

FIGHTING CORRUPTION FROM ACEH TO PAPUA

10 Stories on Combating Corruption in Indonesia

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10 Stories on Corruption Eradication in Indonesia

**Fighting Corruption:
From Aceh to Papua**

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Table of Contents

1. Foreword (H.S. Dillon, Executive Director, Partnership for Governance Reform in Indonesia)	v
2. Introduction (Bambang Widjojanto, Partnership for Governance Reform in Indonesia)	vii
3. Uncovering Corruption in Aceh (Akhiruddin Mahjuddin, GeRAK)	2
4. Anticorruption Snowball in South Sulawesi (Elyas Joseph, LBHP2i)	36
5. Something Rotten in the KPU (Arif Nur Alam, Fitra)	68
6. Interfaith Coalition Against Corruption (Isnaini Muallidin, LP3 UMY)	100
7. When the <i>Kiai</i> Help Control Local Budgeting (A.S. Burhan, P3M)	118
8. When the People's Representatives Loot the Public Purse (Saldi Isra, FPSB)	134
9. Tracking the Spending of Tax Revenues (Heni Yulianto, TI Indonesia)	

Foreword

The Partnership for Governance Reform in Indonesia is a cooperative arrangement between the Indonesian government, civil society organizations, the private sector and the international donor community, with the aim of facilitating and supporting governance reform in Indonesia. It is becoming increasingly accepted that governance systems cannot be changed by practices imposed from outside. National ownership is the key to change. The Partnership therefore brings together those elements in Indonesian government and society who are committed to governance reform and encourages dialogue and networking amongst them. It supports their efforts by developing ideas, strategies and programs of action, especially those that can be assisted by the international community.

During its first two years, the Partnership for Governance Reform produced in-depth diagnostic work on the problem of corruption in Indonesia.

Based on this research and a comprehensive public consultation process undertaken to develop a national action plan to fight corruption, the Partnership started to implement the strategy and suggestions in 2003. The Partnership has launched a number of initiatives on its own, but has also supported selected partners in the implementation of projects that fit within the Partnership's strategy.

To date, the Partnership has supported and been party to a number of efforts and achievements that deserve to be made public beyond the short-lived coverage normally provided by the print and electronic media. They need to be reported in more detail as they demonstrate unique and inventive approaches to tackling corruption. The purpose of this publication, "Fighting Corruption from Aceh to Papua", is to encourage discussion and replication in Indonesia and other parts of the world.

All 10 stories and the introduction were written in Indonesian and the Partnership would like to express its gratitude to James Boyd, who managed to successfully transfer the meaning and spirit of the original texts into English. We would also like to express our thanks to Muhammad Syaifuddin (Ifoed), who has captured the essence of these reports in a thought-provoking yet entertaining manner.

The findings, interpretations and conclusions are those of the authors of each report and do not necessarily reflect the views of the Partnership. Neither the Partnership, the members of the Governing Board, the organizations or governments they represent, nor their affiliated organizations, may be held responsible for the accuracy of the facts and data contained in this publication, or any consequences of whatever nature resulting from their use.

A handwritten signature in black ink, appearing to be 'H.S. Dillon', with a stylized, flowing script.

H.S. Dillon

Executive Director

Jakarta, December 2005

Consolidating the Anticorruption Movement

Introduction by Bambang Widjojanto¹

When we mention the word “corruption”, an interesting phenomenon worthy of study frequently becomes apparent. “Corruption” has become a word in our vocabulary that is on everyone’s lips at the moment. The media is chock-a-block full of reports on corruption. It is a main topic of conversation among all groups in society, including those who are truly against corruption and those who pay lip service to the struggle but who, in fact, regularly engage in various forms of graft in their day-to-day activities. In short, “corruption” is the talk of the town and is a hot topic in all sorts of forums and discourses.

Just look at the many groups involved in the anticorruption movement at the present time, the plethora of books analyzing corruption from various perspectives, and the large number of discussions, seminars and TV talk shows devoted to the problem. In addition, the number of non-governmental organizations (NGOs) involved in the fight against graft has mushroomed. Meanwhile a significant number of corruption cases are currently being investigated or tried, although many more have still to be dealt with.

Despite the progress made to date, there are many signs and indications that corruption is still widespread throughout Indonesia. In fact, it is quite clear that corruption is systematic and part of the power structure and social fabric in this country. While for some, all the talk about eradicating corruption may be little more than political jargon, serious efforts are nevertheless being made to bring about good governance through wide-rang-

¹ Bambang Widjojanto is an advisor to the Partnership.

ing governance reform.

Nevertheless, it is disappointing to see that despite an increased awareness about the need to root out corruption, there are signs that the problem is actually increasing. This gives rise to two contrasting consequences. First, the emergence of a fatalistic attitude to the effect that corruption is well-nigh impossible to eradicate. This has resulted in a high level of permissiveness towards the problem, which, in turn, has the potential to encourage people to also try their hands at graft. Second, the undertaking of various pioneering efforts to consolidate the anticorruption movement in society through the development of corruption free zones. This encourages many people to become involved in the anticorruption movement, even if they are not able to contribute significantly. The fact is, corruption must be systematically fought against and overcome using creative and intelligent approaches.

The various writings contained in this book are devoted to the struggle against corruption in Indonesia. The focus has firmly been placed on the concrete efforts that have been made by various civil society groups to reduce the room for corruption in Indonesian society, while at the same time encouraging the development of the anticorruption movement at the grassroots level. While only 10 case studies are presented here on account of space limitations, there are a great many others that could just as well have been used to provide inspiration for those struggling against graft, and that are capable of replication so as to encourage the taking root of the movement at the grassroots level. The following general topics are dealt with in the writings contained in this book:

First, local anticorruption efforts (“Uncovering Corruption in Aceh” and “Anticorruption Snowball in South Sulawesi”).

Second, who is involved in the struggle against corruption (“When the *Kiai* help Control Local Budgeting”, “Interfaith Coalition against Corruption”, and “When the People’s Representatives loot the Public Purse”).

Third, the institutions that are particularly prone to corruption (the writings discussing corruption in the General Elections

Commission and local budgeting).

Fourth, strategies for fighting against corruption (“Mobilizing the People of Papua to Fight Corruption”, “Eradicating Corruption: From Acceptance to Resistance”, and “Tracking the Spending of Tax Revenues”).

Fifth, developing professional and honest anticorruption institutions (“Establishment of the Corruption Eradication Commission”).

With regard to the three writings discussing lessons learned in the effort to eradicate corruption in Aceh, Papua, and South Sulawesi, it is worth noting that two of these areas (Aceh and Papua) possess special characteristics with the result that they have been accorded what is termed “special autonomy” to manage their own affairs. Ironically, this has become one of the principal causes of increased corruption in these regions.

Aceh was accorded special autonomy status by Law Number 18 of 2001, and has subsequently been granted significant additional revenues. In 2001, Aceh only had revenues of Rp 543 billion, but this figure increased dramatically over the following two years to Rp 1.6 trillion. However, according to studies carried out by the Anticorruption Solidarity Movement (SoRAK), this increase in revenue was in no wise accompanied by a corresponding improvement in the province’s financial management capacity, or by increased internal and external oversight/supervision. The emergency in Aceh was also availed of by local power holders to pursue programs that primarily benefited themselves – something made possible by the almost total lack of control mechanisms. As a result of this combination of factors, anything was possible in Aceh for those in positions of influence.

In South Sulawesi, the Indonesian Women’s Empowerment Legal Aid Institute (LBH-P2i) kicked off its campaign against corruption with a study on the links between corruption and poverty. This was carried out following a realization that the traditional local values encapsulated in the terms “siri” (self-respect), “lempu” (honesty) and “getteng” (steadfastness in upholding traditional, legal and religious values), were being abandoned by

society. It was based on this, and the evident links between corruption and poverty, that the Institute's grassroots anticorruption campaign was predicated.

In Papua, the Institute for Civil Society Strengthening (ICS) specifically found that "as a consequence of the fact that there were no clear accountability procedures in place, or political or social control over the spending of the additional funding, the way was left wide open for increased corruption on the part of the power-holders and their cronies."

Given the circumstances prevailing on the ground, concrete action was required to stop the further spread of corruption. The activities undertaken included the following:

- The Anticorruption Solidarity Movement (SoRAK) carried out a detailed assessment of the allocation and utilization of development funds in the local budget, and comprehensively and efficiently recorded the information it obtained as a result of this assessment;
- SoRAK identified a number of key cases believed to involve corruption, and mapped out the relationships that facilitated corruption among the elite;
- SoRAK successfully managed to consolidate its anticorruption network and to bring pressure to bear on those involved in perpetrating corruption through a wide-ranging media campaign; and
- SoRAK successfully persuaded the courts to recognize the legal standing of civil society organizations in representing the public so as to allow them to bring class actions in respect of corruption cases that had prejudiced the interests of the public.

SoRAK managed to construct an anticorruption network that reached up to the national level by concentrating on only a few key corruption cases. The bringing to light of the corruption case involving now-dismissed Aceh governor Abdullah Puteh is one of the outstanding achievements notched up by SoRAK in its efforts to accelerate the fight against corruption in Aceh.

Meanwhile in South Sulawesi, the LBH-P2i successfully led a coalition of about 60 NGOs and other civil society organizations

as part of a campaign involving the provision of education and training on corruption monitoring in respect of public services at the grassroots level. A wide variety of groups from diverse backgrounds participated in this campaign, including building workers, miners, trishaw drivers, fishermen, sidewalk hawkers, artists, housewives, students, commercial sex workers, pimps, and sub-district and district officials.

It is also interesting to note the success of the LBH-P2i and its network partners in making the best possible use of the resources available to them in campaigning and providing anticorruption training through alternative media, such as comedy and theater troupes, including the People's Comedy Theater Group (Kelompok Teater Komedi Rakyat), the Bugis-Makassar Troupe (Khas Bugis-Makassar), the Theater Community (Korupa), and Petta Puang Players.

At least two aspects of the LBH-P2i campaign are worthy of particular note:

1. Focus was placed on forms of corruption that affected the provision of public services at the grassroots level, thereby directly affecting the people, including the size of the water bills charged by the local water utility and the levying of unofficial school fees.
2. The LBH-P2i, in collaboration with local radio stations and newspapers, successfully packaged its campaign in terms of the forms of corruption that affected the poor in their everyday lives. This provided immense momentum for encouraging the poor to participate in the fight against corruption.

In Papua, there are at least two major things that have been, and are still being, done by the ICS in its efforts to combat corruption. First, the ICS has established a coalition made up of individuals drawn from NGOs, tribal organizations, academia, local government, the journalistic profession, the prosecution service, and the police in seven regencies and municipalities. The ICS has played the role of initiator and facilitator in formulating anticorruption strategies in partnership with the coalition. Second, the coalition then undertook two things, namely:

1. Revealing corruption cases involving 22 leaders and treasur-

ers in connection with development projects funded out of the 2002/2003 provincial budget, and encouraging the commencement of legal proceedings against them. This process was assisted by the conducting of audits by the Development and Finance Audit Board (BPKP) and other supervisory organs. As a consequence, the cases, which were originally expected to be resolved administratively, were in the end brought before the criminal courts.

2. Drafting model local regulations capable of providing a basis for the further development of the anticorruption movement in Papua. A number of draft regulations were drawn up, including a regulation on public participation and transparency in the governance of Papua, and a regulation on an ombudsman commission for Papua.

Another interesting case study involved the effort to encourage the participation of religious communities in the fight against corruption. The Indonesian Society for Pesantren and Community Development (P3M) found that there was something wrong with our religious thinking. In the case of many people, the situation could be summed up as one of “religion yes, corruption yes”. Perhaps there were also those among the believers who were genuinely concerned about fighting against corruption? As a result of the actions taken, an anticorruption coalition emerged in Yogyakarta that was devoted to spreading the anticorruption message through education. Over the long term, education would be employed to impart, explain and disseminate religious teachings about corruption, while in the short term, anticorruption materials were designed and applied in a number of subjects so as to encourage the various religions to accept the challenge of fighting against corruption as a joint challenge and a precondition for the development of an effective anticorruption movement.

The agreement between the two largest popular organizations in Indonesia, Nahdlatul Ulama (NU) and Muhammadiyah, to work together to further the goals of the anticorruption movement formed the principal point of entry for encouraging believers to become more involved in the struggle and for establishing a *pesantren*-based anticorruption movement. Based on the prevailing

modalities in society and the desire to establish a more progressive view of *zakat* (Islamic alms-giving), it was decided to focus on the revitalization of the *babtsul masail* forums for the purpose of ensuring effective control over public policy. Such forums were established in 12 cities and were availed of by imams and *pesantren* leaders to exercise control over local budgeting and government spending. In fact, the *babtsul masail* forums came to serve as effective forms of control in the effort to reduce corruption and ensure greater social justice.

Three aspects of the Indonesian Society for Pesantren and Community Development (P3M)'s program are worthy of particular note, namely:

1. The process of inculcating anticorruption awareness as part of the revitalization of the *babtsul masail* forums not only increased awareness of the evils of corruption from the moral perspective, but also firmly positioned the problem as a cultural, political, economic and legal issue that that greatly prejudiced the well-being of the people;
2. the revitalization movement also produced a new breed of young, *pesantren*-based *kiai* who properly understood the nature of corruption – something that encouraged them to establish critical study and budget-monitoring forums in many areas; and
3. a strict social sanction was introduced for those involved in corruption in the form of a refusal to say funeral prayers for deceased “corruptors” until such time as the money had been returned.

The Yogyakarta Muhammadiyah University's Educational Development Research Institute (LP3-UMY) not only managed to develop anticorruption materials but also tested them in 11 higher learning institutes in Yogyakarta through their incorporation in a number of subjects. The results turned out to be highly encouraging. A number of these institutes agreed to continue using the materials. In addition, the local government Religion and Education Agency in Yogyakarta Special Province afforded opportunities to the LP3-UMY to give lectures on the materials to head teachers, other teachers, and religion instructors and

preachers.

There are three other interesting aspects worthy of note based on the experiences of the LP3-UMY, namely:

1. The anticorruption educational materials were not only targeted at university circles but also at religious activists, preachers and religious communities;
2. training on the use of the educational materials was provided to those responsible for teaching them so as to ensure full mastery of the materials; and
3. the growth of a moral development and action movement was also encouraged among young religious activists so as to ensure their full participation in the war on corruption.

The activities carried out by the Indonesian Forum for Budget Transparency (Fitra) and Transparency International Indonesia (TI-I) are also worthy of study. Fitra was the first organization to reveal significant corruption in the General Elections Commission (KPU), while TI-I has been successful in building up a public awareness about corruption and taxation issues. Fitra's experiences provide important lessons as regards fighting against corruption in particular organizations. Among the lessons learned were the following:

First, the ability to secure documents and information is of the utmost importance during the initial stages. In this case, Fitra was able to get its hands on detailed, comprehensive information and documents revealing budget and spending irregularities.

Second, a number of important strategies were employed by Fitra at different stages in order to obtain information and communicate its findings. These approaches including both co-operative and confrontational approaches.

Third, Fitra was aware that a systematic, serious and in-depth investigation would be required before drawing any conclusions.

Fourth, while pursuing all of the above processes, Fitra was also fully aware of the need for a strategic alliance of anticorruption organizations. This was not only necessary so as to increase public pressure but also so as to ensure an appropriate

division of labor in conducting the investigation and in obtaining access to the official agencies capable of bringing the work to a successful conclusion; and

Fifth, the forging of good relations and communications with the media is essential not only for the purpose of communicating findings, but also for developing supervisory methods, applying public pressure and ensuring program accountability.

The various efforts undertaken by Fitra in the end bore fruit and brought before the eyes of the public the reality of widespread corruption in the KPU.

Meanwhile, TI-I is one of those organizations that is particularly serious about keeping the issue of taxation in the forefront of public discourse. TI-I has consistently lamented a lack of awareness on the part of the public about taxation issues – something that is due to a lack of information of taxation and local government charges. In addition, most people have no idea about how to go about complaining. In fact, most people are not even aware of the location of their local taxation office, particularly outside the island of Java. This is despite the fact that more than 60 percent of government revenue now originates from taxes. The trial projects undertaken by TI-I to heighten public awareness of taxation issues in a number of regencies, including Tanah Datar, Wonosobo, Kotabaru, and Bulukumba, turned out to be resounding successes.

In these areas, not only were taxpayer forums established, but regular meetings were also held for the purpose of improving the knowledge and awareness of the public so as to allow people to critically analyze and monitor budget and taxation policies. Interestingly, the relevant local governments and tax offices were quite supportive of these efforts. As a result, members of the public became more vocal in asking questions such as how the money they had paid as taxpayers was being used, why were health services so expensive, why were dilapidated schools not being repaired, etc. In short, an awareness was inculcated in society of the rights that accrued to people as a result of their paying taxes, including the right to be provided with proper

public services by the government.

Equally importantly, the TI-I program encouraged regency administrations to increase the supply of information on local taxation and to create separate accounts for each type of tax, while a heightened awareness was created on the part of the public as regards the importance of monitoring the allocation of tax revenues in local government budgets.

Particularly encouraging was the success achieved in West Sumatra in tackling corruption within the Local Legislative Council. As a result of the efforts made, 43 members of the Local Legislative Council for the 1999-2004 term were found guilty of graft, with the trial court's decision eventually being upheld on appeal by the Supreme Court.

This success provided inspiration to NGOs in many other areas and spurred the prosecution service into taking action in respect of similar Legislative Council corruption cases.

One important lesson that may be gleaned from the article titled "When the People's Representatives loot the Public Purse" is that corruption cases, even at the highest levels, can be brought to light if systematic, creative and intelligent approaches are employed. Perseverance and doggedness are also essential prerequisites to success. In addition, other important lessons learned from the West Sumatra experience are as follows:

- An ability to properly describe and define issues is required so that appropriate follow-up action may be taken;
- The indications of corruption, the methods employed and the nature of the crime need to be properly defined so as to make sure that all the elements of a crime are present.
- Focus must be maintained at all times, while the attention of the public and law enforcement agencies needs to be properly directed in line with the gravity of the problem and the set of priorities that has been adopted. In this way, it may be ensured that priority cases continue to attract the attention of the public over a prolonged period; and
- various approaches need to be employed so as to involve as wide a range of groups as possible. The West Sumatra

Concern Forum (FPSB) started off employing a persuasive approach, but later switched to a “repressive” legal approach.

