Research article

Strengthening Good Governance as an Entry Point for Eradicating Corruption During the Covid-19 Pandemic

Hartuti Purnaweni*, Dhoni Widianto, Anis Qomariah, and Pudjo Suharso

Public Administration Department, Faculty of Social and Political Sciences, Universitas Diponegoro

Abstract.

In 2015, the Corruption Perception Index (CPI) Report ranked Indonesia 107th out of 180 countries surveyed, and Transparency.org ranked Indonesia 89th out of 180 countries surveyed. Many studies have been conducted on corruption in Indonesia, but few articles have linked corruption to good governance for development in the country. Corruption can be addressed by strengthening good governance as a starting point for eradicating corruption, followed by anticorruption policy reform. The goal of this research was to look at corruption cases in Indonesia through the lens of good governance. This study was a policy-oriented study using a literature search of journal articles on corruption, with data from a variety of sources including the Indonesia Corruption Watch, Corruption Eradication Corruption (KPK), World Bank, and Transparency International. Focus group discussions were also conducted. The Spradley model was used in the data analysis through domain analysis, componential analysis, and theme analysis. The outcomes demonstrated that corruption is a unique crime that is difficult to eradicate. As a result, since good governance is not widely practiced in Indonesia, it must be emphasized. Strengthening good governance is recommended as a key to eradicating corruption in Indonesia, such as by strengthening law enforcement with the law structure as an example.

Keywords: corruption, policy, good governance, policy reform

1. INTRODUCTION

Corruption is a serious problem in public administration in developing countries, and Indonesia is not an exception. In the 2015 Corruption Perception Index (CPI) report, for example, Indonesia was ranked 107 in the world. In 2018, Indonesia was ranked by Transparency.org as 89 out of 180 surveyed countries, which shows 1 point increased compared to the previous year [1; 2]. Although there has been a betterment in the condition, however, these ranking shows that corruption is still an urgent problem to be tackled in Indonesian public administration, and sadly makes Indonesia is still included among the most corrupt countries in the world.
There are many definitions of corruption. According to Indonesian law, corruption is defined according to Indonesia’s Law No. 31 Year 1999 as amended by the Law No 20 Year 2001 on the Eradication of Corruption. Eighteen years later this law was then amended by the Law No 19 Year 2019 on the Eradication of Corruption. According to this newest law, there are seven categories illegal acts that could be categorized into corruption, namely: (a). acts that cause losses to the nation; (b) bribery; (c) occupational fraud; (d) extortion; (e) deception; (f) conflict of interests in procurement of goods and services; and (g) gratification [3, 4].

Nye wrote three corruption types, covering: (a) Public office-centered corruption, in which is public official violate rules or show the behavior that diverge from his/her public role for the sake of private income, status or influence; (b) Market-centered corruption, in which corrupt public official use his/her public office as a business entity for maximizing his/her income. The income relies on market condition and situation, besides his/her efforts in finding the maximal gain from the public demand; (c) Public interest-centered corruption, which exist whenever public demand armed with illegal monetary or rewards lures public official to do certain things or actions in favor of the reward providers and therefore harmful to the public and its interests [5].

There have been many researches done on corruption in Indonesia. In terms of causes of corruption (6,7,8) corruption in general (9), facts of corruption in Indonesia (6, 10, 11, 12), political corruption (6, 7, 8, 11, 12). There also researches on consequences of corruption in Indonesia, such as written in some journals (9, 13). Furthermore, there are also articles on prevention of corruption (14), corruption eradication and anti corruption (15, 16). From these literatures, very few discussed explicitly about the relation between corruption and good governance. Therefore, this article will discuss about corruption in Indonesia, making good governance real, and corruption eradicating through policy reform.

2. LITERATURE REVIEW

Corruption is indeed a hindrance to development, as has been found by Nag [6] that the widespread corruption in governmental institutions and programs added with all political corruption were the cause of the governmental failure in creating the developmental goals of India. Corruption is usually weight as destructive to investment and macro level growth [7]. Many studies have been conducted by experts on corruption from various perspectives. Pellegata [8], for instance, wrote that in the last two decades many studies
have focused on the impacts of corruption on the public support for political institutions and democratic process.

