaposing it with alternative contexts or case studies.

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