Another highly encouraging success story concerned the establishment of the Corruption Eradication Commission (KPK). The Commission is currently breathing new life into the anticorruption effort, and has won the admiration and trust of the public for its efforts in the war against graft. The successes notched up to date by the KPK represent extraordinary achievements on the part of its leaders and others concerned with eradicating the cancer of corruption from Indonesian society.

The first issue that the KPK had to address was trust-building. The ability to win the trust of the public was of the utmost importance to building up the capacity of the KPK as a professional institution vested with wide-ranging powers. The drawing up of codes of ethics and conduct, the adoption of working procedures and standards, the recruitment of the staff it needed, and the training of its staff were all carried out transparently and with a high level of accountability. Every process was gone through based on strict and consistent compliance with the principles of good governance.

Three important aspects are worthy of note as regards the institutional development of the KPK:

1. The KPK accurately defined its needs and was capable of putting its various plans into effect in program form;
2. The KPK was from the outset aware of the need to prioritize the setting up an efficient information technology system; and
3. the leadership of the KPK was aware of the need to systematically communicate with all sides so as to make optimum use of the social capital possessed by various elements in society and government.

Indonesian Corruption Watch (ICW) has earned itself a reputation as one of the most steadfast champions in the war against corruption, and in this book describes a number of interesting and illuminating lessons learned during the course

of its struggle to date. After conducting an evaluation of the efforts to eradicate corruption in Indonesia, ICW started out from the proposition that the apparent inability to accelerate the fight against graft was not the result of fundamental weaknesses in the state, but rather imbalances in the relationship between the state and its citizens. Taking this as the point of departure, the corruption eradication program had to also pay attention to strengthening the role of the public. This was not merely because members of the public were the principal victims of corruption, but also because a solid and educated public would be much better equipped for furthering the anticorruption cause.

The ICW applied an upstream-downstream approach to the fight against graft. This meant that the program was not only confined to the “upstream” level (encouraging the bringing of prosecutions and monitoring of the courts), but also involved the spreading of the seeds of the anticorruption ideal, maximizing the benefits of investigations conducted by the public, and engaging in campaigning and advocacy.

At least three major breakthroughs were pioneered by ICW, namely:

1. Encouraging the setting up of anticorruption watchdogs in many areas and co-opting them as strategic partners concentrating on specialized fields.
2. Introducing an initial concept for conducting anticorruption investigations and advocacy, and examining judicial decisions that offended against the public sense of justice;
3. trying out the “report-card system” for public participation in monitoring and improving the quality of public services in the education sector. This approach had earlier been pioneered by the Public Affairs Center in Bangalore, India.

The experiences set out in this book show that the eradication of corruption is not an impossibility. Of course, activism on its own will rarely be sufficient to defeat graft. Professional and well-thought out approaches are also essential, including the gathering of information and documents, managing and analyzing findings, designing and applying result-orientated strategies, building up strategic alliances, and fostering communications

with all involved – particularly professional groups, the media, and law enforcers.

The case studies set out in this book provide ample inspiration for promoting and developing the anticorruption movement, and campaigning on graft cases. Many of the methods employed are capable of being replicated or fine-tuned to suit different contexts. Of course, it must always be remembered that the learning process in the war on graft is still continuing.

In conclusion, more intelligent and well-thought out breakthroughs are still required before Indonesia's systematic and deeply entrenched corruption can be eradicated. Now is the time to stop complaining and start resisting, to start offering concrete solutions to the problem, and to change our attitudes so that corruption is no longer acceptable in any shape or form in Indonesia.

As time passes, I am becoming increasingly confident that the war on corruption can be won thanks to the sort of comprehensive, intelligent and systematic approaches that are described in the following pages.

Bambang Widjojanto

CHAPTER 1



Uncovering Corruption in Aceh¹

Akhiruddin Mahjuddin

The Corrupt and Untouchable

The extension of Special Autonomy to the Aceh Special District, and its renaming as Aceh by Law Number 18 of 2001, has apparently only succeeded in increasing the sizes of the provincial and regency/municipalities budgets. In 2002, the total value of the provincial and regency/municipality budgets in the province stood at Rp 5.2 trillion, while this figure increased to Rp 5.4 trillion in 2003. Ironically, the increase in the amount of money available to administrations in Aceh has in no wise been followed by an improvement in the quality of life of the Acehnese people.

Just take, for example, the disastrous situation in the education sector, where no signs of improvement have been evident to date. In the 1980s, Aceh was in the top five best performing provinces in the education sector out of a total of 27 provinces in Indonesia, and in the top ten out of 27 provinces in the 1990s. However, according to the available statistical data, by the year 2000 the province's position had declined drastically to 27th out of 31 provinces in Indonesia. Besides education, the situation as regards poverty and unemployment has also worsened dramatically.

These realities obviously give rise to a number of questions.

¹ This paper describes the empirical history of the program titled "Strengthening the Public's Role in Advocating Good Local Financial Management in Nanggroe Aceh Darussalam", which ran from 19 May 2003 to 31 October 2004 and was funded by the Partnership for Governance Reform in Indonesia. It was implemented by SoRAK which has since then split and the new organization Gerak Aceh is headed by the author. GeRAK Aceh then collaborated with the Partnership for Governance Reform in Indonesia for the purpose of encouraging people to establish Budget Monitoring Committees at the regency and municipality levels, including in Banda Aceh, Aceh Besar, Pidie, Aceh Utara-Lhokseumawe-Aceh Jeumpa, Aceh Barat and Aceh Jaya (August 2004-May 2005).

Why has the increase in local budgets not been accompanied by a corresponding increase in the quality of life of the Acehnese people? The answer to this may be found in a recapitulation of the data on the extent of corruption, which shows that a total of 137 corruption cases came to light in the province between 2001 and 2003. The system of public administration in Aceh is currently at an all-time low, as shown by a survey conducted by the Bank Indonesia's Central Bank Study and Education Center (Pusat Pendidikan dan Studi Kebanksentralan, PPSK) and Padjadjaran University's School of Economics (FE-Unpad), which was published in "Daya Saing Daerah: Konsep dan Pengukurannya di Indonesia" (The Competitiveness of Regions: Concepts and Assessment in Indonesia), in February 2002. This survey found that Aceh was the most corrupt region in Indonesia.

Given the many other problems they have, the people of Aceh no longer pay much heed to the chaotic state of governance in their province, or to the corruption, collusion and nepotism that has infected the entire state apparatus. As a result, the pillaging of public funds has continued unabated, and has even shown an increasing tendency. Many of the people's empowerment programs run by the government have become fertile ground for the embezzlers and misfeasors, and are unashamedly looted to ensure the enrichment of those in positions of influence. Among the schemes that have gained notoriety in this regard are the Gema Assalam program, the Social Economy Empowerment Fund (PER), and the Victims' Compensation Fund.

Aceh is the scene of a long-running conflict that has been accompanied by a breakdown in effective public service management. This has had a major impact on the management of public funds. From a different perspective, we may say that a logical consequence of the situation in Aceh has been the emergence of local leaders who are at liberty to do virtually whatever they want, no matter how arbitrary. Take, for example, the case of Abdullah Puteh, the Aceh governor, who was the holder of supreme executive power at the local level and was free to do almost whatever he pleased as a result of the powerlessness of

the Acehnese people to demand transparency and accountability. As a member of the Golkar Party, Puteh had plenty of support at the national level with the result that he was well-nigh untouchable by the law.

Furthermore, under Law Number 22 of 2000 on local government, a governor may only be questioned in connection with a criminal investigation after the granting of permission by the President via the Minister of Home Affairs. This requirement was further tightened by Law Number 18 of 2001 on Autonomy for Aceh Special District and its renaming as the Province of Nanggroe Aceh Darussalam. The situation was further exacerbated by the imposition of a civil emergency in the province, which meant that the governor was at liberty to make unilateral decisions in flagrant disregard of the views of others. These conditions all combined to strengthen the position of Puteh vis-à-vis the law. In reality, however, Puteh only represented the tip of an enormous iceberg of corruption in Aceh, with most of those involved in the corruption being well beyond the reach of the law.

Conflict and Corruption

Aceh is awash in natural resources. It produces oil and gas (which is converted into liquefied natural gas), and agricultural commodities such as palm oil, nutmeg, coffee, cacao, coconuts, etc. It also plays host to an amazing range of biological diversity in the Leuser mountain range, which traverses the province. Despite this abundance of natural wealth, however, the vast majority of Acehnese live in abject poverty. In fact, the level of poverty is extraordinary. Based on figures set out in the governor's accountability statement for 2003, the poverty rate in Aceh is increasing from year to year. In 2001, 25 percent of the Acehnese were categorized as being below the poverty line. This had risen to 33 percent in 2002, and reached 40 percent of the total population of Aceh in 2003.

This is obviously a source of great concern, especially given that the size of the province's budget is also increasing from

year to year. In 2001, the Aceh provincial budget amounted to Rp 543 billion. This increased to Rp 1.5 trillion in 2002, and further increased to Rp 1.6 trillion in 2003. This sort of money was never available in the province previously, such as when it was governed by Prof. Dr. Ibrahim Hassan, MBA, or Prof. Dr. Syamsuddin Mahmmud in the 1980s and 1990s respectively.

The failure to make proper use of the available funds so as to benefit the public is clearly linked to the system of financial management employed by Aceh province, which opens the door to misfeasance and other forms of corruption on a large scale. Such enormous sums flowing into the provincial treasury should obviously be capable of improving the welfare and lot of the people, rather than what is happening at the moment, whereby these monies are merely serving to feather the nests of the bureaucrats and their cronies. Just look at the budget allocations in Aceh for education, which must amount to at least 30 percent of the overall budget. A total of Rp 700 billion has been earmarked for education in each of the last three years. Thus, from 2002 to 2004 the total education budget in Aceh amounted to Rp 2.1 trillion. This represents the potential for quite significant improvements in the education sector, especially compared to other regions where the budget allocations for education only amount to 20 percent.

It is, of course, true that the needs of education in Aceh are great, and that Rp 2.1 trillion pales into insignificance when one realizes just how great the damage caused to the sector has been over the last five years. The long-running conflict and the disruption it has caused in the sector have had a serious impact on the education of the province's children. However, given the monies available over the last three years, much more could, and should, have been done than what we see today. As things stand at the moment, it would appear that even Rp 2.1 trillion is not sufficient to improve the education received by the children of Aceh. This represents nothing more than a great embarrassment for the world of education in Indonesia. It appears that even if the education budget were to be increased tenfold, it would still be unable to provide a solution to the problems in the sector due to the prevalence of corruption and malfeasance at every

turn. This is particularly sad given that education represents the best hope for a new and more prosperous Aceh.

Based on the above analysis, it will be clear that much of the poverty in Aceh is the cause of two key factors: the long-running conflict and corruption.

Thirteen Anticorruption Organizations

As things stand, both the public and NGOs tend to see the Aceh question in terms of crisis resolution, while the government in Jakarta tends to view the issue as one of human rights alone. In reality, however, the problems assailing Aceh are the result of economic injustice resulting from the excessively centralized and inequitable economic policies imposed by the central government. These have resulted in glaring disparities, rather than justice, in the allocation of resources by Jakarta to Aceh.

Anticorruption organizations have an essential role to play in highlighting the problem of corruption in Aceh and bringing it into the realm of public discourse. The establishment of such organizations in Aceh was heralded by the emergence of the anticorruption movement at the national level. An example of this is Indonesian Corruption Watch (ICW), which was established to bring cases of corruption perpetrated by the dictatorial government of Soeharto into the full glare of the public spotlight.

Similarly in Aceh, various anticorruption organizations were established in response to the rampant corruption being perpetrated by local administrations. The first anticorruption organization was set up in Aceh in 2000, and this was quickly followed by more – some working at the provincial level and others at the regency/municipality level. The emergence of these anticorruption organizations more or less coincided with the rolling out of Special Autonomy in Aceh.

At the present time, there are 13 anticorruption organizations in Aceh. These are as follows: the Anticorruption Movement (GeRAK), Anticorruption Solidarity Movement (SoRAK), and People's Solidarity against Corruption (SAMAK) in Banda Aceh; the Gerakan Anti Korupsi (GeRAK) in Aceh Besar; the

Aceh Anticorruption Grassroots Network (JARAK) in Pidie; the Anticorruption Solidarity Association (GaSAK) in Bireun; the Anticorruption Movement (GeRAK) in Lhokseumawe and Aceh Utara; the Singkil Anticorruption Community (MaTRAS) in Singkil; People's Solidarity for Democracy and Justice (SRDK) in Kuta Cane; the Aceh Anticorruption Grassroots Network (JARAK) in Aceh Selatan; Solidarity for Anticorruption (SuAK) in Meulaboh; Solidarity for Transparency (SAKSI) in Simeulue; and the Aceh Jaya Transparency Community in Calang.

Every cloud has a silver lining, and in these areas the issue of rampant corruption is actually moving society in the direction of greater transparency and democracy. This is automatically providing greater room for the people of Aceh to speak out about what is happening in their homeland. This process will be further advanced if the people find that the courts are willing to convict those involved in corruption as opposed to the past when this would have been virtually inconceivable.

The fight against corruption in Aceh is also serving to advance the democratic cause at the national level. As cases come before the courts and convictions ensue, a number of knock-on effects will become apparent, including the following: First, greater care and diligence on the part of the bureaucrats in managing the public purse in Aceh province; Second, the public will become more courageous and outspoken in revealing irregularities without having to be afraid of being labeled a separatist – a label that would often mean death or disappearance in the past.

The process of heightening public awareness would obviously be more effective if it was backed up by concrete examples of the prosecution and conviction of public officials on corruption charges. This is essential so that the spirit of the people can be restored. In reality, we may say that this long process was all about restoring the trust of the public in the local and central governments, even though this was not recognized by many.

While the granting of Special Autonomy was intended in part to reduce the intensity of the conflict in Aceh, it also resulted in significant increases in the funding made available to the province. The benefits of this increase in funding should

logically have been directly felt by the public. However, to date no significant changes in the lot of the Acehnese people have occurred – in fact, things have got much worse in the wake of the tsunami. It was this reality that spurred us to critically scrutinize the Aceh provincial budget against a background of ineffective supervision and oversight by the Aceh Provincial Legislative Assembly.

As part of this process, we were particularly concerned with the following aspects: the formulation of the local budget – a process that is supposed to involve the public at large; the needs of the community and the budget's responses to these, particularly as regards primary needs such as education and healthcare; and, finally, the implementation of the budget.

The Special Autonomy funds being paid out to Aceh province, which are obviously intended to improve the welfare and well-being of the Acehnese people, have not in fact been able to do so. According to Law Number 18 of 2001, Aceh province's revenues are made up of its own-source revenue, payments from the equilibrium fund, provincial receipts under the Special Autonomy scheme, loans taken out by the local government, and other lawful sources.

From all of these sources, Aceh province is receiving much more at the present time than prior to the introduction of Special Autonomy. Since the entry into effect of the Special Autonomy legislation, Aceh has also been receiving special funds consisting of payments out of the equilibrium fund. Another new source of funding is *zakat* (in Aceh, mandatory contributions to Islamic charities), which is included as an item in the province's own-source revenue account.

As a result of all these new sources of revenue, Aceh province's budget has expanded exponentially, from Rp 543 billion in 2001 to Rp 1.5 trillion in 2002, Rp 1.6 trillion in 2003, and Rp 2.2 trillion in 2004. This increase in funding should be accompanied by the instituting of financial management that is based upon the principles of good governance and better financial supervision and management supported by both internal

and external oversight. However, in reality both the internal and external auditors charged with inspecting the province's accounts lack the powers they need to do the job properly.

Emasculation of Audit Bodies

The emasculation of the audit bodies is the result of the issuance of Local Regulation Number 11 of 2001 on the structure of local audit boards. This regulation provides that the provincial audit board has the power to inspect the accounts of the provincial government. However, the provincial audit board is also part of the government it is supposed to be auditing. Thus, how will it be possible for the audit board to act independently, objectively and professionally in performing its duties if the body it is auditing is also the body that employs the auditors? Even more incongruous, the results of the audits that are undertaken must be reported to the governor through the provincial secretary. Is this sort of oversight – susceptible as it is to manipulation and collusion – the sort of oversight that is likely to win the confidence of the public?

As regards the local office of the Development and Finance Audit Board (BPKP), Local Regulation Number 11 of 2001 also serves to head off external oversight. As things stand at the moment, the BPKP may only audit the provincial budget if it obtains the consent of the governor.

Emasculation of Law Enforcement Institutions and the Courts

The apparent impossibility of seeing those involved in corruption being tried and convicted in the courts led to widespread apathy among the public. It was an open secret that the law could not be relied upon. The law in Aceh had long been used as an instrument of repression to deal with the security problem, and appeared to be entirely uninterested in corruption and malfeasance committed by public servants in the province.

Against the background of a barely functioning legal system, legal and human rights activists began to push for breakthroughs

in the legal sphere that would allow the public to demand that justice be done. The sort of breakthroughs that were being sought included the permitting of class action and a widening of the definition of legal standing. There were two principal targets in this regard:

1. results target: the achievement of maximum results in changing the paradigms adhered to by the law in Aceh so as to make it more favorably disposed towards the public;
2. process target: the educating of the Acehnese people as regards their right to sue the government – something that was previously taboo but which in reality was legitimate and the right of every Indonesian citizen.

The weaknesses afflicting the law enforcement institutions resulted from the legislative framework that had been put in place in Aceh as part of the Special Autonomy arrangements. Article 21(6) of Chapter X of the Aceh Special Autonomy Law (Number 18 of 2001) states that the appointment of the Aceh Provincial Police chief shall be made by the Republic of Indonesia National Police chief with the approval of the governor of Aceh, while Article 24(2) of Chapter IX of this Law states that the appointment of the Aceh Provincial Chief Prosecutor shall be made by the Republic of Indonesia Attorney General with the consent of the governor of Aceh Province. These articles serve to greatly strengthen the position of the governor as a virtual untouchable, and it was these articles that allowed Abdullah Puteh to indirectly get his men into the posts of Aceh Police chief and Provincial Chief Prosecutor. In reality, whatever the circumstances, these institutions should be independent and free from extraneous influences rather than being rendered subordinate to the administration.

