

Addressing the Root of Political Corruption in Indonesia

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Abstract

This article is excerpted from a portion of KPK and LIPI's research on "political sector corruption" in Indonesia. This research concludes that one of the main roots of corruption in Indonesia is a corrupt political system and very corrupt political parties. The authors also find that the majority of major political parties in Indonesia are managed like a family company and controlled by a handful of oligarchs. Therefore, the management of political parties in Indonesia is not transparent and accountable and is not following the principles of democracy and anti-corruption. This research concluded that all political parties in Indonesia have the following characteristics: (i) they have no accountable and transparent political party financial management. All political parties are not willing to announce the amount and the origins of their finances and do not want to report the utilization of their political party funds in detail. (ii) The kaderisation process in political parties is not working following the merit system so that many members of political parties are easily jumping from one political party to another. (iii) The implementation and enforcement of the ethical code of conduct in political parties are very little or not at all. As a result, the violations of democratic principles and ethics are considered normal. Therefore, it is not surprising that the quality of politicians in Indonesia is very low and results in prolonged corrupt practices among elected officials (legislative and executive), because they were born from unprofessional political parties and has many congenital disabilities.

Keywords: Political Corruption, Reforming Indonesian Political Parties

Introduction

Political corruption is the use of powers by elected officials, government officials, or their network, for illegitimate private gain. Joseph S. Nye (1967) argues that (political) corruption is a 'behavior which deviates from the formal duties of a public role because of private-regarding (personal, close family, private clique) pecuniary or state gains or violates rules against the exercise of certain types of private-regarding influence.' Furthermore, Carl J. Friedrich (2002) said that (political) corruption is 'a kind of behavior which deviates from the norm prevalent or believed to prevail in a given context, such as the political. It is deviant behavior associated with a particular motivation, namely that of private gain at public expense. But, whether this was the motivation or not, it is the fact that private gain was secured at public expense that matters. Such private gain may be a monetary one, and in the minds of the general public, it usually is, but it may take other forms'.

A similar opinion about the definition of political corruption is also stated by Mark Philip (2002). He argues that political corruption is 'where people break the rules, and do so knowingly, while subverting the public interest in the search for private gain and the benefit of a third party, in ways which run directly counter to the accepted standards of practices within the political culture.'

Concerning political corruption, Peter Larmour (2011), concluded that the emergence of corruption in politics could be found in three forms. Firstly, the abuse of power. The owners of power use their power for private or party interests. Secondly, duplicitous exclusion or marginalization of people's voices. Popular votes are excluded from decision-making. Public participation is ignored. Thirdly, business and state relations. There is a

conspiracy between public officers and private firms to subvert public policies.

The above three forms, mentioned by Larmour above, have been experienced by Indonesia and, unfortunately, have become the norm of Indonesian politics. The reform of the Indonesian political system has to experience a setback on many fronts especially in the last five years, where the mix of politics and business has become the new norm. The newly elected members (2019-2024) of the district, provincial, and central parliaments are dominated by business people and, at the same time if we closely check the background of the current regent/mayor, governors, ministers, and the president himself are coming from business/private sector.

Therefore, the main root cause of political corruption in Indonesia is the mix between politics and business. This unfortunate condition has created a fertile land of conflict of interest and the use of public positions for private gain. As a result, it is difficult to expect the parliament and the executive office of the government to have a genuine interest in producing legislation and government policy to create environment transparency and accountability. It is fair to say that several good laws and policies that enjoyed by the Indonesian people at the moment are mostly the product of the early days of the reform era.

The real evidence of political corruption in Indonesia can be seen in the high number of 'political corruption' (elected officials corruption) prosecuted by the Corruption Eradication Commission (KPK). From its establishment in 2003, the KPK has prosecuted more than 250 members of parliament (local, provincial, central), more than 20 governors, more than 100 regents/mayors, 27 ministers, and many head and top leaders of political parties, and many more-high ranking

officials at legislature, executive, judiciary and some commissioners of state auxiliary bodies, such as Electoral Commissions, Business Competition Supervisory Commission, and other. (For the exact number, consult the KPK website: www.kpk.go.id)

As a result of that unfortunate condition, it is difficult to expect genuine goodwill of politicians to free Indonesia from the never-ending corruption of its elites.

