

COMBATTING COORUPTION : **BETWEEN EXPECTATION AND ACHIVEMENTS**

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ABSTRACT

As an age-old problem in the society, corruption is essentially the abuse of trust in the interest of personal and private gain. Therefore, corruption is a form of seeking personal gain. In some countries, nepotism is also considered as one kind of a corruption practices. While the economic reasons, such as poverty and unemployment, is a main reason for corruption practices, others socio-cultural aspects also play an important role in spread-out of the corruption in a country. Such as colonialism and culture inherited in society as well as the weakness of religious and ethical teaching are also have a significant contribution to the existence of the corruption which is occurred in a country.

The cost of corruption is also have an important impacts to the economy as a whole such as affecting foreign investor's decision as well as damaging governmentals's accountability and the rule of law of a country. In this respect, then every country tried to established the Anti-Corruption Agency (ACA) with the task of combatting corruption practices. There are several types of the ACAs; depending on the country's problems' specification. However, for some Asian's countries, the Hongkong's ICAC, Singapore's CPIB and Indonesia's CEC, are good examples of the establishment of the ACAs. While the effectiveness of the ACAs depends on the availability of funding and adequacy of staffs, the ACAs must have a high level of independence especially from the police and political control to be credible too. Also, to be effective, the ACAs should be allowed to operate at least for two or three years before they can be evaluated.

Bangkok, January 2009
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DEFINITION

Corruption is essentially the abuse of trust in the interest of personal and private gain. Therefore, corruption is a form of seeking personal gain OR : Corruption = Monopoly + Discretion – Accountability.

DETERMINATIONS AND CAUSES OF CORRUPTION

- (a) The weaknes of religious and ethical teaching
- (b) Colonialism and culture inherited in society (“culture of corruption”).
- (c) Lack of education and backwardness
- (d) Poverty and unemployment
- (e) The scarcity of commodities and services

COSTS OF CORRUPTION

(a) Economic cost :

- misuse of resources and non-productive public funds, high-cost economy**
- affecting foreign investment decision**

(b) Social cost :

- damaging government authority, destroying the rule of law.**
- loss public confidence on public services**

MISSION OF ANTI-CORRUPTION AGENCY

Anti – Corruption – Agency (ACA) is a specialized agency established by a government for the specific aim of minimizing corruption in the respected country.

TYPES OF ACA

- (a) The universal model, with its investigative, preventive, and communicative function, is typified by Hongkong's Independent Commission Against Corruption (ICAC) and Indonesia's Corruption Eradication Commission (CEC)
- (b) The investigative model is characterized by a small and centralized investigative commission as operates in Singapore's Corrupt Practice Investigation Bureau (CPIB)
- (c) The parliamentary model includes commissions that report to parliamentary committees and independent from the executive and judicial branches of the state. For example : the New South Wales' Independent Commission Against Corruption (ICAC)
- (d) The multi-agency model includes a number of agencies that are autonomous, but which together weave a web of agencies to fight corruption. The United States Office of Government Ethics (US-OGE) is the best example of this model.

Source : John R. Heilbrum (2004), : "Anti-Corruption Commission : Panacea or Real Medicine to Fight Corruption?" (Washington D.C. : The World Bank, USA, 2004).

EFFECTIVENESS OF ACA

- (a) The ACA must be incorruptable to be respective
- (b) The ACA must be backed up with adequate staff and funding to be effective
- (c) The ACA must have a high level of independence especially from the police and political control to be credible
- (d) The ACA must be transparent and give regular public reports
- (e) The ACA must be supported by a comprehensive anti-corruption laws and legislations
- (f) The ACA must be supported by the high ranking leadership and a strong political will.

ENVIRONMENT NEEDED FOR ANTI-CORRUPTION MOVEMENTS

- (a) Leadership through positive examples from the top is essential
- (b) All arms of the government must be supportive and has cooperation spirits
- (c) The media must work in tandem with anti corruption agency (ACA)
- (d) Full support of the community is to be continuously maintained
- (e) The business sector must be encouraged to see the corruption eradication will result in higher profits
- (f) The spirit to overcome corruption should be upheld, even though it costs a lot of funds and time, and it is difficult to realized.

ANTI-CORRUPTION MEASURES,INDONESIA 1998-2004

- . In 1998 and 1999 President Habibie presided over the freeing of media. He also signed into law several of the MPR decrees and DPR laws.
- . In October 1999 the MPR passed a decree calling for a state apparatus that “functions in providing services to the people that are professional, efficient, productive, transparent and free from corruption, collusion and nepotism.”
- . The Clean Government Law (Law 28/1999) passed in 1999 requires public officials to declare their wealth and agree to periodic audits. It also established the Commission to Audit the Wealth of State Officials (KPKPN).
- . The Law on the Eradication of Criminal Acts of Corruption (Law 31/1999) passed in 1999 defines criminal corruption and establishes charges and procedures for prosecution. An amendment to the Law (Law 20/2001) broadens and clarifies the definition of corruption and increases the penalties.

CONTINUATION :

- . In 2000 President Wahid issued KEPPRES 44/2000 establishing the National Ombudsman's Commission (KON). He also created, under the coordination of the AGO, the Joint Team for the Eradication of the Criminal Act of Corruption (TGPTPK).
- . The issuance of KEPPRES 18/2000 in 2000 resulted in some improvements in procurement procedures. It was replaced in November 2003 by a new KEPPRES on government procurement, KEPPRES 80/2003, which establishes a National Procurement Office (NPPO)
- . In April 2002 the DPR passed the Anti-money Laundering Law (Law 15/2002), which established the Center for Financial Transactions Reporting and Analysis (PPATK); the Law was strengthened by an amendment in October 2003
- . In December 2002 the DPR passed Law 30/2002 establishing the KPK and Special Court for Corruption.
- . In 2004 the DPR passed Law 22/2004 establishing the Judicial Commission.