Emasculation of the Provincial Legislative Council

As a house made up of the representatives of the people, a Local Legislative Council must be capable of advancing the rights of the people. In order to do so, it needs to exercise oversight and control over the executive so as to ensure that not one rupiah of public money is embezzled or wasted. However,

such hopes will be difficult to realize when the members of the Legislative Council have either sold their souls to the devil or have been cowed into submission. In Aceh, the type of oversight and control exercised by the Legislative Council was primarily concerned with administering temporary shocks to the executive so as to increase the bargaining power of the assembly in order to advance the political and financial interests of its members.

Thus, the members of the Aceh Provincial Legislative Council abused their positions to blackmail the executive in order to feather their own nests. This was the result of a number of factors, including the yawning gap between those sitting in the house and the constituents they were supposed to be representing. The mechanisms available for eliciting the views of the public in Aceh were very limited and more formalistic than real, with the result that those efforts that were made, on paper, to reveal the views of the public amounted to little more than window dressing.

The reality was that the Aceh Provincial Legislative Council's function of overseeing the work of the provincial executive lacked the support of accurate information and data on the issues presented to the Assembly by the executive. As a result of this, the members of the Council were unable to put up much of an argument against the administration, even if they wanted to do so, which was rare. Most members of the Council lacked the technical skills and knowledge necessary to appraise budgetary proposals, while the executive had the benefit of finance experts on its side. In addition, there was not enough time available to the Council members to properly perform their function of budgetary oversight. As a result of all these factors, the oversight role of the Provincial Legislative Council was rendered entirely ineffective.

Lack of Accountability on the Part of Local Officials

The budgetary process consists of a number of aspects including planning, implementation and oversight. A further, and particularly important, aspect is accountability. Governor Abdullah Puteh was required by law to account for the implementation of the 2000 Aceh provincial budget. However, he

failed to do so, arguing that three governors had served in Aceh during 2000, namely, Syamsuddin Mahmud, Ramli Ridwan, and Abdullah Puteh himself. In reality, whatever the circumstances, it was still the responsibility of the serving governor to account for budget implementation given that such accountability does not constitute personal accountability, but rather accountability on the part of the local administration.

It should be noted in this regard that accountability had long been a rare commodity in Aceh, and public documents and information on financial management were well-nigh impossible to access. In addition, public participation in government in Aceh was virtually non-existent. As a result of this lack of accountability and public participation, the way was left wide open for the looting of the local government treasury.

Essentially speaking, a government accountability statement is intended to present information of use to decision makers and to account for the management of the resources entrusted to the administration. Accordingly, an accountability statement must, at a minimum, contain the following information: First, information on resources, allocations and use. Second, information on the local government's cash position and how it proposes to fund its activities; Third, information that is of use for evaluating the capacity to secure funding and ensure the fulfillment of obligations; and, fourth, information on the local government's financial position and any changes thereto, and information on the management and use of resources in accordance with the budget and the prevailing rules.

It goes without saying that budgetary accountability must be backed up by proper proofs and be discharged in line with the provisions of the laws and regulations in effect through the presentation of a summary of resources, allocations and uses.

The 2001 Aceh Provincial Budget was proposed to the local legislature without the prior preparation of a Strategic Plan (Renstra). In the science of local administration, a Strategic Plan provides guidelines and yardsticks for the legislature in appraising and assessing the performance of the executive. This failure to

prepare a Strategic Plan constituted a violation of the law and a betrayal of the public trust.

The old saying, “Anything goes in Aceh”, seemed to be borne out. We only have to look at how Puteh manipulated the legislature to secure its approval for the budget in the absence of a prior accountability statement from the governor. Also very noticeable in Aceh was a persistent tendency for officials of integrity to be transferred to less “prospective” units, or even to be threatened and ostracized.

The above description shows that Governor Abdullah Puteh was more than willing to flout the law. He clearly violated the Local Government Law (Number 22 of 1999), Government Regulation Number 108 of 2000, Government Regulation Number 105 of 2000, and Minister of Home Affairs Decree Number 29 of 2002. The situation was exacerbated by the fact that there were no mechanisms allowing for real public participation, or to allow interested members of the public to access information. Thus, it came to be recognized that it was essential for such mechanisms be incorporated into local legislation by way of local regulations (or *qanun* as local regulations in Aceh are now known).

‘Birds of a Feather flock together’

In Aceh, it is not only the devout who flock together to pray, but those partial to corruption and self-enrichment also like to congregate in large groups. If a superior engages in corruption, then his subordinates will do likewise. The almost religious zeal with which bureaucrats strive to get their hands on taxpayer funds is legendary and as a result, not surprisingly, just about every effort to improve the welfare of the public amounts to little more than high-sounding proposals on paper. This means that the effort to uncover corruption cases is urgent and will need the full involvement of the public, both active and passive, so as to create an anticorruption community. In order to do so, the first step is to analyze and advocate budgetary propriety.

Budgetary Advocacy

The setting in motion of a budget advocacy movement was one of the methods adopted by the anticorruption organizations in their efforts to ensure justice for the public at large. This budget advocacy movement involved two approaches: the bringing of class action and the widening of the definition of legal standing.

These two aspects represented uncharted territory for the anticorruption organizations as the institutions accorded legal standing by the law were confined to the Indonesian Forum for the Environment (Walhi) under the Environmental Protection Law (Number 23 of 1997) and the Forestry Law, and the Indonesian Consumers Foundation (YLKI) under the Consumer Protection Law (Number 8 of 1999). This lack of recognition meant that a number of anticorruption organizations that had brought actions saw them fail due to lack of legal standing. In reality, there were no precedents or legal grounds in Indonesian law that would permit anticorruption organizations from bringing actions.

Legal Standing in Aceh

The fact that actions brought by anticorruption organizations in other parts of the country had been thrown out by the courts did nothing to diminish the enthusiasm in Aceh as regards conducting advocacy in respect of the 2001 Aceh draft budget. The movement was motivated by the fact that a strategic plan had not been drawn up prior to the formulation and drafting of the budget, which would obviously have an impact on the effort to assess the performance of the executive. In addition, the development process in Aceh had long lacked coherent focus and objectives. In reality, the formulation of a strategic plan was indispensable as this would set out the local government's vision, mission, objectives, and work programs. According to the law, such strategic plans must be drawn up based upon the views and aspirations of the public and be bottom-up in nature rather than top-down.

A strategic plan was not only required for the purpose of assessing the success of the development process in Aceh but was expressly required under Government Regulation Number 108 of 2000 on accountability procedures for local chief executives. Thus, the drafting of the 2001 Aceh provincial budget without the prior drawing up of a strategic plan by the executive and legislature constituted a blatant attempt to pull the wool over the people's eyes. For the anticorruption organizations in Aceh, the bringing of an action was essential as both the executive and legislature were guilty of making decisions that violated Government Regulation Number 108 of 2000.

It was pretty much a foregone conclusion that the effort to avail of the law would be thwarted by the judicial mafia. However, in an interim ruling the court held that the case could proceed.

Unlike the action against the draft 2001 provincial budget, the attempt to challenge the failure by the governor of Aceh to submit his accountability statement to the legislature in 2002 did not meet with success. Although it failed, all was not lost, and a major legal breakthrough resulted that was of significance for anticorruption organizations throughout Indonesia. In its decision, the court held that the anticorruption organizations had legal standing to challenge the governor. This was a major change, and represented a significant step forward in the effort to uphold the law in Indonesia.

The major principles involved in the case were as follows: First, the 2002 budget was effective from 1 January 2002 until 31 December 2002. Article 6(1) of Government Regulation Number 108 of 2002 states that an accountability statement shall be read out by the local head of government in front of a plenary session of the Legislative Council not less than three months subsequent to the end of the budget year.

Second, based on the above explanation, Abdullah Puteh should have made his accountability statement before the end of March 2003, the final time limit set by Government Regulation Number 108 of 2002. However, Puteh only made his statement on 11 August 2003, a full four months and ten days after the

expiry of the deadline.

Third, not only did Puteh violate the provisions of the legislation, but, even worse, the statement he delivered was full of “lies”. Proof of this is the finding of many irregularities by the Local Legislative Council’s own committees. According to our records, 20 Council special committees found examples of clear irregularities involving different *modus operandi*. In addition to the findings by the local legislators, the Aceh Anticorruption Grassroots Network (JARAK) reported a case involving a fictitious loan to a member of the Council to the Aceh Provincial Prosecutor’s Office in 2003. At the same time, SoRAK uncovered a number of cases that reeked of impropriety and corruption in the management of public funds, including the following:

1. Misuse of 2002 Aceh budget funds through the depositing of money belonging to the Aceh Provincial Government in an account with the Aceh Development Bank (BPD) to pay for the procurement of an electrical generator by a supplier of PT PLN (Persero). The said generator was worth Rp 5 billion, as stated in the relevant documents (Gubernatorial Decree Number 42 of 2002 on revenue, activities/articles and the amendment of the 2002 budget, page 288, article 2P.05.01.004 – project name: Aceh Government Equity Investment, point 5). Meanwhile, the approval in principle issued by the Aceh Legislative Council, Number 900.3.5.501 dated 25 November 2002 allocated a total of Rp 20 billion for the project. In reality, a total of Rp 25 billion has been paid out to date through BPD. Thus, this case involved the illegal disbursement and use of Rp 20 billion in flagrant contravention of article 25 of Government Regulation Number 105, which reads as follows: “Any act that results in the expenditure of funds from the budget shall not be permitted prior to the enactment of the local budget regulation and its publication in the local gazette.”
2. The finding by SoRAK Aceh following an inspection of the accounts of PT Seulawah NAD from 1 January to 31 December 2002, which showed that the firm suffered a loss

of Rp 9,348,000,000 and that it had received Rp 6 billion out of the local budget. The said loss meant that the investment of these taxpayer funds did nothing to increase own-source revenue, and, in fact, did exactly the opposite by imposing a cost/burden on the budget. This finding highlighted the weaknesses afflicting both the performance and degree of accountability of the executive in Aceh.

3. The finding by SoRAK Aceh of suspected misfeasance involving the 2002 Aceh budget in connection with differences between the reported disbursement of funding for the Sociopolitical Organizations Development Fund (Project Code 2P.0.19.1.01.9) – which was funded out of the 2002 Aceh budget – and the real amount disbursed. The differences between the reported disbursements and the real disbursements were evident from the documentation. According to the budget documents, a total of Rp 1,069,250,000 had been paid out for this purpose in 2002. However, according to the receipts, only Rp 633,250,000 had been distributed among a total of 225 institutions, leaving an unaccounted-for difference of Rp 436,000,000.
4. The mark-up in the purchase of a Mi-2 helicopter worth Rp 12.6 billion by the government of Aceh province in 2003, and the extending of fictitious loans worth Rp 75 million per loan to all of the members of the Local Legislative Council, making a total of Rp 4,050 billion, and irregularities in the management of funds for a community information project involving the purchase of a newspaper printing press worth Rp 4.2 billion.
5. Strangely, the dozens of committees set up by the Aceh Legislative Council to monitor the budgetary performance of the executive still accepted the governor's accountability statement even though they found many irregularities in the management of budget funds. This encouraged the bringing of an action not only against the executive (1st defendant), but also the joining of the speaker of the Local Legislative Council as the second defendant.

The action quickly gained the attention of the public. Reporters flocked to the courthouse to cover the case, even though most people were predicting that it would fail miserably – not due to lack of evidence but rather due to a lack of integrity on the part of the law enforcement institutions and courts.

In its judgment, the Banda Aceh District Court held that there were three general requirements that had to be fulfilled before a non-governmental or other organization would be regarded as possessing the necessary legal standing for bringing an action, namely: 1) the non-governmental or other organization had to be established as a legal entity or foundation; 2) the statutes of the non-governmental or other organization had to expressly state the objectives of the organization; and 3) the activities undertaken by the organization were in line with its objects.

Specifically with regard to the action brought by SoRAK against the governor of Aceh and the speaker of the Local Legislative Council, the court held that SoRAK met the requirements for bringing an action. While the statutes of SoRAK did not state that the organization was a foundation, article 6 of the said statutes stated that SoRAK Aceh was the equivalent of a foundation as it was a non profit-making organization.

In addition, the Banda Aceh District Court said that the second requirement had been fulfilled in the SoRAK notarial deed, articles 3 and 4 of which expressly stated that the objectives of the organization were to encourage people to become involved in the anticorruption effort and to develop a popular anticorruption movement. As regards the third requirement, the Court was also of the opinion that this had been satisfied as SoRAK had brought the action before the Banda Aceh District Court.

Learning from Experience

Upon a detailed reading of the judgment, it becomes apparent that the challenge by SoRAK against the 2001 provincial budget failed due to the fact that SoRAK was found not to have carried out activities based on its statutes. This was unfortunate as, in reality, SoRAK had carried out many such activities in the past.

However, due to an oversight on the part of the organization's lawyers, these were not presented to the Court.

Learning from experience, in SoRAK's second challenge, this time in respect of the governor's 2002 accountability statement, SoRAK made sure that all three requirements were fulfilled so that there would be no reason for the Court to throw out the action. Nevertheless, the challenge was still rejected by the Court as a result of, we believe, various irregularities. The reasonableness of SoRAK's position and stance was later borne out by the conviction of Governor Abdullah Puteh (by this time suspended) by the Anticorruption Court, which found Puteh guilty beyond all reasonable doubt of having defrauded the taxpayer of Rp 4 billion in the purchase of the Mi-2 helicopter referred to above. Puteh was sentenced to 10 years in jail – two years more than sought by the prosecution.

The same applies to the ostensible loans worth Rp 4.050 billion extended to the members of the Aceh Provincial Legislative Assembly for the 1999-2004 period. In this case, four former leaders of the Assembly during the 1999-2004 period have been charged as suspects by the Provincial Prosecutor's Office. This case is still being investigated and it is quite possible that further suspects may be charged. This case was followed by the bringing of an action by the Masyarakat Transparansi Aceh Singkil (Aceh Singkil Transparency Community/MaTRAS), an anticorruption organization active in Singkil regency, against the regent of Singkil arising out of alleged corruption involving the 2003 local government budget.

While, once again, this action failed, it nevertheless spurred the authorities into action with the charging of the regent, deputy regent, regency secretary and a former regency treasurer as suspects.

Budget Reviews

A provincial draft budget should reflect the administration's real outlook and commitment. In addition, it should also be properly structured, accountable and be adopted in a timely fashion. However, in Aceh the budget is always late, despite the

fact that a year or more is spent on its deliberation. This habit is well-ingrained and will be exceedingly difficult to change. A side effect of this is the tradition of procuring goods and services by way of direct appointment rather than open tender, with the excuse being that the project in question is urgent. Given these circumstances, the only people to benefit are senior officials and their cronies.

The habitual and undue delay in adopting the provincial budget is the result of a conspiracy between the executive and legislature as part of a grand design to advance the interests of those in power. No regard is had to the fact that such delay further worsens the quality of development taking place in the province. All that is important for those involved in projects is ensuring that they are completed in accordance with the deadlines that have been set. Regard for the interests of the public is rare.

There were a number of aspects that needed to be studied as part of a review of the budgetary process in Aceh province, namely:

1. The public participation aspect – to what extent are the public involved in the planning, implementation, oversight and accountability processes;
2. The transparency aspect – how easy, or difficult, as the case may be, is it for members of the public to access information on budget and financial management;
3. The accountability aspect – how well is financial management accounted for to the public;
4. The justice aspect – to what extent does the budget accommodate the interests of vulnerable groups (women, children, parents and the poor).

Based on this review, it was found that almost every year the budget allocations for the local government (expenditure on the running of government) was much greater than the expenditure earmarked for advancing the interests of the public, with between 60 percent and 65 percent being devoted on average to the administration of government and only between 35 and 40 percent being allocated for advancing the interests of the public.

In the light of these figures, there is clearly something wrong with the provincial government's scale of priorities. It has consistently lacked any sense of crisis and has been content to muddle through without any form of evaluation of the performances achieved in previous years.

Accordingly, it was decided that organized and focused criticism of the budgetary process in Aceh was required in order to encourage the adoption of instituting of professional financial management by the provincial government. The combining of forces by anticorruption organizations in Aceh in the Aceh Damai Tanpa Korupsi (Peaceful Aceh without Corruption/ADTK) Working Group, in which the Aceh Anticorruption Movement (GeRAK) played a pivotal role, served to strengthen the capacity of the individual organizations in transforming the campaign into a mass movement. However, in order for this movement to be successful, local regulations would be needed guaranteeing the right of the public to participate in the budgetary process, and, no less importantly, the right of the public to access information.

Budget Monitoring

Budget monitoring was urgently required in order to reduce irregularities in the management of public funds. Monitoring needed to be carried out not just at the implementation stage but also at the planning stage. In addition, such monitoring would help ascertain the extent to which the interests of the public were being accommodated and reflected, and reduce the likelihood of corruption.

In reality, "corruption planning" actually starts when the draft budget is discussed at the executive level. Starting in the relevant agency, the lowest level, and continuing up through the Provincial Planning Board (Bappeda), and the executive's and legislature's budget committees, the chain of corruption goes on and on. In order to ensure that its projects are approved, the relevant agency bribes the members of the Provincial Legislative Council, or resorts to some other *modus operandi*, such as

promising the projects to members of the Council who also, by happy coincidence, happen to be businessmen. This not only negates healthy competition, but also results in poor quality work and shoddy results. As a result of these shenanigans, even at this early stage the draft budget is becoming divorced from the needs and interests of the public, namely, the alleviation of poverty, reduction in employment and improvements in public welfare.

The next stage where monitoring is required is the implementation stage. Is the work being carried out in accordance with the plans? Are procurements of goods and services being carried out in line with the Presidential Decrees that govern public procurements? Monitoring at this stage is intended to ensure that project implementation is in line with the plans in order to prevent taxpayer losses and damage to the national business climate.

The monitoring carried out by the Aceh Anticorruption Movement (GeRAK) in Aceh in 2002 uncovered various *modus operandi* by which corruption was perpetrated. Many cases involving the use of budget funds were found not to be in line with the regulations (illegal payments to members of the Aceh Legislative Council), or involved markups, fictitious projects, direct appointments, the use of monies for purposes for which they had not been allocated, monies not being paid to the proper recipients, commencing projects prior to the allocation of budget funds, duplication of budget allocations, bribery, failure to comply with specifications, and the shifting of project locations. All of these irregularities and abuses showed once again how willing those in power were to betray the mandate of the people.