Aslund [9] said that an important key to understand any society is through its informal institutions, which influence its economy and politics. In Ukraine, the most important such institution is endemic corruption. In Indonesia, Suharso revealed that corruption is considered as an extraordinary crime [10]. This is especially according to Merkle [11] corruption is present in all three governmental branches in Indonesia and is one of the major constraints on the political leadership's capacity to govern effectively. Political corruption is especially prevalent. Parliament is mostly considered the most corrupt institution, and also widespread among bureaucracy in which many people reported that they sometimes have to pay bribes for services. As Wang [12] argued, bureaucratic corruption is prevalent all over the world. Indeed, corruption is one of the most prevalent barriers to economic growth and social development.

There have been many researches done on corruption in Indonesia. In terms of causes of corruption [13,14,15] corruption in general [16], facts of corruption in Indonesia [17,18,19], political corruption [13,14,15,18,19]. There also researches on consequences of corruption in Indonesia, such as written in some journals [16, 20]. Furthermore, there are also articles on prevention of corruption [21], corruption eradication and anticorruption [22, 23]. However, from these literatures, very few discussed explicitly about the relation between corruption and good governance. Therefore, this article will discuss about corruption in Indonesia, making good governance real, and corruption eradicating effort through policy reform.

3. PROBLEM SOLVING

What can be done to prevent corruption? The main idea of this article is that to argue that corruption prevention needs to be done through strengthening good governance. Overcoming corruption through a preventive perspective by strengthening good governance and not prioritizing enforcement, is an entry point for preventing corruption and is followed up with anti-corruption policies through reforming the eradication of corruption policies.

According to Keping [24], good governance refers to the public administration process that maximizes public interest, meaning not the state nor public officials’ interest. One among its most important features is that it is a kind of collaborative management of public life carried out by the State and the citizens, and a new connection between political State and civil society. In this case the public and its welfare is considered
important by the State. Corruption, which refers to hampering the fulfillment of public interest, is a “target: of good governance.

Nag is of the opinion that good governance characteristics were taken from the policy documents of the international donor agencies (such as IMF, World Bank, ODA, UNDP), as required from the principles and proposal of the recipient countries. Besides, the good practices of good governance were then implemented by the democratic aid recipient governments. The characteristics of good governance are almost similar to Keping’s idea on the characteristics of good governance, which according to Nag consist of Participation, Rule of Law, Equity and inclusiveness, Transparency, Responsiveness, Consensus and legitimacy, Effectiveness and efficiency, and Accountability [6].

4. METHOD

The purpose of this study is to examine corruption cases in Indonesia from the perspective of good governance. This research is a policy research using a library research approach from journal article on corruption, supported by data from various sources such as the Indonesia Corruption Watch, KPK (Corruption Eradication Corruption), World Bank, and Transparency International. Data analysis uses the Spradley model through domain analysis, componential analysis and theme analysis [25]. The collected data was then enriched with data from two Focus Group Discussion (FGD)s done by Suharso et al on anti corruption education in Jember Regency, in January 2020. The participants were two people from Jember Regencial Office, two law experts from the Law Faculty of Universitas Jember, added with two lecturers and four researches from Faculty of Educational Teachers Training, Universitas Jember. Also interviews with The Head of The Corruption Crime Unit of Central Java Police Station.

5. RESULTS AND DISCUSSION

In Indonesia, corruption got its first law term in the military regulations Number PRT/PM/06/1957 on Corruption Eradication [26]. According to Waluyo, there are 10 Prones to Corruption Areas in Indonesia, covering: (a) government goods and services procurement; (b) finance and banking; (c) oil and gas; (d) state-owned and local government-owned agencies; (e) Customs and Excise; (f) the use of income and expenditure; (g) central and local government asset; (h) mining and public service [27].

Choirul Rizal [26] quoted Bibit Rianto by writing that the high case of corruption in Indonesia was rooted from various reasons which he declared as Potency of Corruption
Related-Problems, consist as: (a) bad system arrangement or implementation such as money politics, ‘mafia’ which direct economic system, and justice corruption; (b) the low integrity of public officials and the public which tends to choose shortcut in many activities; (c) irrational remuneration which is not enough for decent living; (d) weakness in both internal and external as well as self-control or monitoring which opens opportunities for corruption occurrence; (e) low culture on law-abiding which directs to uncertainty on the right law to obey.