Oligarchs and Political Parties Funding

It is not an exaggeration if we include Indonesia as the true example of an 'oligarch state' because a few individuals or families control its political parties. For a record, the definition of an oligarchy is a government in which a small group exercises control especially for corrupt and selfish purposes. (Merriam-Webster Dictionary).

It is interesting to see that most political parties are 'owned' by several individuals and operating just like 'family business.' For example, the Indonesian Democratic Party of Struggle (*PDIP*) is 'owned' by Megawati Sukarno Putri and her close family. Similarly, the Democratic Party (*Partai Demokrat*) is 'owned' by Susilo Bambang Yudhoyono, while the National Democratic Party (*Partai Nasional Demokrat*) is 'owned' by Surya Paloh. Such practices can also be found in several other political parties. As a result, there are no clear criteria and requirements to become the top leader of these political parties. The only way to reach the top tier of political parties is through the blessing and support of the 'owner' of the parties.

As a result of unprofessionalism, most political parties are weak in absorbing and channeling the aspirations of the people. This situation has created a big gap between the aspirations of the

people they represent and the legislation and policy they created. As a result, it is common to witness public policy and legislation that oppose the will of the people. To serve the need of the oligarch, they even willing to sacrifice the public demands, as can be seen in many legislation and public policies.

Another up normal pattern in the Indonesian politic is the reluctance of the top leadership of political parties to support their cadres to become a candidate of the head of district/mayor (*bupati/walikota*) and the governor as they preferred to support the candidacy of someone that can bring money to the table. This condition is known as '*Mahar Politik*' (political dowry). So, if you want to be supported by political parties, you need to have a lot of money or 'influence.' This unfortunate condition has created a new phenomenon called '*Melawan Kotak Kosong*' (competing with an independent candidate) because political parties do not support that candidate. A good example of this condition can be seen in the mayoral election for the City of Makassar in 2018 because the incumbent mayor at that time secures no support from political parties, even his political party that supported him in his first term. Another example of this condition can also be seen in the proposed Draft of Tentative Parliamentary Members List in the 2014 General Election, where the list was submitted at the very end of the deadline.

Furthermore, the selection process for parliamentary candidates was not conducted based on systematic, transparent, and the quality of the cadres as usually enshrined in the constitution of every political party. This unfortunate reality reinforces the notion that most Indonesian political parties are not managed as a modern political institution. Therefore, it is not an exaggeration to conclude that most political parties are

managed as 'family company' with a special motive to secure wealth and power and not in the ideology of their political party.

As a result, most political parties are not giving serious attention to the recruitment mechanism and the training of their cadres. This condition can be seen in many political parties where they are more eager to propose candidates from outside their political party simply because these individuals are bringing some money and fame but they may not have experience and have no good track record. Political parties have become very pragmatic and neglecting their internal cadres recruitment. Therefore, it is common to witness movie stars, singers, and other celebrities to join political parties to run for parliament or head of district/mayor and governor even though they have no political experience.

Besides, transparency and accountability in political party funding are also depressing because based on the finding of a study conducted by Transparency International Indonesia (2013) shows that all political parties were unwilling to disclose their financial sources. For example, Golkar was considered uncooperative and unwilling to communicate about their funding, while Demokrat and PKS were not cooperative, but they were willing to communicate. Also, the PPP was considered cooperative, while the Gerindra, PAN, PDIP, PKB, and Hanura were considered very cooperative.

Recruitment and Possible Fraud

As mentioned above, caderisation in political parties is mostly based on family ties or favoritism and most cadres came from a business background. The dominant position of cadres that came from a business background was caused by the fact that they are the ones who can contribute to their political parties. As a

result, most 'real' young cadres become demotivated because they have no clear future in their party. This situation also created unfortunate consequences where cadres can also easily jump from one political party to another political party. In the long-run, this situation also created an uncertainty about the future composition of parliamentarian and leadership at the local, provincial, and national levels.