Reporting Findings

The reporting of findings of likely corruption started with a report on suspected graft by the former regent of Simeulue, M. Amin, to the Banda Aceh Prosecutor's Office. This case involved a fictitious project that defrauded the taxpayer of Rp 1 billion.

The efforts made by the anticorruption organizations in this case bore fruit: M. Amin was sentenced to one year in jail by

the court of first instance.

Rp 75 million loan scandal: Dressing Mutton up as Lamb

This case may be traced back to the promise of Abdullah Puteh to purchase cars imported from Singapore for each member of the Provincial Legislative Council, apparently in order to ensure the acceptance of his accountability statement. However, time went by and the promise remained unfulfilled. Under pressure from the councilors, Puten decided to take money from the provincial contingency fund and use it to pay each member Rp 75 million. The *modus operandi* in this case was quite cunning. The money was first deposited in the Aceh Development Bank (BPD) before being disbursed to the councilors so as to make the payments look like loans. In this case, potential taxpayer losses of Rp 4,050 billion were involved.

The findings in the case were reported by JARAK to the Aceh Provincial Prosecutor's Office on 28 April 2003, and were accepted by Deputy Chief Prosecutor Andi Amir Achmad (currently Aceh Chief Prosecutor). However, the investigation was officially discontinued in May 2004 by the Provincial Prosecutor's Office through the issuance of an SP3 certificate. Subsequently, the findings were reported by the Peaceful Aceh without Corruption Working Group (Aceh Damai Tanpa Korupsi ADTK) to the Corruption Eradication Commission, with the case file being received by Corruption Eradication Commission representative Erry Riyana Hardjapamekas at the Commission's headquarters.

Following the conducting of an analysis, the Corruption Eradication Commission sent a letter to the Attorney General. At his urging, the Aceh Prosecutor's Office reopened the investigation. To date, four people have been charged as suspects, namely, Muhammad Yus (former speaker of the Aceh Provincial Legislative Council during the 1999-2004 period and now a member of the Republic of Indonesia House of Representatives for the United Development Party/PPP), T. Bahrum Manyak (former deputy speaker of the Aceh Provincial Legislative Council for the 1999-2004 period and now a member of the Assembly for the Indonesian Democratic Struggle Party/PDI-P), Mursid

Minosra (former deputy speaker of the Aceh Provincial Legislative Council for the 1999-2004 period for the Golkar Party), and Farid Wadjidi Ali (former deputy speaker of the Aceh Provincial Legislative Council for the 1999-2004 period for the Indonesian National Municipality/TNI).

The investigation into this case was temporarily halted by the tsunami disaster that devastated parts of coastal Aceh. However, with the normalization of government activity in the province, the investigation has been restarted with a number of councilors from the 1999-2004 period having been questioned to date. The Aceh Provincial Prosecutor's Office has also stated that other suspects may be charged, including Tantawi Ishak, the Aceh Provincial Secretary.

Markup in the Purchase of Mi-2 Helicopter

The Mi-2 helicopter purchase, besides involving a markup, was also carried out without going through a competitive tender. Puteh allocated Rp 12.6 billion for the purchase of the helicopter out of the provincial budget, besides also raiding regency/municipality budgets in 2001. This shows just how widespread corruption was in Aceh under the Puteh administration. As a result of the purchase of this helicopter, the taxpayer was defrauded of Rp 4 billion. The first indications of a markup became apparent when it was discovered that similar helicopters purchased by the Navy only cost Rp 3.5 billion. Following this revelation, the issue became a source of major public controversy.

The suspicions of corruption in the procurement of the helicopter were first reported to the Aceh Provincial Prosecutor's Office, but no response was forthcoming. This, however, did not discourage those involved, who then reported the case on 21 January to the Corruption Eradication Commission – which had only recently been established – where our representatives were received by Corruption Eradication Commission representative Tumpak Panggabean.

This was the perfect opportunity for finally bringing Puteh to justice. It was the first case in which the Corruption Eradication

Commission had named a suspect and obviously the Commission would not want to see the prosecution fail. In bringing the prosecution, the Corruption Eradication Commission was acting on the promise made by the government of President Susilo Bambang Yudhoyono to come down hard on corruption. After being tried in open court, Puteh was sentenced by the Anticorruption Court to 10 years in jail – two years more than had been sought by the prosecution. The news was greeted with rejoicing by the people of Aceh, and provided a ray of hope amid the misery caused by the earthquake and tsunami.

Constraints on Blowing the Lid on Corruption

The effort to blow the lid on the web of corruption that has long prevailed in Aceh has been far from easy or straightforward. The way in which resources are used and strategies put into effect needs to be regularly assessed so as to ensure that the campaign is in reality on target and taking root. The opportunities that arise do not just fall from trees – more often than not, before an opportunity may be fully availed of, various constraints will need to be overcome.

This was our experience in blowing the lid on the Puteh case, one of the most difficult that has ever been brought before the court in Indonesia. Bearing in mind the state of justice in Aceh and the position of Puteh as well-nigh untouchable, many said that we were embarking on a “mission impossible”. However, the necessary information and facts were assembled piece by piece. Information was gathered from whatever sources were available, including friends and colleagues, and eventually began to form a coherent picture.

However, many constraints were encountered during the process. On one occasion we were invited by a media outlet in Aceh to collaborate with it in organizing a public discussion on “working hand in hand with the people to eradicate corruption”. However, this was in reality an effort to tarnish the reputation of our organization as it turned out the funding for the event had been provided by Puteh. In addition, efforts were made to weaken

our resolve by offers of money and other inducements. Attempts like these were made on many occasions by figures close to Puteh. After these attempts to subvert our resolve failed, the Puteh camp resorted to other tactics: I myself was summoned by the Aceh Police chief and questioned over various statements I had made on corruption. This attempt to undermine our movement also failed, as did all the efforts by the Puteh camp to distort the facts and change the focus from corruption to politics.

In Aceh, those in power frequently use politics to cover up their corrupt activities and stifle criticism from the public, keep the people pliant and allow those in power to continue using the public purse as a private source of income.

There now follows a list of the main constraints encountered in blowing the whistle on corruption in Aceh:

- The process of obtaining permits was quite long-drawn-out as a result of the military emergency and the ensuing civilian emergency;
- Military Emergency Commander (PDMD)'s Directive Number 6 of 2003 on national non-governmental organizations and national press outlets required the PDMD's approval for the holding of a media conference.
- The processing of permits turned out to be more convoluted and long-drawn-out under the civilian emergency than it had under the military emergency.
- The busy schedules of policy makers meant that only limited time was available for meeting with and lobbying them.
- Lack of awareness on the part of the public of the need to institute good governance, and the lack of shared strategies among the stakeholders for the creation of good governance.
- With regard to general elections, many pressing activities had to be postponed as a result of the security situation.
- Lack of mechanisms/ethical standards for assessing the reliability of those involved in the anticorruption struggle.
- Absence of a Provincial Regulation on public participation and public access to information.

- The continued application of Provincial Regulation Number 11 of 2001 on the structure of the provincial audit board, which only serves to emasculate the provincial audit board and the Aceh Office of the Development and Finance Audit Board (BPKP).
- Law Number 18 of 2001, which provides that both the Aceh chief of police and chief provincial prosecutor can only be appointed based upon the approval of the governor. This renders both of these law enforcement institutions subordinate to the Aceh government.
- Weak oversight and supervision on the part of the Aceh Provincial Legislative Council. In fact, it was found that corruption often involved collusion between the legislature and executive.
- Serious constraints on the uncovering of corruption in the military, particularly during martial law and the civilian emergency in Aceh. The lack of information from the military bureaucracy and the climate of fear in the province were the most serious problems in this regard.

Factors Supporting the Fight against Corruption

Besides the constraints enumerated above, there were also a number of factors that operated in favor of the fight against corruption in Aceh province, namely:

1. One of the pillars of the so-called integrated operation was law enforcement, particularly the tackling of corruption. This assisted with the uncovering of two major corruption cases involving Puteh: the Mi-2 helicopter case and the Rp 30 billion case involving the procurement of an electrical generator.
2. The coming into effect of Law No. 30 of 2003 on the Corruption Eradication Commission.
3. The Puteh case was the first to be handled by the Corruption Eradication Commission. Consequently, the Commission did not wish to see it fail. This in turn gave renewed hope to those involved in the fight against corruption. It also represented a form of shock treatment designed to

restore the confidence of the public in law enforcement in this country.

4. The change in government from that of Megawati Soekarnoputri to the administration of Susilo Bambang Yudhoyono, who had made the eradication of corruption one of his campaign platforms.
5. The appointment of Abdurrahman Saleh as Attorney General forced provincial and state prosecutor's offices to ramp up their performances.

Developing Anticorruption Networks

The effort to increase public awareness of the need to combat corruption, and the eliciting of public support for this purpose, were of the utmost importance. However, well thought-out strategies would be required to achieve these goals given the high level of apathy prevailing in Acehnese society. What had to be done was to gather information on corruption cases and make sure that convictions ensued. The actions against the governor and Provincial Legislative Council were the points of departure for convincing the public that results could in fact be achieved, despite the obstacles.

Such renewed public trust then needed to be steered in the direction of forming an anticorruption network at the grassroots level. The establishment of the Aceh Anticorruption Grassroots Network (JARAK), in which the Anticorruption Working Group played a pivotal role, represented proof positive that a popular movement could bring about improvements in the system of government.

Anticorruption Education

The effort to eradicate corruption also entails studying strategies, monitoring, tracing, and analysis as regards data and information sources. In addition, the public must also understand all of the systems involved in public administration, including powers and authority, accountability and financial management. Of particular importance are the budgetary planning process, the

development process, supervisory mechanisms, and accountability mechanisms as regards governmental performance. In reality, those members of the public involved in the fight against corruption should know as much about the system of government as the Provincial Audit Board, Development and Finance Audit Board (BPKP), and the Provincial Development Planning Board.

This knowledge is essential so that members of the public may fully comprehend the effects and dangers of corruption regarding their own lives, and the weaknesses (both internal and external) inherent in the current system of government, which provide fertile ground on which corruption can flourish. If the people understand all of these things, then they will become more highly motivated in applying pressure with a view to seeing the establishment of clean and good governance. An awareness will arise among the public to always be on the lookout for corruption in the corridors of power, with the ultimate goal being the creation of a society in which the people are more willing to speak out and challenge corruption and the arbitrary use of power.

Collaboration with the Media

The public need to be continuously informed of the progress being made in the fight against corruption. One of the ways this may be achieved is through collaboration with the media, which has an immense role to play in the dissemination of information. However, it must be admitted here that achieving this goal is no easy task. In general, the media in the past tended to focus on political and human rights news. The situation in Aceh was compounded by the fact that only one daily paper was published locally.

At that time, the media was not free from intervention by those in power and those opposed to the anticorruption movement. This reality resulted in media coverage that only served to cover up abuses of power by officials. Of course, made-to-order reports designed to discombobulate the public and obfuscate the true state of affairs were packaged very neatly so that they were not immediately recognizable as plants. One clear example of

such news coverage was the polemic over Aceh Culture Week in 2004, where the local daily ran stories designed to sway public opinion in favor of this “Puteh project”, the funding for which had been taken from the education budget.

In fact, it very often appeared that the local daily was little more than a mouthpiece for those in power. It was an open secret that media people were frequently bribed. This is where the national media has a role to play in reporting on this sort of abuse at the local level, and in providing alternative news sources.

In the light of the above description, it is clearly of the essence that constant efforts be made to convince the media to provide more space to public policy monitoring and the reporting of major corruption cases. When the news first broke about the civil action being brought against Puteh, the people were amazed as such a thing had never happened before. Thus, any institution or personage, no matter how strong, may be challenged provided that those launching the challenge are equipped with comprehensive information and facts. This is the principle that must be kept at the forefront of the minds of all those engaged in the struggle against corruption.

Eliciting the Support of Students

In order to ensure that the anticorruption movement is not thwarted by those in power, as much support must be raised as possible. Students represent one group, both in Aceh and elsewhere, that can provide a great deal of support for the struggle. They are also trusted and will be listened to by the public. Learning from the reform movement of 1998, we encouraged the students’ unions from a number of universities in Aceh to take to the streets. In this regard, the students also played a role in disseminating information about corruption, and the corruption cases that had been uncovered. This collaborative effort with Aceh’s students was a resounding success and served to even more firmly implant an anticorruption outlook in Acehnese society.

Getting Public Figures on Board

The voices of informal (non-governmental) leaders also needed to be heard. Such leaders, as well as *ulama* (Islamic scholars) are highly respected in Aceh and are listened to by the people. Take, for example, the statement made on 25 March 2005 through the *Serambi Indonesia* daily by Dr. Tengku H Muslim Ibrahim MA, the chairman of the Provincial Consultative Council of Ulama (MPU), and Drs. Tengku H. Djamaluddin, the chairman of the Bireun branch of the MPU, in connection with irregularities involving the supply of cement by PT Semen Andalas Indonesia (PT SAI). The two *ulama* condemned all involved, both government officials and whoever else, in diverting supplies of cement intended for the rebuilding of mosques and *pesantren* (Islamic boarding schools). This statement highlighted the fact that patience with corruption was growing exceedingly thin among the Acehnese at all levels.

Changing Times in Aceh

The fight against corruption in Aceh kicked off back in 2000, with the focus then being on budget advocacy. Now, the focus is on advocacy in connection with the reconstruction of the province following the tsunami. When the Puteh case broke, many were pessimistic. However, for us, even if things had gone wrong, what was important was the work that had already been done. We were determined to persevere and not stop until every corrupt official in Aceh was brought to justice. As a result of this determination, a significant change has been brought about in Aceh in the public policy arena and in public perceptions of corruption. Given the successes to date, we hope to see a society emerge that is proud of its anticorruption credentials and its fight against policies that prejudice the interests of the people.

Policy Changes

One of the most significant changes that has taken place has been the issuance of a presidential decree on the coordinated and

² Presidential Decree Number 5 of 2004 on the Acceleration of Corruption Eradication.

synchronized eradication of corruption, collusion and nepotism.² This Decree has give rise to more practical mechanisms for the taking of action against those involved in corruption. This has been reflected in the replacement of the Aceh Provincial Chief Prosecutor, who was viewed as being suspect, and the decision of the Aceh Provincial Legislative Council to reject the governor's accountability statement due to various irregularities in the management of public monies. These important changes were also supported by the introduction of *sharia* law in Aceh in 2004, followed by the designation of 2004 as "Corruption-Free Year".

Changing Processes and the Attitudes of Stakeholders

The public are becoming increasingly aware of the dangers posed by corruption, while the political parties, public officials and the media are now all trying to outdo each other in uncovering corruption cases. In fact, a number of Regency/Municipality Legislative Councils have rejected the draft budget estimates proposed by their local chief executives in circumstances where a strategic plan had not been drawn up beforehand. To date, the favorite topic of discourse, in public at least, among party members, public officials, and military and police officers is the problem of corruption.

Increasing the Knowledge of Stakeholders

The increased awareness of the public as regards the evils of corruption and the weaknesses of the oversight and supervision system in the province of Aceh imbued people with a strong spirit to challenge all government decisions that appeared tainted by corruption or which only served to prejudice the interests of the public. In addition, people became more courageous in reporting, both directly and indirectly, suspicions of corruption to the authorities or to anticorruption organizations. This shows that the public is now quite responsive to corruption issues and better understands what needs to and can be done to overcome the problem. In one unusual case, a group of blind people reported the Provincial Social Services Agency to the press for misfeasance

involving funds that were earmarked for the blind.

Keeping the Ball Rolling

The work that has already been done in fighting against corruption must be sustained. There are many aspects of government in Aceh that still need to be overhauled, and thus require the constant scrutiny of the public. For example, it is absolutely essential that both the internal and external oversight and supervision systems be reformed.

The dissemination of information on corruption must be continued. The organizing of stakeholders and the requirement that the villages be involved in the budgeting process constitute significant advances in this struggle, and will have a direct influence on improving the system of government. We feel confident that these efforts will bear fruit in breaking the chain of corruption and the rent-seeking practices that have for so long served those in power well. However, a local regulation on the participation of the villages in the budgeting process is still awaited, as are regulations on village financial management and budgeting.

No less significant is the increasing democratization of Aceh, including the holding of direct elections for heads of local governments. This should produce leaders who are answerable and accountable directly to the people. In other words, the way will finally be open for the election of persons of high integrity, competence and ability to the most senior positions in Aceh,

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Gerakan Anti Korupsi (Aceh Anti-corruption Movement/GeRAK) was established on 29 November 2003 (by a deed dated 3 December 2004), by six activists, namely, Akhiruddin Mahjuddin, Bambang Antariksa, Hemma Marlenny, Muhammad Ibrahim, Keuchik H. Jailani Hasan Riseh, and Misran Nirto.

CHAPTER 2



Anticorruption Snowball in South Sulawesi¹

Elyas Joseph

Spreading the Good Fortune Around

South Sulawesi is a veritable heaven on earth for those up to their necks in corruption! While this statement may sound bombastic, it is nevertheless true, as shown by the fact that the cultural values summed up by the words *siri'*, *lempu'* and *getteng* – among the Bugis-Makassar people *siri'* means self-respect or dignity, *lempu'* means honesty and *getteng* means steadfastness in upholding tradition, legal and religious values – are no longer respected in the community. The reality is that the moral values handed down by the ancestors of the Bugis-Makassar people – who make up the majority of the population in South Sulawesi – and which were adopted in the 15th century by the local royalty, and then government leaders and law officers, not only no longer serve as references, but in fact are now more often than not ignored.

These ancestral values are summed up in the local language by the maxim, *tanuallei jangang ri lerammang, tanukucingkai bayao ri kambotimmang, tanuallei kaluku sibatummang, rappo sipaemmag*, which loosely translates as follows: Don't steal a chicken belonging to your own people, don't steal an egg from your own people and don't steal even one coconut or areca nut from your own people.