EXAMPLES OF LOCAL GOVERNMENT INITIATIVES IN INDONESIA TO ADDRESS CORRUPTION

In Kabupaten Solok : Inspired by his participation in a TI workshop, in 2003 Bupati Gamawan Fauzi, now the Governor of West Sumatra, required that all civil servants and suppliers sign an “Integrity Pact”. The pact obliges them to refrain from corruption, not to receive or provide bribes, provide transparency to public and avoid in collusion/cronyism. The Bupati has also reformed the rules for the procurement of goods and services in the Kabupaten, simplifying documentation, reimbursement of funds, and correspondence in the procurement process. Lastly, in early 2004, Solok eliminated civil servants honoraria, the salary supplements received government staff for working on specific projects. The objective was to reduce corruption as well improve employee welfare overall.

In City of Surabaya : In the response to Presidential Decree No. 80/ 2003 on government procurement's procedures in 2004, the newly-elected Walikota of Surabaya developed an e-procurement system for the city. To set up the system, the city government conducted its own research and tried to adopt the best practices of the procurement system in Hong Kong and Singapore. It also received assistance in setting up the computer system from students at the local school of engineering. Initially the government faced resistance from big vendors, who relied on payments and collusion to win their contracts. Since the implementation of the e-procurement system, the savings from procurements has been substantial, and the savings has been allocated to other city projects. In addition, the application of e-procurement increases the opportunity for small and medium vendors to participate in the bidding process. As a result, a big portion of the city's projects now are won by small and medium sized vendors.

SOURCE : Hafild, Emmy and Hanu Yulianto, 2004. "Hasil Asesement Penerapan Pakta Integrasi Kabupaten Solok ", paper presented by TI Indonesia in Workshop " Mewujudkan Sistem Pengadaan Barangdan Jasa yang Effisien dan Bebas KKN," Jakarta, August 25, 2005, p.4. Statement of Vice Major of Surabaya, January 6, 2006.

MAJOR ANTI – CORRUPTION NGOS AND NGO NETWORKS IN INDONESIA

INDONESIA CORRUPTION WATCH (ICW) ICW was established in 1998 and focuses on investigating, exposing and tracking big corruption cases. Under the leadership of Teten Masduki, ICW has played a leading role in some of the major corruption cases, including the Bank Bali case, the Texmaco case and the fall of then Attorney General, Andy Ghalib. ICW works closely with the media and also has good relations with certain government officials, including the Ministry of Forestry which has invited them to monitor corruption in forest concessions. ICW also has studied the prosecution and rulings in corruption trials.

TRANSPARENCY INTERNATIONAL INDONESIA TI Indonesia is the Indonesian chapter of Transparency International, which promotes greater transparency in government and business. TI Indonesia produces an Indonesia's Corruption Perception Index, which is based on a survey of businessmen in 21 cities. TI Indonesia also vigorously uses the TI Corruption Perception Index and Global Corruption Barometer to campaign for stronger anti-corruption measures in Indonesia. At the local level, TI Indonesia assisted Kabupaten Solok with the development of its "integrity pact."

FITRA FITRA is an NGO network consisting of 23 NGOs that are engaged in promoting budget analysis and transparency. It carries out systematic budget analysis in seven provinces and is a member of the International Budget Project Network. FITRA exposed the DPRD budget scandal in Southeast Sulawesi that became a national story and resulted in the investigation of 12 DPRD members.

CONTINUATION :

INDONESIA TRANSPARENCY SOCIETY (MASYARAKAT TRANSPARENSI INDONESIA OR MTI)

MTI was established by Indonesian reformers, including a number of people who have become important players in the government or in other prominent institutions like Erry Ryana Hardjapamekas (KPK), Sudirman Said (BRR), Marie Muhammad (Indonesia Red Cross) and one of Indonesia's leading Muslim intellectuals, the late Nurcholis Madjid. Most of their work is on public education by providing an anti-corruption training to regional government officials.

INDONESIAN PROCUREMENT WATCH (IPW)

IPW was established in 2002 and is led by one of Indonesia's most prominent Islamic scholars, Prof. Dr. Komaruddin Hidayat. The focus of its work is on supervision of and public advocacy on the procurement of goods and services, especially in the public sector. Their activities have included: a program on supervision and investigation of goods and services procurement within the KPU; capacity building for civil society groups to supervise procurement activities in two locations in West Sumatra (Solok and Tanah Datar); and national conference that resulted in the establishment of a national network for the supervision of public goods and services procurement.

THE PARTNERSHIP FOR GOVERNANCE REFORM

The Partnership for Governance Reform is a collaborative effort between international donors, the Indonesian government and Indonesian civil society to promote and support governance reform. It was set up in 2001 by the major international donors, including the World Bank, the ADB and UNDP, In 2002 the Partnership conducted a comprehensive "Diagnostic Study of Indonesia Corruption" based on a nationwide survey on corruption for three groups of respondents-households, business, and government officials. The Partnership also was an early supporter of the KPK and continues to work closely with it. The Partnership also plays a role in coordinating donor support for anti-corruption efforts.

CONCLUSION

Corruption is an age-old problem, and that all societies except the very primitive ones, are, to some extent, affected by corruption. The fight against corruption always put in high priorities by all of the governments. But sometimes it is failed to meet the public expectations since a fact is that fighting corruption take time, it is unrealistic to expect an overnight changes,. The experiences from Singapore, Hong Kong and South Korea shows that a new anti-corruption agency (ACA) needs two until three years to make a real differences in the governmental bureaucracy as well as the in the society as a whole.

THANK YOU
KAPHUN KHAP
TERIMA KASIH