After examining the internal mechanism of cadre's recruitment, the KPK and LIPI successfully identified the following findings:

- (i) most political parties have no formal procedures in cadre's recruitment, neither in blueprint nor in implementing policies. Therefore, most political parties have no standard and clear criteria for their members.
- (ii) most political parties tend to use the data of their membership based on previous general election without considering the change of opinion and perception of their cadres at national, provincial and district levels. As a result, they have difficulties in recruiting the real qualified younger cadres to strengthen their political parties
- (iii) most political parties have no proper education and training program for their cadres. This condition has created a serious deficiency in the pool of good cadres to fill in an important leadership position within their political parties.
- (iv) most political parties never put good education, integrity, and capacity as an important factor in cadre's promotion. Most political parties put 'loyalty' to the leadership of political parties and financial contributions as an important factor for the promotion of new leaders within political parties.

(v) most affiliated political party organizations have not been utilized as the source of good cadres, even though they have a lot of potentials as the future good leaders for their political parties.

Apart from the above unfortunate conditions, political parties are also known for their lack of discipline in enforcing the code of ethics of their political parties. They do have a general code of conduct in their internal party regulation but very rarely enforced. Most political party leaders always claimed during campaign sessions that they have zero tolerance to corruption, but in reality, all political parties are 'bribing' their voters with cash, grocery items and many other goods.

To make it sound worst, most political parties even agree to support former corruption convicts to run for governor or mayor/head of district or member of parliament. What they say is always in contradiction with their day to day conducts.

It is important to note that the combination of bad management of political party finance, the absence of proper cadres recruitment, and lack of enforcement of ethics have contributed to the sustainability of 'oligarch' within the political elites of Indonesia.

Impact of Corrupt Politicians in the Livelihoods of People

It is well documented that corruption can slow economic development, contributes to government instability, violating human rights, creates the occurrence of other crimes, undermine democratic institutions, perverting the rule of law, reduces the quality of life and sustainable development, and it hurts the poor first.

(<https://www.unodc.org/unodc/en/corruption/index.html>). These conditions have

been proven true and can be seen in many corrupt countries, including Indonesia.

It is difficult to deny that corrupt politicians and corrupt political systems in Indonesia have a severe impact on the livelihoods of people. Corruption caused poverty, unemployment and created a social gap between the poor and the have. (World Bank, *Indonesia's Rising Divides*, 2015)

A similar condition can also be seen in Russia, where Svetlana Absalyamova et al. discovered that there is a direct impact of corruption on social inequality. They clearly stated that 'high level of corruption in Russia has a negative impact on the reproduction of the human capital. Besides, corruption has also created a serious loss in the economy, government efficiency, quality of life, and diminish public trust in government institutions. Their study also found According to the degree of corruption, the lead areas are education and health care that directly impairs the quality of human capital'. (Svetlana Absalyamova et al., 2016)

Indonesia is also experiencing similar conditions, where, from time to time level of poverty is never significantly reduced. Based on the report of the National Statistics Agency (BPS), the number of poor people in Indonesia in 2016 reached 27,76 million, while in 2017, it was 26,58 million. In 2018, slightly reduced to 25,26 million, and in March 2019, the total number of the poor was 25,14 million. However, these government number was disputed by many independent observers, because based on their estimation the number of poor people in Indonesia is around 30 million people, which is bigger to the total population of Malaysia. It is important to note that the high level of poverty in Indonesia is a direct impact of systemic 'political' corruption.

The inequality of Indonesian society can also be seen in the slow movement of the Gini coefficient from 2016 to 2019 that only move from 0,394 to 0,382. This number demonstrated that the gap between the poor and the have is high and corruption is a contributing factor to this condition.