According to cultural observer Alwi Rachman, the values

¹ This paper describes the empirical histories of three consecutive programs, the latter two supported by the Partnership for Governance Reform in Indonesia, titled respectively, "Corruption and the Poor" (July 2001, a study run in collaboration with the Bina Swadaya Foundation Jakarta and World Bank), "Encouraging the Public To Fight Against Corruption: " (January - September 2002), and "Institutionalizing Public Participation in the Fight Against Corruption" (January 2004 - June 2005).

encapsulated in the words *siri'*, *lempu'* and *getting* are now as good as dead, and are currently being readied for burial, both socially and politically. Alwi says that these values have been slowly dying out over the last two to three decades, or, in other words, during the same period that the New Order regime was in power.

The laudable values that once characterized Bugis-Makassar society have now been supplanted by opportunism, superficiality and tolerance of all manner of ethical and moral violations.

For example, if a public official suddenly becomes inordinately wealthy, the people accept this, saying that it is only natural that an official should be wealthy. When South Sulawesi Governor H.M. Amin Syam and Bulukumba Regent Pabokori threw extravagant wedding parties for their offspring – drawing the wrath of NGOs and cultural observers in the process, who castigated the officials as going far beyond the bounds of extravagance permitted by local tradition – the people of South Sulawesi deemed their behavior to be entirely reasonable as governors and regents in the province are now regarded as akin to petty royalty. It never appears to enter into people's minds that all the wealth and extravagance could actually be derived from the suffering and sweat of the people.

The same sort of thing happens at the grassroots level. When the parents of school-children are asked to pay all manner of unofficial fees, they consider this acceptable as teachers are badly paid. If the Office of Religious Affairs in Makassar charges Rp 600,000 for a couple to get married – Rp 420,000 more than the official charge – the people accept this as normal, and even praiseworthy, as the good fortune of the happy couple is being spread around among others. In fact, if between 40 percent and 55 percent of the earnings of trishaw drivers, sand miners and construction workers in Dangko subdistrict, Tamalate district, and Makassar municipality (in 2000) did not have to be “donated” in unofficial fees for non-existent public services, they might actually be able to afford education for all of their children.

On the other hand, among the bureaucrats, the political elite, law enforcement officers and court officials, the ancient values of

the Bugis-Makassar people have been turned on their heads to serve as shields for the crimes those in high places so regularly commit. To refer to corruption in the bureaucracy or among the political elite is now construed as *siri'*, meaning doing something shameful and defamatory. So, anyone brave enough to highlight the prevalence of moral turpitude among the elite is likely to find himself in the dock on criminal defamation charges.

Corruption and Poverty

Taking as its point of departure the reality described above, particularly at the grassroots level, the Indonesian Women's Empowerment Legal Aid Institute (LBH-P2i), together with the Bina Swadaya Foundation, Jakarta, and the World Bank, conducted a study between June and July 2001 on corruption and the poor in Makassar. The objective of this study was to identify the perceptions prevailing in the community as regards corruption, poverty, and the connection between corruption and poverty, as well as to map out the situation as regards corruption at the local level and identify the dubious bureaucratic practices that have traditionally not been categorized as corruption in South Sulawesi.

Based on the findings of this study, it was recommended that steps would have to be taken to change tolerant attitudes toward corruption at the grassroots level if poverty was to be satisfactorily addressed. This was particularly important given that poverty always affects women and children more than other people. In line with the study's findings, the first step taken was to design measures that would serve to encourage disadvantaged people to stop paying unofficial/illegal "contributions" to the bureaucracy, while at the same time attempting to "prick the consciences" of those levying such unofficial contributions by highlighting to them the consequences of their behavior. As part of these activities, communities were to be encouraged to set up corruption monitoring groups.

These measures were then packaged as a grassroots campaign against corruption. Titled "Encouraging the Public To

Fight Against Corruption”, this LBH-P2i program – which was supported by the Partnership for Governance Reform in Indonesia – involved 22 non-governmental organizations/civil society organizations in Makassar, Bone and Pinrang in carrying out a series of activities focused on providing basic education and training for the monitoring of corruption in the provision of public services at the grassroots level. The program was also intended to pave the way for public access to, and control over, the processes involved in the provision of public services, and to facilitate anticorruption advocacy. The target groups selected for the program were as follows: construction workers, sand miners, and trishaw drivers in 12 districts of Makassar, fisherfolk on Barrang Lompo island, hawkers in five local markets, scavengers at Antang dump, district and sub-district officials in Gowa regency, members of Community Empowerment Councils/Village Empowerment Councils, artists, journalists, housewives, students, commercial sex workers, pimps, and the unemployed.

In order to ensure that the program’s targets would be achieved and its scope widened, the first stage of the anticorruption campaign, which lasted six months (February-July 2002), involved the participation of the media, including a private radio station with 28 local affiliates, TVRI in Makassar, and local newspapers such as the *Fajar*, *Barita Kota* and *Pedoman Rakyat* dailies, for the purpose of publicizing indications of corruption uncovered by those involved in the program. In order to anticipate “corruption fatigue” on the part of the local media (many of the forms of corruption at the grassroots level tended to be the same throughout the coverage area), the program also published its own monthly anticorruption bulletin in tabloid form, titled *Satu Indonesia* (United Indonesia).

Other methods employed to spread the anticorruption message included “people’s theater” put on by two popular Bugis-Makassar comedy troupes named *Komunitas Rumah Panggung (Korupa)* and *Kelompok Sandiwara Petta Puang* respectively. Unlike the sort of community theater promoted by the Department of Information and TVRI during the New Order, which only

served to cover up the excesses of the power holders, the Korupa and Petta Puang troupes were specifically established for the purpose of removing the stigma attached to community theater since the Soeharto days. In its performance titled *Karang Tojeng*, Korupa turned the original concept of community theater on its head and, instead of supporting the government and power holders, highlighted the corruption prevalent in the provision of public services and policy-making. This new departure came as no surprise, however, as Korupa was not only made up of theater performers, but also student activists, journalists and NGO activists. Thus, the messages presented in all of their performances were very far removed from the sort of messages formerly associated with community theater. The shows put on by Korupa and Petta Puang never concerned kings and nobility, invulnerability, government successes, development, Pancasila or the citizen's duty to pay tax. Instead, what they portrayed was the imposition of unofficial fees for ID cards, under-the-counter payments of millions of rupiah just to get into police academy, people demanding official tickets when pulled over by the traffic police, people refusing to give gratuities to sub-district officials, and people willing to risk going to jail in order to spill the beans on corrupt officials to the press.

The Snowball Effect

Changing the face of community theater so as to draft it into the fight against corruption turned out to be a highly successful experiment, and one that produced a very encouraging response from the public. For the entire duration of the program, each performance by the two troupes was attended by at least 500 fired-up spectators – all of them regularly punching their fists in the air, clapping rapturously and screaming out anticorruption slogans.

The first stage of the war on corruption at the grassroots level may be likened to a snowball getting bigger as it rolls along. Bit by bit, grassroots communities began to develop a true awareness of the meaning of corruption and all of its associated evils. Slowly, it began to dawn on people that their poverty was,

at least in part, caused by corruption. One indication of the emergence of this new awareness was newfound courage on the part of the public to stage demonstrations at Local Legislative Councils to protest at the poor services provided by district/sub-district administrations and agricultural boards, and the levying of unofficial fees for public services, such as those provided by local community clinics (Puskesmas) and state hospitals, the local police, markets and schools.

During meetings with members of Local Legislative Councils participating in village meetings or during protests in front of the Councils themselves, the people were not only courageous enough to demand the dismissal of local district and sub-district heads, but also of officials responsible for levying unofficial fees, a practice that the people now realized constituted corruption. In a number of the sub-districts targeted for the first stage of the program, the people refused to pay garbage collection bills that had been enclosed with their electricity bills. Meanwhile, they would now also demand receipts for any payments made to Community Empowerment Councils/Village Empowerment Councils, and schools over and beyond those paid to the School Committee. Protests by residents against water bills that were far in excess of the amount of water actually consumed were launched in 14 districts, and these eventually forced the mayor of Makassar to change the billing system.

The anticorruption messages carried in the media also drew a response from the public. On private radio, these messages were presented in talk shows covering incidences of corruption that affected the public at large. The hosts of these shows would deliberately keep the discussions simple so that they could be understood by most people, with the focus being firmly placed on such abuses as unofficial levies imposed on road users, unofficial levies and fees at the sub-district level and in the schools, and various other forms of unofficial charges that were commonly imposed on the public. During the shows, the interviewers would encourage those being interviewed to condemn the perpetrators of corruption. Among those interviewed were Legislative Coun-

cil members, academics, NGO activists, court officers, and law enforcement officials. In order to steer the discussions in the desired direction, groups of “listeners” were readied to phone in with comments.

This campaign proved highly popular with the public, as shown by the fact that around 60 corruption monitoring groups were set up in Makassar, Bone and Pinrang as a direct consequence of the radio shows.

A Shift in Focus

The general elections of 2004 and the election of a new mayor in Makassar, also in 2004, provided a good backdrop to the rolling out of the second stage of the anticorruption program. Also supported by the Partnership, this second-stage was titled “Institutionalizing Public Participation to Fight Against Corruption: Follow Up of the ‘Corruption and the Poor’ Project in Makassar II”. Together with six selected non-governmental and civil society organizations, LBH-P2i designed a program that was not only focused on the grassroots level, but also attempted to address the problem of corruption at the policy-making level.

There were a number of reasons why it was considered necessary to reorient the focus of the program more in the direction of the policy-makers. These included the fact that the interval between the completion of the evaluation process for the first stage of the program and the start of the second stage was more than one year (July 2002 until February 2004). During this period, the corruption question became overshadowed by other local issues of major importance to the public, such as widespread evictions, the election of 12 regents/mayors and the gubernatorial election, all of which took place between August 2002 and August 2003.

Given these circumstances, it proved impossible for the organizers of the first stage of the program to maintain pressure from the corruption monitoring groups. In reality, of the original 60 monitoring groups, mentored by the 15 NGOs involved in running the program, only 20 groups remained relatively active

by the start of October 2004.

The first move to take advantage of the opportunities provided by the 2004 elections was to revitalize the anticorruption monitoring groups at the grassroots level. Civil society organizations were encouraged to start monitoring the provision of public services once again in their respective areas, and to become involved in discussions about public policy with the members of, or the candidates running for, the Local Legislative Councils. These discussions were intended to allow the civil society organizations to convey the unease and disquiet felt by the public over corruption to the politicians, and to encourage them to respond to the wishes of the people in their manifestoes. Accordingly, the candidates running for mayor of Makassar for the 2004-2009 period and the candidates running for the Local Legislative Councils were encouraged to incorporate the anticorruption agenda in their manifestoes, and, should they be elected, to ensure that it was also reflected in public policy and the administration of government.

These activities were supported by efforts to prepare the infrastructure necessary for good governance through the drawing up of white papers incorporating draft local regulations that would permit public participation in the planning process and in deliberations in the Local Legislative Councils, and allow the public to effect control over the implementation of public policy.

The second stage of the program, which involved six non-governmental organizations and civil society organizations and ran from January 2004 to May 2005, was also intended to spur public participation in the policy-making process and the drafting and enactment of local legislation so as to ensure that the opportunities for corruption could be minimized. As an initial step in this regard, the LBH-P2i mobilized various components of society to become actively involved. This included their participation in a public dialog titled “Analyzing the anticorruption vision of the two Makassar mayoral candidates” with a view to ensuring that the candidates would sign up to a political contract committing themselves to fighting against corruption. Among

the societal groups that participated in this effort were non-governmental organization/civil society organization activists, academics, cultural observers, religious leaders, legal practitioners, journalists, the urban poor community, sidewalk hawkers, commercial sex workers, domestic helpers, the gay community, port workers, students, and non-partisan activists etc.

A similar approach was adopted by the program organizers during a series of focus group discussions (FGDs) held with candidates standing in the 2004 elections. During these FGDs, the frontrunners in the Makassar mayoral race and the candidates running in the local legislative elections were asked to prove their anticorruption credentials by promising to resign from office if they failed to fulfill the political contracts they had signed. This was considered necessary to prove their sincerity about instituting good governance and fighting against corruption.

The program organizers were, of course, aware that these political contracts were not enforceable and in many ways were little more than political clichés. In order to address this, volunteers from the community organizations working with each of the program organizers were asked to foster a climate whereby the public would become convinced that those making such political promises could be called to account should they break their word, and even removed from office. Thus, if the candidates failed to live up to their promises, various forms of action could be taken, such as swaying public opinion among the members of other community groups to back the moves to oust them.

The results of these efforts were highly encouraging. Grassroots protests were held to demand better public services, particularly in the education and health sectors, and to “compel” local legislators to urge the mayor of Makassar to publicly announce official charges for services in community clinics and prohibit the levying of additional fees in the schools, which he eventually did. In addition, the eviction of hawkers from Pantai Losari, the determination of public transportation routes, and the setting of new public transportation fares following fuel price

increases were no longer to be carried out unilaterally, but would now have to involve all those affected by such decisions.

All of this provided a valuable lesson for the mentoring groups to the effect that in the fight against corruption it was not enough to just attack the criminals. Rather, just as much headway could be made through the involvement of the public in the policy-making process at both the Local Legislative Council and administration levels. This involvement could be realized if the relevant local legislation provided adequate room for public access as a collective right in the administration of government.

The second stage of the program not only focused on political contracts and publicizing the anticorruption agendas of politicians, but also attempted to strengthen the anticorruption discourse through cultural and religious approaches. These were considered important as local cultural values were frequently distorted by the elite to obstruct the efforts to combat graft. Community leaders, politicians, and government officials accused of engaging in corruption would generally react strongly and, with the assistance of their lawyers, attempt to portray their accusers in the non-governmental organization/civil society organization sector as being maliciously out to shame and defame them, and tarnish their good names and reputations (*mappakasiri*). On this basis, those in respect of whom allegations were laid would then bring charges of defamation and discredit the government against their accusers.

Focusing on Negative Issues

Issues such as corruption, alleviating poverty and strengthening the social economy were all touted by the candidates during the election campaigns at the legislative and executive levels in Makassar. However, the media preferred to concentrate on the political strife and infighting that accompanied the elections, which were considered by the media to be much more newsworthy. As a result, the public's attention became focused on internal party splits, demonstrations at the local elections commission, disputed election results, the question of bogus diplomas, the distribution

of election supplies, and so forth. By contrast, the political promises made by the legislative candidates to wipe out corruption were not considered to be particularly newsworthy. Meanwhile, the public was also being lured with handouts of food and other basics, T-shirts, hats, money, and bus fares, not to mention the opportunity for extra money by participating in “rent-a-crowd” demonstrations organized by the various candidates.

The political turmoil during the 2004 election season not only resulted in anticorruption issues being sidelined, but also diminished the zeal of the civil society organizations in consistently highlighting incidences of corruption. Most of the grassroots dialogs held by the program organizers were now mainly attended by wives rather than their husbands. This complaint is not intended to denigrate the role played by women and mothers in the efforts to eradicate corruption, but is an acceptance of the reality that in order to apply pressure, the men are needed to participate in demonstrations for the purpose of influencing policy implementation on the ground and policy formulation in the Local Legislative Councils.

It has to be acknowledged that the weakening of the anti-corruption movement at the grassroots level in the run-up to the 2004 elections was a serious constraint, and one that the program organizers found very difficult to overcome. Confronted with this situation, the LBH-P2i formulated a new strategy to revitalize the anticorruption movement on the group – a strategy that may best be compared to a rolling snowball.

The objectives of this strategy were as follows:

- To spur renewed zeal for the fight against corruption on the part of mentor groups/corruption monitoring groups, and grassroots anticorruption networks.
- To promote the more widespread growth of anticorruption sentiment. This was based on the realization that it was not enough to inculcate anticorruption sentiment at the grassroots level alone. Rather, such sentiment had to exist among all social strata.
- To accelerate the fight against corruption at a higher level bearing in mind that resolute action against those involved in

stealing public funds had already been taken in areas outside of South Sulawesi, including the arrest of local councilors in a several provinces. This was particularly important given that a number of reputedly corrupt politicians (known in Indonesia as *politisi busuk* – rotten politicians)² had been reelected, and the existence of widespread suspicions that many members of the South Sulawesi Provincial Legislative Council and the Makassar Municipal Legislative Council were actively involved in corruption.

The successful achievement of the above objectives was expected to impact positively on the anticorruption movement at the grassroots level. The basic problem to be addressed was the persistent prevalence of paternalism in society, while the main constraint was the fact that it would be virtually impossible for the program organizers and mentor groups to get the snowball rolling given that the scope of both the first and second stages of the program were confined to the concept of “corruption and the poor”.

In order to bring the war against corruption to the elite, a new weapon would be required to get the snowball rolling. This new weapon would need to be solid in the sense of being supported by the necessary human resources, data processing capabilities, strong networking, and access to data and the media. The support of public figures would also be required.

All of the above strengths would be required bearing in mind the organizers’ experiences in combating corruption up to that time, which showed that in order to mobilize the public to fight against corruption, it was necessary to package and present corruption cases involving the power holders in a way that accorded with the perceptions prevailing in society, and to have the media firmly on board.

Accordingly, the LBH-P2i made a decision to exploit a number of concrete but difficult-to-prove “negative” issues that had attracted public attention for the purpose of getting the snowball rolling. Among the negative issues focused on were the following:

² For more information on “rotten politicians”, see the article in this book by Teten Masduki, “Eradicating Corruption: From Resignation to Resistance”.

The Makassar Mayoral Election

- The prevalence of money politics involving a number of members of the Makassar Municipal Legislative Council (1999-2004). No action had been taken against them by the electoral authorities.
- The proposal to recall three members of the Golkar Party faction in the Makassar Municipal Legislative Council who had not voted for Ilham Arief Sirajuddin (the chairman of the Golkar Executive Board in Makassar) in his bid for the Makassar mayorship, despite the fact that these three Golkar members had topped the polls in the legislative elections.
- Interference by the governor in his capacity as the chairman of the Golkar Provincial Executive Board. The governor controversially supported his wife's bid for the deputy mayorship. She was standing as second-in-command on one of the strongest tickets in the mayoral race.

Post-Election Issues

- The Makassar/South Sulawesi Provincial Election Supervisory Committees failed to take any action on foot of allegations of money politics and other violations during the elections by candidates running for the House of Representatives (DPR), Provincial/Regency Legislative Assemblies and the Regional Representatives Council (DPD) during the period prior to the official start of campaigning.
- Between 60 percent and 70 percent of those elected to the South Sulawesi and Makassar Local Legislative Councils were old hands and cronies of the power holders.