From time to time in Indonesia, new corruption cases appear with new suspects, some of them are high-ranking public or private officials. There have been many investigation and prosecutions after the Government allocated many of its resources for investigating and prosecuting corruptors. However, according to Prabowo [28], corruption still become a big problem in the country. He argues that when a case is opened, some believe that the case might be just the tip of the iceberg. According to Sasana, corruption cases even increase when Indonesia started the decentralization era in the year 2000, and also the fiscal decentralization [29]. Figure 1 shows the number of corruptive actions in Indonesia according to data from Indonesian Corruption Eradication Commission (KPK) in 2010-2018.

The graphic on the number of corruptive actions in Indonesia (2010-2018) shows that the lowest number occurred in 2015 with only 16 cases, the lowest in the last nine years. However, this figure double increased in 2017 which show the highest cases of 38, with a significant increase in 2015 to 2016 with 13 cases. There was a light decrease in 2018 with 32 cases. In terms of province, East Java was the highest in 2018 with 79 cases, followed by West Java and North Sumatera with 72 and 58 cases. West Kalimantan was
the only province with no corruptive actions recorded by the KPK in 2018, followed by West Sumatera with only one case.

Suharso revealed that corruption occurred collectively and systematically because of the light sentences [10]. According to Waluyo [27] corruption has been a phenomenon in all sectors and authority levels as well as in the private sector. Corruption distorts economic growth and threatens democracy, rule of law and human rights. In other words the impact of corruption affects almost all the joints of life [10]. All of these corruption actions worries the nation. Therefore, during the reform era the Indonesian government erected a number of institutions to accompany the Police and the Justice institutions with among others Corruption Eradication Commission (KPK), Financial Transaction Analysis and Report Center (PPATK), Victim and Witness Protection Institution (LPSK), as well as special justice for corruption. These are efforts to maximize corruption eradication.

Corruption in Indonesia is a crime considered as an extraordinary crime because the impact is massive, destructive and involves many parties (systemic). Since 2004, data on corruption cases has continued to increase, occurring not only in the central government, but also in regional governments. After Indonesia in the year 2000 embraced decentralization in local governments were given authority to self-sufficiently manage their areas to increase efficiency, effectivity and accountability corruption even spread to regions [30] involving regional heads (Governors, Regents, Mayors) regional legislatures (Provincial / Regency / City DPRD) and local bureaucracy (Provincial, Regency, City). Corruption which previously centered in the central government than broaden into local government, with the existence of commonly used term of “small kings” existence. To clarify that explanation, refer to corruption data in the central and regional governments published by the KPK [31].

Based on annual report by the Indonesia Corruption Watch [32, 33], corruption cases in 2016 consist of investigation of 482 cases, the number of suspects of 1,101 people and losses of 1.450 trillion rupiah; meanwhile by 2017: investigation of 575 cases, number of suspects of 1,288 people, losses of 1.814.4 trillion rupiah, bribery valued 211,075 billion rupiah. The details of corruption from two law related institution are as follows:

(a). In terms of Police. In 2016 data of criminal acts of corruption committed by the Police were as follows: investigation of 140 cases with 327 suspects and 337 billion rupiah of state loss, while in 2017, there were 216 cases with 436 suspects and loss of 1.6 trillion rupiah and bribes valued 975 million rupiah. Quah quoted a survey done by Partnership for Governance Reform in Indonesia involving 2,300 respondents in 2001 which summarized that the traffic police was the most corrupt institution [34].

(b) The Procuratorate: In 2016 corruption committed by the Prosecutor’s Office: investigation
of 307 cases with 671 suspects and state losses of 949 billion rupiah. In 2017, there were investigations of 315 cases with 730 suspects, state losses of 4.4 billion rupiah and bribes of 21.8 billion dollars [32].

Those data revealed that corruption in Indonesia is serious and massive. Many researchers found that serious problem related to corruption are greediness, weak sentences for corruptors, conspiracy between agents and principals in bureaucracy, the high political coat especially for head of regions candidacy. The results of FGD summarized that the red tape of corruption is mostly rooted in the bad governance. In this case, bad governance is attributed to undesirable behavior (eg self-interest) of the government combined with negative performance in making and implementing political and economic decisions. This includes corruption. Bad governance is used to refer to a lack of transparency and also the impediment of public participation.