Similarly, based on the Human Development Index, Indonesia is among the lowest compared to some original members of ASEAN countries (Singapore, Brunei, Malaysia, and Thailand). So it is true that corruption hurts the poor first.

Must Need Emergency Response

It is not an exaggeration to classify the Indonesian political parties as among the most corrupt institutions in the country. Political has been notoriously known as the least trusted public institution in Indonesia. Several surveys conducted by independent think tanks and national press concluded that political parties always received the lowest point compared to other public institutions. (LSI Survey Report, 2019). Therefore, the people of Indonesia need to demand serious reform from political party elites to end corruption and nepotism within political parties.

The elites of Indonesian politicians have serious homework to save the future of Indonesian politics from collapsing like a failed institution. The Indonesian people may completely lose their trust in them if there is no serious effort to rescue the current conditions. The elites of political parties must introduce serious systematic reform, especially in the area of political party finance, caderisation, and serious enforcement of their code of conduct.

Concerning political finance, political party elites have to find a more creative way to finance their political party expenditures. In general, political parties' activities that need a continuous flow of

money are daily operational activity and political campaigns. These two activities required immense funding, and therefore, every political party needs to find 'halal' financial resources and refuse to tap on illegal money. Based on the current situation, conventional funding sources political parties are membership premium and government contribution.

Based on the explanation of political party leaders, membership fees, and government contributions can not cover one-year activities. Unfortunately, all political parties' leaders were not willing to explain the source of their real sources of funds. As a result, there is no comprehensive report on the source and the utilization of political party funds.

LIPI and KPK have suggested several possible mechanisms to solve the funding problems as long as they have a genuine commitment to have a transparent and accountable political party finance system. These alternatives are to enable political parties to receive financial assistance from legitimate alternative sources, such as: (i) increase government subsidy based on the number of votes they won, (ii) increase a threshold of political party donation from legitimate individual and corporation. These received funds have to be managed in a transparent and accountable manner and must be audited by the Supreme Audit Board (BPK).

As a consequence of the above mechanism, the government should create a transparent and accountable mechanism on political party finance and at the same time, the government must establish strict legislation on the management of political party funds. Besides, any misuse of government subsidy for private gain must have serious consequences for the political party involved.

Concerning caderisation, political parties should embark on the merit system and ending a 'family company'

management style. Leadership in political parties should be selected based on merit and not on family ties. Political parties have to establish clear criteria of political party leaders that include integrity, competence, and leadership quality.

Political parties also required to have a better caderisation process through regular educational programs and training. Political parties must have clear standards in cadre's education that range from basic, intermediate, and advanced training. The completion of such training should be utilized as a criterion for the promotion of political party cadres to a higher position.

Conclusion

Indonesian political parties have lost their ability to produce competent politicians with good character and integrity. Several leaders of political parties even investigated and prosecuted corruption cases. That unfortunate condition has created a lack of trust toward political parties and their cadres.

As a result of a lack of trust, political parties have become detached to their constituency. This condition has resulted in the inability of political parties to absorb the will and the aspiration of the people they represent. Most policies and the legislation failed to address the genuine aspiration of the people and only serve the will of political elites and the oligarch. Corruption and nepotism from the political parties' elites have robbed the citizens' rights as guaranteed by the constitution. By looking at the potential of the country, the political party elites should be able to fulfill the welfare of the people they represent. Unfortunately, such a dream has become a prolong dream because it never becomes a reality.

With such a barren political landscape, it is very difficult to be optimistic because the radical change in

the political party system is required the willingness of political elites to change. The marriage of capital and the elites has created a new oligarch and it becomes difficult to be changed because all political parties have become very pragmatic in their approach. They even forget their political party ideology.

Therefore, the only hope for meaningful political party reform is the real and strong demand from the people. The people, especially civil society groups and academicians, have to raise their voice to ask for a real change in political party finance, better caderisation program, and the strict enforcement of ethical violations within political parties. Without such meaningful changes, the idea of moving from the 'oligarch' system to the real substantive democracy would be difficult to achieve.

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