Ongoing Issues

- A lack of public trust in local administrations and legislatures (even after the elections), with no signs of change in sight.
- The public still did not believe that the Members of Parliament would press the legal authorities to take action to eradicate corruption at the subordinate levels (sub-district/district/religious affairs office/police/ public clinics).

Besides the focus placed on these issues, public opinion was also shaped by a column written by Ahmda Ali (a lecturer in Hasanuddin University, Makassar, and a member of the National Commission on Human Rights - Komnas HAM), in the *Fajar* daily, who popularized the slogan, “Don’t use a dirty broom to sweep a dirty floor.” In addition, the many speeches made by candidates standing in the elections postulating that the war on corruption must start at the top, and the frequent reports carried by the national media of local councilors being arrested for malfeasance, were also highlighted as part of the anticorruption campaign.

Anticorruption Coalition

Negative issues had now been readied for exposure and public opinion was continuously being shaped. The question now was how to manage public opinion and the said negative issues so as to ensure that the anticorruption snowball would start rolling and gathering pace in South Sulawesi? Bearing in mind the basic character of the people of both South Sulawesi and West Sulawesi – stubbornness and a willingness to go against the odds – appropriate advocacy strategies would be required so as to give rise to collective anger against corrupt administrations and politicians.

As the leading actor in the second stage of the anticorruption program, the LBH-P2i faced quite a dilemma. If the snowball were set in motion solely by the organizers and supporters of the second stage of the program, the anticorruption movement would not be capable of producing any significant change. This belief was based on a number of considerations, including the following:

- The scope of, and the stakeholders in, the second stage were confined to the grassroots and middle classes.
- The lack of expert human resources.
- The people of South Sulawesi, and Makassar in particular, were highly skeptical bearing in mind the lack of success up to that time in prosecuting misfeasors and embezzlers of public funds in the courts.

Accordingly, it was concluded that new support would be required from outside the multi-stakeholder forum that had been established. In May 2004, the LBH-P2i's dilemma was resolved with the establishment – unintentionally – of a loose pressure group involving the Sulawesi Anticorruption Committee (ACC); the Patria Artha Higher Education Foundation (Yasasan Pendidikan Tinggi Patria Artha) in Makassar; the Sulawesi Legislature Monitoring Committee (Komite Pemantau Legislatif – Kopel); the Makassar Legal Aid Foundation (Yayasan Lembaga Bantuan Hukum – YLBH) and the LBH-P2i itself. This was dubbed the South Sulawesi People's Anticorruption Coalition (KMAK) by the local and national press.

As a loose coalition, it was originally planned that the KMAK would highlight the findings of a study by Bastian Lubis (from Patria Artha) that revealed corruption in the management of the South Sulawesi provincial budget. The study took as its point of departure the fact that although the provincial government collected motor vehicle tax every year, the revenue raised by this tax was never spent on the provision of improved services or acceptable public infrastructure. Thus, the question arose, where did all the money go? This question was particularly pertinent given that the proceeds from the levying of motor vehicle tax accounted for 80 percent of South Sulawesi province's total own revenue.

The study found that between 60 percent and 70 percent of the regional own revenue was earmarked for a number of budget allocations that benefited the members of the Local Legislative Council. In the 2003 South Sulawesi provincial budget, for example, the allocations for income supplements and expenses for Local Legislative Council members increased by almost 500 percent compared to the previous year. In addition, there was no legal basis for most of these allocations in the provincial budget legislation. The findings of the report made it clear that the taxpayer was truly being bled dry in South Sulawesi.

The report was eventually published and circulated widely in South Sulawesi, and, accordingly, corruption in the South Sulawesi Provincial Legislative Council was selected as the starting

point for the waging of a wider campaign against corruption in the province. On 16 June 2004, KMAK held a media briefing attended by 50 journalists from both local and national media outlets. During this briefing, Patria Artha highlighted irregularities involving some Rp 18.2 billion of public money based on an audit conducted in accordance with the principles applied by the Finance and Development Control Board (BPKP). This was followed by a discussion by the Sulawesi Anticorruption Committee of the legal aspects having regard to Law Number 31 of 1999. Then, the Legislative Monitoring Committee reviewed the case from the perspective of the procedures employed by the Local Legislative Council's budget committee, while the Makassar YLBH discussed the responses of the law enforcement agencies in connection with the case. Concluding, LBH-P2i highlighted the links between corruption, poverty, the role of women, public participation and good governance.

The snowball was now well and truly gathering pace. Following the making public of the study's findings on 16 June 2004, the scandal dominated the headlines in the local newspapers and on local radio and television for a full three weeks. One week after the media briefing on 16 June 2004, a wave of student demonstrations broke out to pressure the law enforcement agencies to take action. Among those organizations participating in the demonstrations were the students' unions from the Alauddin State Islamic University, the Makassar State University, and the Muhammadiyah University.

The disclosure of corruption in the South Sulawesi Provincial Legislative Assembly and the ensuing student demonstrations gave rise to conflicting responses. Demonstrations (presumably engineered) were even held to support to Local Legislative Council and attack KMAK. Among the ruses employed were the use of local cultural symbols, and attempts to exploit ethnic and religious differences. KMAK was even accused of having a political agenda and being bent on destroying the dominant political parties in South Sulawesi in the 2004 elections.

The politicians in the Local Legislative Council were not

going to give up without a fight, and a number of “non-governmental organizations” were hastily set up to defend the honorable members. They quickly got talk shows broadcast on local television and radio, and organized a series of “seminars” and “workshops” in luxury hotels, all for the purpose of discrediting the allegations of corruption laid against the councilors. Experts in administration, finance and the law were drafted in to lend their support to the pro-status quo campaign. At one seminar, held at the Panakukang Mas Country Club to discuss the amendment of the Local Government Law, Prof. Dr. Ryaas Rasyid and one of the co-chairmen of the South Sulawesi branch of the Indonesian Accountants Association were wheeled out to claim that there was no corruption in the South Sulawesi Local Legislative Council.

One of the major factors that supported the coalition’s campaign was the natural tendency of journalists to focus on corruption cases involving politicians, and this had a profound influence on shaping public opinion in the province. While consistently maintaining independence and balance in their reporting, and despite the various internal and external pressures they were subjected to, local dailies such as *Fajar*, *Ujungpandang Ekspres* and *Tribun Timur* ran a series of interviews with different KMAK activists on the Local Legislative Council corruption scandal, as well as interviews with independent experts capable of countering the misleading statements made by speakers at pro-Council seminars, not to mention the many threats of legal action by councilors against KMAK activists.

The Power of Money

Following the publication of the study’s findings, the KMAK reported its suspicions of corruption in the South Sulawesi Provincial Local Legislative Council to the Provincial Prosecutor’s Office on 24 June 2004. The financial data and analyses, including a summary of the KMAK audit (conducted in accordance with BPKP audit procedures – four former senior auditors of the BPKP in Makassar were also executives of Patria Artha), and

other documents were all handed over to the Chief Prosecutor for South Sulawesi, even though it was expected that the KMAK complaint would be quickly followed by attempts to pervert the course of justice by the governor and Local Legislative Council. This proved to be exactly what happened, although the precise way in which it was accomplished was somewhat unexpected. The then Chief Prosecutor for South Sulawesi, Prasetyo, SH, announced on 25 June 2004 that the Provincial Prosecutor's Office had to decline the case as the South Sulawesi Provincial Police had already taken charge of the investigation. Prasetyo argued that it would be unethical for the prosecution service to launch an investigation into the case in these circumstances.

This prime example of legal obfuscation only served to bring public opinion further onboard. The KMAK now took on the role of think-tank in mobilizing journalists, non-governmental organizations/civil society organizations and academics to keep the Council corruption issue alive, particularly after it became apparent that the South Sulawesi Provincial Police were succumbing to political pressure and the temptations of bribery.

Seeing that the local police investigation was going nowhere, the KMAK brought the case directly to the attention of the Corruption Eradication Commission (KPK), which later submitted it to the National Police chief, who in turn forwarded it to the South Sulawesi Anticorruption Unit. According to the KPK, the case involved simple, conventional forms of corruption, and therefore should be capable of being dealt with quickly.

Despite the straightforwardness of the South Sulawesi Council corruption scandal, to date the KPK has never made public the results of its monitoring of the progress being made in the investigation. In fact, although the South Sulawesi Police investigation has been underway now for around one year, the investigators have only managed to complete the files on three of the 14 suspects. These three cases files have been rejected on a total of eight occasions by the Provincial Prosecutor's Office on the grounds that the police were not applying the appropriate provisions of the criminal law.

The toing and froing of the case files between the police and the Provincial Prosecutor's Office gives rise to two alternative questions: Are the police incapable of doing their jobs, or is the Prosecutor's Office deliberately attempting to stymie the investigation?

Amid the controversy over the case files and public confusion about the direction of the legal process came the statements by two members of the KPK on a visit to Makassar at the end of May 2005. Both of them asserted that the KPK had no intention of taking over the investigation from the police as to date the KPK was not aware of any irregularities or violations during the investigation process. This despite the statements made by a number of sources in the Provincial Prosecutor's Office (as reported in the *Ujungpandang Ekspres* on 16, 17, and 19 May 2005) to the effect that while the prosecutors had rejected the case files on three suspects on a total of four occasions and returned them to the police with recommendations on how to complete the files properly, the police were continuing to insist that indictments be brought based on the original case files. According to these sources, from the very outset the prosecutors had consistently urged the investigators not to employ Government Regulation No. 110 of 2000 (on the financial status of leaders and members of Local Legislative Councils), as this had already been annulled by the Supreme Court. The prosecutors had also requested that the police not confine their investigation to the speaker of the Council, but to also question other members of the Council leadership. In addition, the prosecutors had told the police to widen the investigation and not confine it to irrelevant matters such as unusually high electricity, water and telephone bills run up the Council.

It should be noted that the current speaker of the South Sulawesi Provincial Legislative Council served as a deputy speaker in the previous Council. Meanwhile, according to the sources in the Prosecutor's Office, the main reason for rejecting the case files submitted by the police was that they would never stand up in court. Thus, it would be pointless to accept them as the suspects would get off scot-free.

“Coalition Boom”

While the establishment of the Coalition had not been officially planned, it turned out to be a potent force. By applying constant pressure, the snowball was now quickly gathering pace – expanding and intensifying the war on corruption, and involving a much wider spectrum of society than heretofore.

Optimism had definitely been in the air ever since the making public of the study findings, with the anticorruption spirit now spreading to every regency and city in South Sulawesi, and even spilling over into West Sulawesi. In the one month following the release of the KMAK findings, the coalition experienced something of a boom. At least 40 civil society organizations devoted to the fight against graft were set up in 18 of the 24 regencies/municipalities of South Sulawesi. In general, these groupings were made up of newly elected members of Local Legislative Councils, traditional community leaders, NGO activists, academics, businesspeople, veterans, and others.

The names adopted by these new civil society organizations were also encouraging. Among these were the People’s Anticorruption Coalition Front (Koalisi Barisan Rakyat Anti Korupsi – KOBAR), the People’s Anticorruption Commandos (Komando Rakyat Anti Korupsi – KOAR), the People against Corruption Coalition Front (Barisan Koalisi Rakyat Melawan Korupsi – BAKAR), the People’s Front for the Eradication of Corruption (Barisan Organisasi Rakyat Pembongkar Korupsi – BONGKAR), and many more with similarly rousing names. These organizations not only publicly declared their existence and readiness to fight against graft, but also highlighted specific instances of corruption in government institutions and Local Legislative Councils, and the involvement in graft or misfeasance of regency/municipal officials, regents/mayors, councilors and law enforcement officials, such as police officers, prosecutors and judges.

This was a radical departure in the history of the anti-corruption movement in South Sulawesi. The courage to levy

corruption accusations against senior government officials and the members of the political elite was not something that was to be expected given the demise of traditional values in South Sulawesi. In fact, this courage and willingness to take action became even more pronounced after President Susilo Bambang Yudhoyono and Vice President Muhammad Jusuf Kalla outlined their “100 days in office” vision, which placed great stress on the fight against corruption.

As the zeal for the war against corruption began to spread rapidly throughout the community, the euphoria that accompanied it became rather worrisome given past experiences of how quickly such collective high spirits and emotions could dissipate.

This would not have been such a cause for concern had the response of the law enforcers – the police and prosecution service – been adequate. The problem was, however, that these institutions appeared far from ready or willing to act on the great tide of graft reports being published in the media and reported by civil society organizations. Up to June 2005, none of the reports of corruption filed by community organizations with the police and prosecution service had produced any concrete closure.

Of the 60 reports of suspected corruption reported by civil society organizations to the law enforcers, progress had gone no further than the naming of serving and former Local Legislative Council members as suspects –for example, 14 members of the South Sulawesi Provincial Legislative Council, 40 people from the Tana Toraja Legislative Council, and 17 people from the Mejene Legislative Council in West Sulawesi province. All of the other people involved had only been questioned as witnesses. Despite the large number of suspects charged by the prosecution service and police, between September 2004 and June 2005 only two cases actually made it to court – a case involving the sale of a store owned by the Makassar Health Office worth Rp 1.6 billion which involved the former Makassar mayor, HB Amiruddin Maula, and a case involving the purchase of the *Taka Bonerate*, a ferry that linked the South Sulawesi mainland and Bulukumba regency on Selayar island. This case implicated Akib Patta, a

former regent of Selayar.

From the very beginning of the judicial process in these two cases, it was clear that they were not been dealt with seriously. In the health office store case, the Makassar District Court discharged Amiruddin Maula as the principal defendant before it had even examined the substance of the charges. The court held that the indictment presented by the public prosecutor (from the South Sulawesi Provincial Prosecutor's Office), was unacceptably vague. The response of the prosecution was unusual in that it appealed the Court's ruling rather than opting to submit a new indictment against the former Makassar mayor.

Amid the impression that legal shenanigans were afoot – an impression heightened by the glaring differences between the urgency felt by the non-governmental organizations/civil society organizations and that felt by the legal authorities – reports received by the KMAK from various sources pointed to a number of factors operating to hamper the administration of justice in South Sulawesi, including the following:

1. Intervention by the political elite and government officials through the Local Leaders' Forum (Muspida) plus regents, police chiefs, chief prosecutors, military commanders, District Court presidents, and Local Legislative Council speakers. This forum worked to thwart criminal proceedings against local leaders, regency/municipality officials, and politicians using the following methods:
 - Playing out the investigation process at the police/prosecution service level. This ruse was adopted as it was politically difficult to halt the investigations altogether due to the likely strong reaction from non-governmental organizations, the press and the public. An example of this ruse in operation was the graft case involving the South Sulawesi Provincial Legislative Council.
 - Employing intimidation and terror – using third parties – and arresting and even trying those levying graft allegations. For example, those who blew the whistle on a corruption case involving the construction of highways

that implicated the Pangkep regent, Gaffar Patappe. In this case, the District Court tried and convicted five members of KOBAR in Pangkep regency on charges of defamation and disseminating unfounded allegations. The five were given suspended sentences. No action was taken to satisfactorily investigate the allegations they had made. In Tana Toraja regency, members of the Toraja Journalists Alliance and the Toraja People's Anticorruption Alliance were physically terrorized by thugs³ hired by nervous officials and politicians following the revealing of suspected corruption involving the regent and members of the Local Legislative Council for the 1999-2004 term. An "army" of these thugs – consisting of gamblers, cock-fighting aficionados, drinkers and habitual brawlers – had been recruited in 2000, and they were used as enforcers to prevent demonstrations against the regent. If a demonstration was held by anticorruption supporters on one day, the thugs and paid protesters would hold a counter demonstration on the following day. In addition, the thugs also terrorized those journalists courageous enough to report on corruption in the local government.

2. The willingness of the police to go after the big-fish misfeasors and embezzlers was seriously in doubt. In most of their investigations they would confine themselves to netting those on the periphery of the action rather than arresting those orchestrating the show. An example of this was the investigation into alleged corruption involving the leadership and members of the South Sulawesi Local Legislative Council. The investigators never questioned the key figures believed to have been involved in looting the public purse through the 2003 local budget.
3. Between 80 percent and 90 percent of the reports of corruption submitted by the public to the police and prosecution

³ The Indonesian phrase "Preman kiriman pejabat" (thugs sent by officials), was employed by local publication *Kareba*, Tana Toraja, Week IV, April 2005.

service were not accompanied by detailed financial audits or a detailed identification of the laws that had been broken. As a result of this, it was easy for the authorities to set aside the reports by saying they were premature or not backed by sufficient *prima facie* evidence. This, in turn, gave rise to other problems, such as the following:

- The corruption allegations submitted by the public would frequently be turned on their heads and used by the law enforcers to put pressure on the deponents.
- The reports were also often employed as evidence in civil or criminal defamation cases brought by those accused of corruption.

Aside from the question of how long the zeal to fight against corruption would last, or the manner in which the graft cases reported by the public were being handled, the anticorruption snowball was now well and truly gathering pace, and was both directly and indirectly leading to improved public services at the grassroots level, including health services, family planning services, the provision of rice to the poor, birth and death registration services, garbage collection, and the awarding of scholarships under the Social Security Net scheme. Such improvements were evident to one extent or another in Makassar municipality, and in Bone, Pinrang, Soppeng, Wajo, Sidrap, Tana Toraja, Enrekang, Polewali Mandar (West Sulawesi) and Mamuju regencies.

One noteworthy improvement was the instituting of greater transparency in the levying of local government charges. While previously the actual amount of charges was unclear, following public pressure they were now publicly posted up at the service counters. The levying of unofficial charges gradually became less prevalent, although this does not yet seem to be the case with the traffic police in Makassar. In addition, police officers in Makassar, Pare-Pare, Tana Toraja, Bone and Palopo are still involved in the old practice of releasing suspects charged with minor offenses (gambling, brawling, petty theft) in return for a Rp 1,000,000 bribe.

Meanwhile, local governments have started to publicize the village/sub-district assistance scheme and the grants available,

with meetings being held in each village/sub-district to discuss community proposals for assistance under the scheme.