5.1. Realizing Good Governance

The results of the FGDs and expert discussions using a governance perspective, corruption arises when too much is left unresolved in governance issues, resulting from the incomplete process of building an effective and responsible country. To help the government develop its capabilities and accountability, experts and anti-corruption institutions can develop and implement sound policies, provide public services, set rules that regulate markets, and eradicate corruption, and need to focus on strengthening governance. Strengthening governance is the best way to prevent corruption and thus avoid being a failed state. Therefore, good governance must be applied in Indonesia. According to Law Number 28 Year 1999 on State Administration which is Clean from Corruption, Collusion and Nepotism (known as KKN in bahasa Indonesia), good governance demands for the realization of a government which is clean from KKN. According to Blackburn and Puccio development experts agree that the quality of governance is very much related to the country’s economic condition [35]. Bad governance leads to corruption, which affect to the ineffectiveness and high costs that hamper the economic development. The condition that Rizal quoted from Syafi’i Maarif said that corruption is “the root of all evils”, the source of all evil and catastrophe. Corruptors even more dangerous than terrorist since the billion rupiahs of corrupted money is actually a matter of live-and-death for millions poor people. Therefore, corruptor is the the real terrorist. Impossible to eradicate poverty, increase health care, enhance education quality and others if corruption still massively exists. Therefore, good governance is argued to be the solution [27].
Researchers agree with the experts’ thoughts and the FGD results that the normative concept of making good governance is a legally binding problem. Good governance is: “Participatory, consensus-oriented, accountable, transparent, responsive, effective and efficient, fair and inclusive and follows the rule of law. This ensures that corruption is minimized, minority views are taken into account and that the most vulnerable voices in the community are heard in decision making. It is also responsive to the current and future needs of the community” [27].

Governance and corruption are often used synonymously. But the two concepts are very different and combining them can be very damaging. Whereas governance consists of mechanisms, processes and institutions in which citizens and groups articulate their interests, mediate their differences and exercise their legal rights and obligations, corruption is the result and failure of this complex system. Sometimes anti-corruption activists are simple-minded, who ignore the complex challenges of strengthening the government system. So, the focus must be on strengthening governance structures, strengthening good governance and then grounding the principles of good governance become evident at all levels of government. Making the principles of good governance come true in 548 Provinces, Regencies, and of City in Indonesia. This is especially important for Indonesia with its large territory, consist of tens of thousands of islands scattered in this archipelago country, and therefore, unity is very important. The people must be well united, well engaged, and have strong trust to the government. As has been proved in Central and Eastern Europe, bad governance and corruption have a strong negative impact on civic engagement [36].

The results of a study of documents from the Indonesian Ministry of Home Affairs [37], from 548 provinces, districts and cities in Indonesia, less than 40% of local governments have actually implemented good governance. While for 34 ministries and institutions, only the ministries of finance, Bappenas, ministries of agriculture, and ministries of education have clearly implemented the principles of good governance. Training, mentoring, and technical assistance have been carried out at all levels of government, but many have stopped at mere knowledge, not yet being real good governance.

5.2. Corruption Eradication Policy Reform

Strengthening good governance is a gateway to eradicating corruption. In addition to policies to strengthen good governance, given the still high level of corruption in Indonesia, it is necessary to reform policies to eradicate corruption.
The crime prevention policy cannot be carried out solely by improving or updating the means of law (meaning "law reform", including "criminal law or penal reform"), even if it is repeatedly amended and perfected. The Corruption Law, for example, has been repeatedly amended and repeatedly discussed in various seminars, but in reality corruption is not reduced, instead it is increasingly widespread and pervasive in various fields.

Even though changes / amendments to the Act are not guarantees for crime prevention efforts, an evaluation is still needed if there are weaknesses in the formulation policy in the existing legislation. This evaluation or review needs to be done, because there is a close relationship between the formulation of the legislative policy (or "legislative policy") with the law enforcement policy ("law enforcement policy") and the crime eradication / mitigation policy ("criminal policy"). Weaknesses in criminal law formulation policies, will affect criminal law enforcement policies and crime prevention policies [38].

The importance of policy formulation of an act in the formulation of criminal legislation in efforts to eradicate corruption because the formulation stage is the earliest stage in planning the crime crime prevention policy seen from the entire stage of crime prevention policy with criminal law, the formulation policy stage is the most strategic stage. At this stage of formulation all the planning of crime prevention is arranged with the criminal law system.