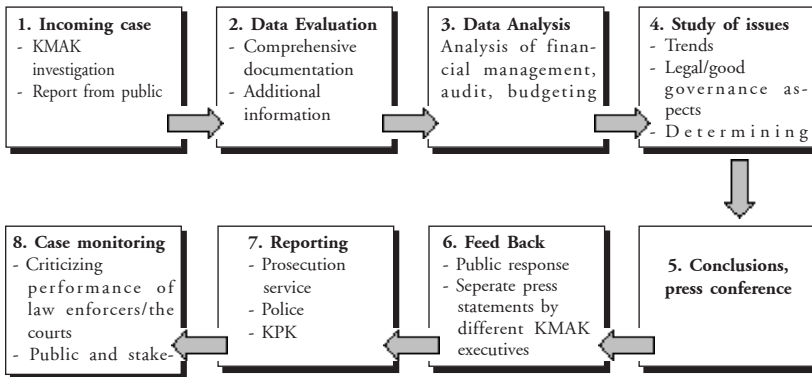
The effect that the rolling snowball produced among the corruption monitoring groups during the second stage of the program was also highly encouraging from the quantitative perspective. In Bone and Pinrang – both of which areas were covered by the second stage of the program – corruption monitoring groups established a new network involving sidewalk hawkers, fishermen, and farmers. In Makassar, KORUPA assisted with the setting up of at least 11 new groups involving women and fishermen, while the People Concerned with Information Institute (LMPI) helped with the establishment of at least 143 groups in 14 districts.

Six monitoring groups set up by Watampone Anticorruption (WAC) in Bone regency linked up with more than 30 groups in coastal and highland areas. The Community and Pesantren Development and Studies Institute (LKPMP) helped with the establishment of two groups made up of public transportation and motorcycle taxi drivers. These have now mushroomed to a total of twelve drivers' groups following a realization that the problems faced by the drivers on each route were different.

Gathering Pace

The snowball was now moving faster. The goal of ensuring public participation in the fight against graft had been achieved. The major constraints on the success of the campaign were now to be found the law enforcement and legal arenas – among the police, prosecution service and the courts. The weaknesses bedeviling the corruption reports submitted by the public were partly the cause of this, but the problem can be overcome through training so as to impart the skills necessary for effective corruption monitoring.

In order to achieve its goals, and to convert issues and public opinion into the substance of public advocacy and effective corruption reports, KMAK employed a pattern that could possibly be replicated in other areas. This pattern is shown in



the following diagram:

Explanation:

Stages 1, 2 and 3 describe the general processes that are normally gone through by non-governmental organizations, civil society organizations, etc., in publicizing their suspicions of corruption.

Stage 4: This consists of conducting studies to ascertain public opinion trends in society so as to ensure that the KMAK findings will attract public attention. The legal aspects also need to be studied so as to determine whether the findings actually amount to corruption, and whether they concern the public interest or system of governance, or merely serve to further the interests of particular parties. Finally, focus is placed on the identification of topics that are newsworthy so as to ensure continuous media coverage for at least one month.

Stage 5: Journalists from all types of media are invited to a press conference. It is particularly important that journalists from national media outlets be involved so as to reduce the threat of intimidation. During the press conference, the findings are not only presented, but detailed explanations are furnished on the financial, legal and budgeting rules, and how these have been broken. In addition, predictions are made as regards the response of the law enforcement authorities, and the connection with good governance is highlighted.

Stage 6: This involves the accommodation of feedback – the

reaction of the public to the KMAK statement is assessed. Should efforts be made to obfuscate the issue, KMAK executives will provide additional explanations and clarifications to the media.

Stage 7: After it has been ascertained that the support of the public has been secured, an official report is then filed with the prosecution service by KMAK. Should the response of the police or prosecution service be found to be lacking – possibly due to political interference or bribery – the report is sent directly to the KPK.

Stage 8: In order to ensure that the investigation of the case proceeds as it should and that the public remain engaged, the case is monitored by KMAK through critical analysis of the performance of the law enforcement authorities and the courts. Should irregularities be found in the handling of the case, then press releases are issued highlighting the relevant legal provisions and how the case should in fact be processed. Should there be indications of attempts to pervert the course of justice, then this will also be made known through a press release.

Among the lessons learned from the first and second stages of this program are the following:

1. The civil society organizations (coalitions, forums, etc.) that are established need to be made up of members drawn from various disciplines. Accountants and auditors are particularly needed.
2. The civil society organizations need to have very close personal relations with journalists from both local and national media outlets.
3. Prior to the making public of corruption findings and their reporting to the authorities, it must be ensured that there is sufficient *prima facie* evidence for the launching of an official investigation. If possible, such reports should be backed up by documentary evidence. It should be noted in this regard that:
 - the authorities must not be inundated with reports of suspected corruption. Instead, reports should be submitted on an incremental basis. This is essential given continuing doubts about the seriousness of the authori-

- ties in responding to such reports.
- reports of major, wide-ranging corruption cases involving particular groups, such as Local Legislative Council members, should not be all filed simultaneously, even if significant losses to the taxpayer are involved. Instead, it is better to select particular items that are easy to come to grips with (for example, allowances for meals, official travel, meetings, etc.). The purpose here is to apply “shock therapy” to those involved and those who might be tempted to engage in corruption in the future. In addition, this approach helps avoid reports being rejected on the grounds of lack of evidence, makes the monitoring of the case easier, and avoids the allegations in the report being used to pressure the deponents.
4. The uncovering of corruption cases needs to start with indications of the involvement of senior officials at the provincial/regency/municipal level, such as the governor, deputy governor and Local Legislative Council members from the strongest factions.
 5. The cases that are focused on need to have a connection with enduring public perceptions, such as distrust in the government apparatus, law enforcement agencies and the courts, and Local Legislative Councils.
 6. The making public of suspected corruption cases needs to have regard to the general character of the local people and local cultural values, which are frequently used by those accused of corruption and their supporters to cover up or conceal the crimes they have committed.

Once Again: Technical Knowledge and Expertise

In our experience since 2002 of encouraging the public to rise up against corruption, it has been quite difficult to sustain the anticorruption groups and civil society organizations that sprang up in South Sulawesi, including during the “coalition boom”. This is a result of the actual conditions prevailing on the ground, where the majority of people are living in what is

still basically a feudalistic society. Consequently, it is highly unrealistic to expect critical and objective attitudes to public and governmental institutions to be sustained indefinitely.

In addition, the abuses taking place in the law enforcement arena and the courts, plus question marks over the ethics of those involved in upholding the law, will also have a bearing on the enthusiasm of the public to combat graft. Thus, if continued public participation is to be ensured, we will need to focus on, and help to resolve, various fundamental constraints hampering the work of the anticorruption civil society organizations, namely:

1. Internal constraints:

- Lack of knowledge and skills on the part of activists
- Insufficient involvement of experts
- Organizational problems
- Individual integrity
- Lack of funding

2. External Constraints

- Pressure from third parties, law enforcement officials, and pro-status quo groups, including the offering of inducements
- Limited media exposure, with the result that it is often difficult to synchronize the making public of cases with what is taking place in society as a whole. For example, the making public of suspected corruption cases in Bulukumba, Sinjai and Bone was overshadowed by the Aceh tsunami, fuel price hikes and the conflict over the Ambalat block, respectively.

In order to overcome these constraints, the first thing that needs to be done is to prioritize capacity-building among civil society organizations. This will involve furnishing them with the necessary skills and knowledge – not just basic monitoring skills, but also how to conduct investigations and make use of the media – to enable them to uncover corruption cases using public documents, thus avoiding difficult and protracted investigations. For this purpose, the LBH-P2i and KMAK are currently design-

ing various training programs for the members of anticorruption non-governmental organizations/civil society organizations, with the minimum target being the provision of training to one non-governmental organization/civil society organization in each regency/municipality so as to ensure that they have at least one or two volunteers who possess the necessary skills and expertise to uncover graft cases and simultaneously motivate the public to become involved in the fight against corruption.

Initial tryouts have already been conducted in this regard, and have produced encouraging results to date. As part of these tryouts, budget analysis training has been provided to members of the Toraja Journalists Alliance and the Toraja Anticorruption Community. One week after the holding of the training workshop in Tana Toraja, these two civil society organizations published their findings on corruption in the Local Legislative Council. As a result of this, since May 2005 a total of 40 members of the Tana Toraja Legislative Council (1999-2004), including 12 members who were reelected to the current Council, have been declared suspects by the South Sulawesi Provincial Prosecutor's

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CHAPTER 3



Something Rotten in the KPU¹

Arif Nur Alam

Lack of External Oversight

The legislative and presidential elections of 2004 marked a major change in Indonesian political life. Prior to 2004, the public voted for political parties, who then selected members to sit in the national legislature, and these subsequently elected the President and Vice President. Following the enactment of Law No. 12 of 2003, however, the public were finally allowed to elect the members of the legislature, and the President and Vice President directly.

It was expected that the General Elections Commission (KPU) would play a major role in ensuring the clean and successful conduct of the legislative and presidential elections. Under Law Number 12 of 2003, the KPU was to no longer be made up of government appointees and functionaries of the political parties contesting the election. Instead, the members of the KPU – which was to be independent, autonomous and permanent in nature – were to be selected by the House of Representatives, and appointed by the President.

During the 1999 election, the quality of the ink used to mark the hands of those who had already voted drew protests as it was capable of being washed off – thereby allowing the possibility of multiple voting. This clearly reduced the credibility of this election. In addition, leakage and indications of corrup-

¹ This Paper describes the empirical history of the program titled “Encouraging Budgetary Transparency in the 2004 Elections so as to Ensure Clean Elections”, which ran from December 2003 to May 2005, and the program titled “2004 Election Transparency and Budget Monitoring”, which ran simultaneously from December 2003 to April 2005. Both programs were supported by the Partnership for Governance Reform in Indonesia/ European Commission and the Ford Foundation.

tion in the procurement of flags and political party paraphernalia were not sufficiently acted upon legally, even when proof in the form of receipts was available.

In order to prevent such abuses from reemerging during the 2004 elections, oversight and advocacy was required on the part of civic groups in connection with the spending of the election budget, which amounted to Rp 6.7 trillion, paid out of both the national budget and local government budgets.

Officially, oversight was to have been conducted by a disciplinary committee made up of members of the KPU itself. Thus, the KPU had already violated its own Code of Conduct, which had been drawn up by the KPU itself, as there was to be no external oversight as regards the spending of taxpayers' money. In fact, such oversight should have been exercised by the Finance and Development Audit Board (BPKP). Meanwhile, it was to be expected from the start that the work of the Election Supervisory Committees (Panwaslu) would turn out to be ineffective as the members of these committees were appointed by, and were accountable to, the KPU. Thus, while the committees were originally supposed to conduct oversight and supervision as regards the conduct of both the elections and the candidates, in the end they confined their activities to supervising the conduct of the candidates.

The electoral legislation states that bodies accredited by the KPU will be entitled to monitor elections for the House of Representatives (DPR), local legislative assemblies and the Regional Representatives Council (DPD), with the results of such monitoring subsequently to be reported to the KPU. Thus, these monitoring bodies were in a way subordinated to the KPU, and were forbidden from publishing the results of their monitoring until these had been vetted by the KPU. As a consequence, monitoring was primarily confined to making observations and collecting data, without much in the way of follow-up or advocacy so as to prevent irregularities or violations.

The absence of a powerful body to monitor the spending of the election budget opened the door wide to all sorts of

irregularities in the holding of the election. The KPU was set up as an untouchable superbody that both spent and supervised the spending of the election budget.

Given this reality, the Indonesian Forum for Budgetary Transparency (FITRA) started in February 2003 to conduct monitoring and advocacy for the purpose of encouraging the holding of a clean, credible and corruption-free election.

From the very beginning, there was an obvious lack of transparency on the part of the KPU about the management and spending of its budget. This was clear from the lack of detail given in its budget accounts for operational expenditure, and a lack of clarity about the spiraling cost of the registration of electors and data collection drive, which came in at Rp 19.3 billion over-budget. The portion contributed by local governments to this depended on their respective policies at the regency, municipality and provincial levels.

The KPU quickly began to draw criticism due to the tardiness of its preparations for the elections. Various stages of the work, such as registering electors and the drawing up of the definitive list of candidates standing in the legislative elections, suffered serious delays, while the procurement of election materials also fell far behind schedule.

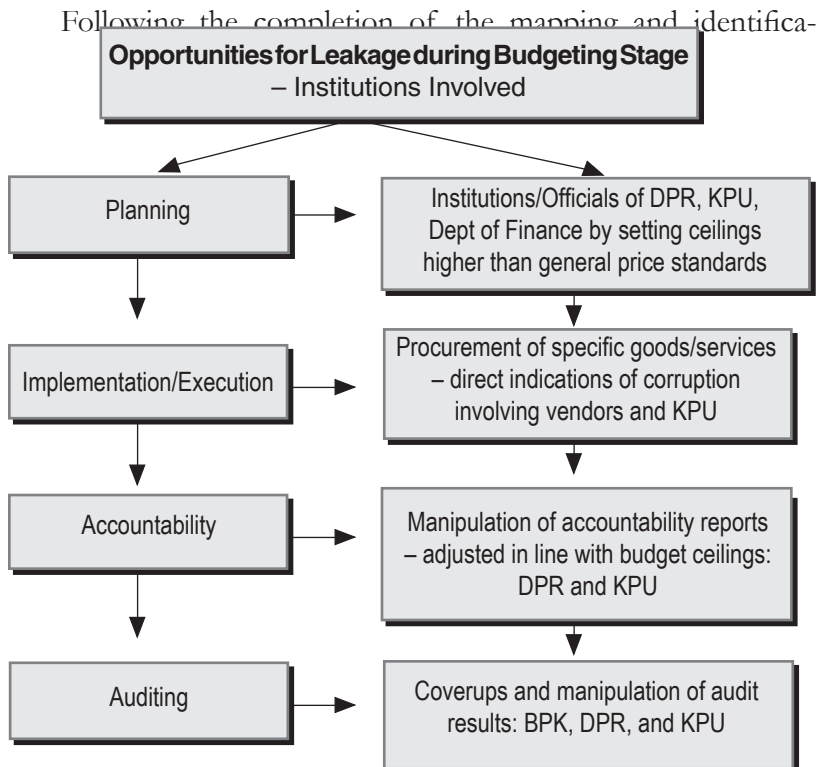
The public became increasingly frustrated with the work of the KPU and its failure to educate the voters about the country's new electoral system, while at the same time the members of the Commission were falling over themselves chasing official cars and overseas trips.

FITRA established forced connections with those institutions that were in some way or another involved in the holding of the elections, including the KPU, election supervisory committees, State Audit Board/Finance and Development Control Board (BPK/BPKP), local government audit boards (Bawasda), the House of Representatives, the Department of Home Affairs, the Department of Finance, the Indonesian Association of Accountants (IAI), and other organizations and institutions. Previously, FITRA had already mapped out the possible weak

points where leakage could occur during the course of the elections. It had also identified the institutions and parties involved in budget processes that were susceptible to corruption, and it was these weak spots and institutions that were then subjected to close monitoring.

Among the aspects considered during the process of identifying potential weak spots and institutions were, first, the regulations on cost management and the state finances, second, the organizational structure, work mechanisms, and budget processes within the KPU, third, the state and other institutions involved in planning, implementation and execution, as well as accountability and auditing, and, fifth, the NGOs involved in monitoring the elections and the work of the KPU.

The potential opportunities for leakage that were identified are shown in the following chart:



tion process, a small team was established, with the allocation of tasks to each member being preceded by the identification of the relevant electoral and budget management legislation and other materials. These were then tracked down in the relevant institutions using both official and unofficial approaches.

At the same time as unofficial approaches were being made to access budget documents, an official approach was made through the sending of a letter to the Chairman of the KPU on 7 March 2003, notifying him of the establishment of the FITRA monitoring team. In the said letter, it was stressed that the cost of the monitoring work to be conducted by FITRA would be paid for entirely out of its own resources. On 31 March 2004, the KPU responded by stating that the standard spending supervision mechanism involved oversight by one's immediate superior.

In addition, the said letter stated that internal supervision in a department/institution was conducted by the inspector general or the head of the oversight unit in the department/institution in question, while external oversight was conducted by the BPK. Meanwhile, oversight as regards party finances was conducted by the KPU in collaboration with the IAI.

The highly legalistic nature of this letter clearly showed that the KPU was intent on closing the door to public participation and control as regards its budget management processes and performance, and only tended to increase the suspicion that the ground was being laid for the wholesale theft of taxpayers' money.

Prior to the actual start of the monitoring work, various sources had suggested during informal discussions or conversations that tight monitoring would be unnecessary given that the members of the Commission were drawn from among the ranks of academics, intellectuals, reformists and idealists. Given such a membership makeup, many thought it inconceivable that the Commission could become involved in wholesale fraud, deception and embezzlement.

FITRA responded to these suggestions by saying it was still uneasy given the unforthcoming responses of the KPU

and massive amounts of money involved. Accordingly, FITRA was of the opinion that budget monitoring and advocacy was still required.

Following the failure of the official approaches to the KPU to produce results, FITRA decided to resort to informal/personal approaches to members of the KPU and the KPU secretariat. The members of the FITRA team took turns as part of an “underground campaign” trying to monitor the procurement of election materials, and obtain access to KPU budget documents. The same methods were employed with the House of Representatives, Department of Finance and other institutions after the House and the Department of Finance failed to provide concrete responses to FITRA’s queries.

On one occasion, two members of FITRA were roughly evicted from the KPU offices by KPU members, even though they had introduced themselves politely and explained that they were seeking information on which KPU documents were available to the public. Once again, this only proved the fact that the members of the KPU regarded information about the spending of taxpayers’ money as an official secret. In other words, the public were to have no role to play in monitoring and controlling the processes involved.

The various efforts to obtain the relevant information and documents through closed-door meetings with KPU members and staff, as well as both official and unofficial approaches to the Department of Finance and relevant officials, failed to produce much in the way of breakthroughs. However, through further closed-door interviews, “guerrilla” tactics, and the monitoring of the meetings of the KPU and other institutions, the FITRA team eventually managed to assemble a collection of loose-leaf documents containing the cost allocations for the 2004 election, as well as detailed budgetary information for various institutions.

After this collection of loose pages had been assembled, the intensive tracing of documents was continued through the covert monitoring of all meetings at which budget documents were discussed. Documents were also obtained from whistle-blowers, who took the initiative of forwarding documents to

FITRA on condition that their identities be kept confidential. In fact, so afraid were they of being discovered that some of them even insisted on their identities being kept secret from the members of the FITRA team, and would leak the documents by leaving them in designated places where they would later be picked up by FITRA.