The entire criminal law system that was designed, basically covers three main problems in criminal law, namely the problem of formulating a criminal act (criminalization), criminal liability, and criminal and criminal rules [38]. Using the term from Nils Jareborg, the importance of this formulation stage is due to the design; include the entire structure of the criminal legal system ("the structure of the penal system") which includes the problem of criminalization and threatened criminal ("criminalization and threatened punishment"), the problem of "criminal punishment" ("adjudication of punishment (sentencing)"); and the problem of "criminal conduct" ("execution of punishment"). [39].

Criminal law policy starts from the legislative stage, namely formulating criminal acts, criminal liability and appropriate criminal sanctions for corruption crimes, then begins Judicative / applicative stages and ends with executive / administrative policies. An integral legislative policy in the field of criminal law enforcement does not mean that it must be set forth in one book of the law. It can be stated in various laws as they are today (there are material criminal laws inside and outside the Criminal Code; there are criminal procedural laws inside and outside the Criminal Procedure Code; and there are criminal implementation laws).
The regulation of criminal law is mostly carried out using the laws and regulations. The use of laws and regulations, despite their weaknesses and shortcomings, is still believed to be the basis of a criminal law policy, especially in providing formulations for criminal acts, criminal liability and criminal sanctions, as well as enforcement and implementation of these matters.

Formulation policy is one form in the formation of written law. The formation of law which is based on the principle of division of power (division of power), is a function of the state or government carried out by the executive, legislative and judiciary bodies. Legal formation includes written law (Geschreven recht) and the unwritten law (Ongeschreven Recht). In this regard, the formation of written law can be carried out by the executive, legislative bodies, both individually and jointly and can also be formed by judges in order to decide upon the case being examined.

This is possible as long as implementing the provisions contained in the legislation. The policy of forming laws and regulations ideally is based on at least three things, namely: Principles for the establishment of good laws and regulations; good legal politics (national legislation); and an adequate system of testing legislation [40]. In addition to paying attention to the principles of proper regulation, the drafting of laws and regulations must also pay attention to national legal politics. National legal politics is a reference in developing and developing national law.

Several things that will affect the legal development activities include: (a). Our ideals regarding law (rechtsidee) which will underpin legal development; (b). The situation and conditions of legal life in Indonesia that will affect legal development policies; (c) Areas of legal development that will influence the formation of operational concepts, infrastructure and tools; (d) The enthusiasm and intention to build his people as well as their behavior that will affect the institution of law enforcement and application; (e) Prioritized matters.

The main points and what will influence the legal development policy, explicitly or implicitly, are already regulated in the 1945 Constitution. As an example we can point out a number of things in the 1945 Constitution, which reflect the aforementioned points in the formulations regarding: a variety of basic laws, forms of legislation, rights and obligations of state administrators and citizens, guidelines for regulating citizens' rights the state and population position, the short and accommodating nature of the 1945 Constitution, and the enthusiasm needed to uphold national life based on the 1945 Constitution.

This legal development policy reform should be seen as a reform of the corruption eradication policy that was preceded by strengthening good governance [41]. If the
strengthening of good governance is real and results in a clean government, then the legal development policy that involves the executive and legislative branches can be realized. Indonesia's dream of corruption-free in the future might become a necessity.

6. CONCLUSION

Strengthening good governance and reforming corruption eradication policies in Indonesia is urgent to be carried out which includes the real things of the principles of good governance and legal development policies that include the substance, structure and legal culture of the community. Strengthening good governance and reforming strategies to eradicate corruption need to pay attention to similar policies carried out abroad. Corruption eradication strategy adapted to the nature of corruption crime so that the strategy is carried out appropriately. Corruption crime is a multidimensional crime so it is referred to as extraordinary crime. Corruption crime can be categorized as economic crime, crime against the state, crime against humanity, political crime. This nature of corruption must be accommodated in the formulation of norms, the concept of the responsibility of the perpetrators and sanctions for corruption.

The policy of reforming the corruption eradication strategy includes law enforcement efforts, therefore renewal must also include efforts to prevent and act in a balanced manner. This means that the structure of law enforcement agencies needs to be updated. Likewise, efforts to change the legal culture of society are not permissive to corruption.

Acknowledgement

Our thanks to the support of partial fund from the Public Administration Department, FISIP, Universitas Diponegoro for doing research and writing for this article.

References