After building up an initial database containing official data, the FITRA team then analyzed and investigated the information it contained so as to obtain an overall picture of budget management and allocations in the KPU. This analysis looked at these aspects from the perspectives of both reasonableness and budgetary justice/equity. The results of this analysis showed that there were a number of expense accounts that were likely to be highly susceptible to corruption, including the KPU operational expenses account, the official residences account for 11 members, two secretaries and one deputy secretary of the KPU, and the operational budget for the voter registration and data collection officers. There were also a number of accounts whose real purpose was far from being clear. In addition, the standard budget allocations, procurement processes and tenders for the supply of election materials also lacked transparency.

In order to further enrich and sharpen the results of the analysis that had been conducted, the team took the initiative of inviting representatives from the KPU and various other relevant institutions to attend a meeting to discuss the findings of the analysis, and give their views and explanations on these. One day before the discussion, however, the KPU said it would be unable to attend without giving any reasons. As a result of the KPU's decision, the meeting had to be cancelled given that the KPU was the key institution in the whole process. This sort of thing happened repeatedly.

In the light of the KPU's opaque and closed attitude and its refusal to attend meetings with community groups and NGOs, FITRA started to work together with other NGOs, including those involved directly in election monitoring and those concerned with advocacy in the policy field. For FITRA, such consolidation between NGOs was essential if successful monitoring of KPU

spending was to be effected. After a number of meetings to discuss the work of the KPU and the potential for corruption there, it was decided to make public the results of our analysis and findings to date. This would require coordination with our friends in the media.

Following the meetings referred to above, it was agreed to hold a public discussion that would simultaneously publicize the roles of election spending monitors, and voice criticism of the KPU's opaque, non-participatory, and unaccountable budget policies and management. Our findings as regards the potential for corruption within the KPU would also be highlighted. Following this meeting, the response of the electronic and print media was very encouraging. The KPU, however, was enraged, and even claimed that FITRA's findings were nothing more than "coffee shop gossip".

While the KPU raged, the work of tracing budget documents continued apace. The same was also true of the investigations, analysis, and monitoring in respect of goods and services procurements. Coordination and regular meetings with our fellow NGOs as well as other agencies and institutions also continued.

After conducting its analyses and studies, FITRA again wrote to the KPU, enclosing the results of its findings, to request a meeting with KPU members Mulyana W. Kusumah, Chusnul Mari'yah, Valina Singka Subekti, Hamid Awaluddin, and Ramlan Surbakti and KPU Deputy Secretary Sussongko Suhardjo. The result? No response whatsoever.

FITRA felt obliged to provide the information it possessed to the public. To this end, it held a press conference and issued a press release highlighting the indications of irregularities, waste and corruption within the KPU. This produced a quick denial from the KPU, which also condemned FITRA's decision to go public before seeking a clarification from the Commission.

FITRA's sent its findings – obtained through collaboration with the other NGOs – by mail to the members of the KPU, with the letters being addressed to KPU Deputy Chairman, on 4 September 2003. However, no response or explanations were

forthcoming from the Commission. Again and again, FITRA published the results of its findings and analyses at media conferences and through press releases. As a result, besides the gist of these releases being reported in the media, a number of informal discussions were convened on various occasions.

Each time FITRA published its findings, the KPU responded angrily. Nazaruddin Syamsuddin, on behalf of the KPU chairman, lodged a complaint with the Jakarta Metropolitan Police about a statement by NGO activists that was carried in the *Media Indonesia* daily. In response to the complaint, the Police summoned Laode Ida for questioning as a witness. Laode had stated that members of the KPU benefited from double payments when attending meetings held by local offices of the KPU and other institutions – one payment from the central KPU and one from the local KPU.

However, the KPU's complaint did not deter FITRA from continuing its work, or from adopting a critical attitude in order to encourage transparency and accountability in KPU budget management.

In fact, the KPU's decision to go to the Police actually strengthened FITRA's resolve to pursue its investigations, consolidate its network, continue lobbying and campaigning, and to intensify its public exposure of what was happening in the KPU. This was based on the belief that the more an institution was closed to public scrutiny and oversight, and rejected input and criticism from the public, the greater the likelihood that something untoward was afoot.

FITRA's experience had consistently shown this belief to be well-founded. Administrations, both at the local and central level, were always very resistant when FITRA published reports of budgetary duplication, leakage, and illegal budget allocations (both at the legislative and executive levels), as FITRA had been doing for a number of years in the case of the Jakarta Special Capital District, and Special/Plenary Sessions of the House of Representatives. In those cases, what had happened was that the budgets would be revised behind closed doors (sometimes even

on public holidays), or in special places so as to prevent access on the part of the public and media. The relevant national or local budget would then be amended. However, even these amendments were never enough to make the budgets reasonable or fair to the public, particularly the poor.

While FITRA's work in this regard had never been enough to put the wrongdoers in the dock, it least it had served to re-awaken a public awareness of people's rights in the budgeting process after these rights had been abrogated for so long by a corrupt and ruthless regime.

From Cooperation to Confrontation

The opaque and frequently angry reaction of the KPU to input and criticism from the public was countered by growing public support for election budget monitoring and advocacy. This support was greatly encouraged by the media. As a result of this emerging public awareness of irregularities in the KPU, FITRA decided to abandon its cooperative approach and resort to open campaigning. Such a confrontational approach would require a lot more energy and time, as well as a honing of FITRA's analytical tools.

Before updating its mapping and investigation work, FITRA decided to strengthen its lobbying effort, consolidate its network and increase its efforts to educate the public and heighten their awareness – all for the purpose of enlisting support for the collective effort to control how the KPU spent public money. These efforts were carried out on a phased basis and in tandem with each other. With regard to the mapping and investigation effort, this involved focusing on the targets of monitoring, in particular, budget planning and allocation, the tender processes for all election materials, operational costs for the holding of the elections, funding for the public information campaign, etc. The first stage in the strategy involved the publication of all of our findings to date (particularly in the light of the strong support we were receiving from the media), followed by expanding our fluid alliance of civil society organizations.

Our findings are set out in the following table:

Table 1: Publication of Findings Timeline

No.	Date	Activity	Finding/Issue	Notes
1	14 May 2003	Press conference	Indication of misuse of P4B (second round voter registration) budget, mark-up in procurement of LAN	Reported in the print and electronic media
2	13 August 2003	Press release	Procurement of KPU official vehicles without tender. KPU efforts to get off the hook	Idem
3	16 September 2003	Press conference	Evaluation of KPU performance – lack of transparency in procurement of election materials and spending	Idem
4	17 October 2003	Press release	Angry reaction of KPU, threat to sue FITRA. FITRA ready to face any lawsuits	Idem
5	7 November 2003	Press release	Cancellation of appointment of winner of tender for election cards. Not witnessed by other tender participants.	Idem
6	15 January 2004	Press release	Direct appointment in procurement of the paper for the ballots, neglect of transparency and public control, budget management	Published in print media
7	24 January 2004	Press conference	Waste of taxpayers' money in procurement of ballot boxes	Reported by print and electronic media
8	4 March 2004	Press conference	President should declare emergency as regards procurement of election materials	Idem
9	5 April 2004	Press conference	10 evaluations on preparations for elections on 5 April 2004	Idem
10	April 2004	Press conference	Quality of ink to be used to mark voters' hands called into question	Idem
11	12 April 2004	Public discussion	Evaluation of KPU performance and spending, recommendation that the BPK and KPK carry out audit and get to the bottom of suspected corruption in KPU	Idem
12	24 April 2004	Public Discussion	Lack of transparency and accountability, and many opportunities for corruption in KPU budget management	Published in print media
13	24 April 2004	Press conference	Possibility of corruption affecting 2004 election budget	Idem
14	13 May 2004	Press conference	DPR asked to press BPK to audit KPU, dissemination of findings in fact-sheet form	Published in print media and forwarded to DPR
15	21 July 2004	Public discussion	Performance of KPU and swelling of election cost, recommendation that cost overrun of Rp 357.79 billion be reported to KPK	Idem

In tandem with the public information campaign described in the above table, intensive investigative, lobbying and network consolidation efforts were underway. Further investigations were carried out, including the monitoring of meetings with companies participating in KPU tenders for the supply of election materials. Members of the FITRA team then made covert personal approaches to elicit information from both winning and losing firms that had tendered for the supply of goods and services. These were intended to ascertain the addresses and places of business of these firms, as well as the market prices of the goods and services supplied. Lobbying was conducted with other agencies and institutions connected directly with the election budget. In addition, parties with influence, both internal and external, were lobbied, including public and religious figures, and reformists. Meanwhile, network consolidation was effected through efforts to strengthen the alliance among NGOs, students, civic organizations and other community institutions.

In order to increase public support for its efforts, FITRA organized a workshop in Jakarta on the monitoring of election costs. Among those invited were representatives of NGOs, students, civic organizations, political parties, academia, district supervisory committees, the BPK, the Department of Finance, the IAI, and the chairmen of polling station committees. FITRA disseminated guidelines for the monitoring of election costs to the public and among the members of its network. It also established a hotline complaints services that was accessible by text message. At the same time, a campaign encouraging the monitoring of election costs was being mounted using stickers. All complaints received – whether directly by FITRA members in the office or via telephone/text message – were investigated and analyzed.

Despite the various findings published by FITRA in the media, the KPU continued to display a haughty and overly sensitive attitude. In addition, it attempted to politicize the issue through the media, claiming that “certain persons” and “certain groups” were attempting to subvert the elections. Criticism levied against it was portrayed as an effort to undermine both it and the elections.

FITRA then made efforts to further solidify the alliance. Based on the routine monitoring conducted by FITRA and the other members of the network, including the Forum Masyarakat Pemantau Parlemen Indonesia (FORMAPPI), Indonesian Procurement Watch (IPW), Komite Independen Pemantau Pemilu (KIPP) Indonesia, and the Lembaga Bantuan Hukum (LBH) Jakarta, it was suggested that a coalition of NGOs should be established. This was done and the new coalition was named the NGO Coalition for a Clean and Successful Election.

In order to strengthen the credibility of its findings, FITRA arranged to have the quality of the ink to be used in the first round of the presidential election tested by a well-known and reputable laboratory. This involved the testing of samples taken from three different constituencies. The results of the laboratory tests showed that the nitrate content of the ink was much lower than the required 4 percent. This meant that the KPU had not complied with the regulations, which left the way open for unscrupulous firms to commit violations. The fact that the nitrate content was lower than required meant that the ink was easy to erase, thus giving rise to the possibility of multiple voting. Together with its NGO partners, FITRA reported its findings to Indonesian Police Headquarters on 26 July 2004, while simultaneously holding a press conference.

On 11 August 2004, the Coalition reported its preliminary findings on suspected corruption worth Rp 343 billion within the KPU to the Corruption Eradication Commission (KPK). The Coalition was responded to warmly both by the media and the KPK, as well as other elements of society. Following receipt of the report, the KPK recommended that the BPK immediately commence an audit on the KPU. Meanwhile, besides declaring their support for the Coalition, other members of the public were also helping out by providing further information concerning the procurement of election materials.

The House of Representatives' Budget Committee then invited representatives of the Coalition to a hearing for the purpose of discussing the report submitted by the Coalition

to the KPK on suspected corruption in the KPU. Following the hearing, the House of Representatives firmly rejected the KPU's request for supplementary funds for organizing the first round of the presidential election. Furthermore, the House of Representatives also recommended that the BPK audit the KPU. That was not all. The House also questioned the Department of Finance's decision to disburse Rp 500 billion to the KPU without the approval of the House of Representatives. Representatives of the KPU were then summoned by the House to account for their actions.

Other election observers, including those from the European Union – which had earlier certified the elections as being free and fair – were taken aback by the Coalition report to the KPK. The Coalition was invited to a meeting for the purpose of explaining its findings to these monitors and at the same time embark on a joint monitoring effort for the second round of the presidential election.

FITRA continued its investigations. Besides coordinating with law enforcement agencies – both at a personal and institutional level – it also held meetings with the KPK and the BPK's team of auditors to encourage them to speed up their audit and investigation, as well as seek information on the progress of the audit and investigation. Meanwhile, a hearing with Commission III of the House of Representatives, newly elected in 2004, led to the establishment of the Team of 11 to investigate corruption in the KPU.

Not long after the Team of 11 started its work, the Jakarta Metropolitan Police issued the first of two summonses to NGO Coalition activists Arif Nur Alam (FITRA) and Hermawanto (LBH Jakarta). They were summoned for questioning following a defamation complaint filed with the Police by the chairman of the KPU. In response, the Coalition convened a press conference at which it expressed its readiness to face accusations by the KPU.

In order to fight the charges, the Coalition elicited the support of various lawyers' and legal aid associations, both on an

individual and institutional basis. After a number of meetings, the Coalition Defense Team was established. Consisting of 75 members, it was led by Iskandar Sonhadji. The defense team and representatives of the Coalition held a meeting with the KPK to seek witness protection, while Indonesian Police Headquarters was urged to halt the criminal proceedings against the two Coalition activists.

In March 2005, the BPK made public the preliminary results of its audit on two types of election supplies – ballot boxes and ballot papers. It said that the sums spent by the KPU were indefensible and as a result the taxpayer had been defrauded of some Rp 90 billion.

The preliminary audit results came like a ray of light illuminating the dark world of KPU finances. Together with its Coalition partners, FITRA immediately held a press conference. In order to accelerate the investigation into the suspected corruption in the KPU, the Coalition urged the President to suspend all of the members of the KPU, including those serving in his Cabinet. In addition, the Coalition recommended that the KPK urgently block the accounts of all KPU members, while the BPK was urged to quickly complete its investigative audit into all election supplies procured by the KPU.

Despite all the coordination with law enforcement agencies, the public was nevertheless surprised to learn of the arrest on 9 April 2005 of KPU member Mulyana W. Kusumah by the KPK, working in collaboration with a member of the BPK team of auditors. Mulyana was apprehended in connection with the alleged bribery of a BPK auditor at the Hotel Ibis, Slipi, Jakarta. This arrest opened the door further to uncovering the real extent of corruption within the KPU, and represented the culmination of the efforts by FITRA, its coalition partners, students, the community, other relevant institutions and the media.

A Series of Data Deviations

The success of the efforts to uncover the web of corruption in the KPU was intimately connected with the strategic

processing and packaging of information in such a way as to make it easily comprehensible to the public. The information was first analyzed and studied in depth, and then packaged in a simple and communicative manner. In this regard, the role of the press was essential as it was able to keep the issues involved before the eyes of the public, and therefore also the policy-makers. Modern communications technology was also of enormous benefit, including the internet and websites, as were alternative media, such as leaflets, bulletins, newsletters, stickers, etc.

The strategy of packaging and developing information so as to keep it in the minds of the public was adopted right from the time of establishment of the KPU. The estimated cost of the election submitted by the Commission kept increasing. The first estimate was Rp 3.023 trillion over four fiscal years (2002-2005). In the end, the elections cost a total of Rp 7.2 trillion – a 139 percent increase and something that showed the inability of the KPU to properly plan its spending. The cost overruns are set out in detail in Table 2 below. The cost of election supplies exceeded the ceiling of Rp 608.116 billion that had been budgeted for the procurement of ballot boxes, voting booths, ballot papers, distribution, validation and IT.

Table 2: Cost Overruns in 2004 Elections

No	Procurement	Ceiling	Actual Cost	Overrun	Percent
1	Ballot boxes	235,600,200,000	355,625,523,800	120,025,323,800	51
2	Voting booths	23,028,000,000	55,601,881,997	32,573,881,997	141
3	Ballot papers	180,842,167,200	247,256,866,240	66,414,699,040	37
4	Ballot papers	372,587,500,000		98,375,645,850	26
5	Karft paper		470,963,145,850	4,124,953,550	100
5	Distribution	-	4,124,953,550	176,044,997,020	616
6	Validation	28,577,198,660		18,000,000,000	100
7	IT		204,622,195,680	92,556,580,835	46
	Total		18,000,000,000		58

Source: Cost Estimates for 2004 Election and Proposed Operational Budget for KPU presented to House of Representatives Budget Committee, July 2004.

Irregularities in Ballot Box Procurement

There was a lack of clarity about the price of ballot boxes. In the document produced for the hearing between the KPU and the House of Representatives' Commission II on 12 May 2004, it was stated that the cost of procuring the ballot boxes would be Rp 324,156,077,080, while in the document explaining the proposed cost estimates for the 2004 elections and proposed 2005 KPU operating budget, which was presented to the House of Representatives on 15 July 2004, the cost of procuring the ballot boxes was stated to be Rp 335,625,523,800. In fact, both of these documents were presented after the legislative elections. This indicates that losses of Rp 31.46 billion were inflicted upon the state, not including differences amounting to Rp 5.1 billion between the prices charged by PT Tjakrindo, CV Almas, and PT Survindo.

Irregularities in Procurement of Voting Booths

As shown in Table 2, there was a 141 percent increase in the number of voting booths, while there was only a 51 percent increase in the number of ballot boxes. The reason given for the dramatic increase in the number of voting booths required was that there had been an increase in the number of polling stations. This excuse is, however, unacceptable given that the number of ballot boxes and voting booths in each polling station is the same. There were also inconsistencies in the prices charged by PT Jakrindo and CV Almas. In total, there were indications that losses of Rp 1.8 billion had been inflicted on the taxpayer.

Overrun in Cost of Printing Ballot Papers

The overrun in the cost of printing ballot papers cannot be explained logically. The cost actually rose by a massive Rp 66 billion, or 37 percent. According to the KPU, the increase in the cost of printing was due to an increase in the number of voters from 143,192,484 to 147,642,971 (3 percent), and an increase in the reserve supply of ballot papers from 2.5 percent to 10 percent, representing a 7.5 percent increase. Meanwhile,

the percentage tolerance for defective ballot papers was increased from 5 percent to 10 percent (an increase of 5 percent). Based on these arguments, the number of ballot papers was increased by 15.5 percent (3% + 7.5% + 5%). However, the cost increased by 37 percent, leaving an inexplicable difference of 21.5 percent. Thus, the KPU needed to explain how the cost could have swollen by an additional 21.5 percent, or Rp 38.88 billion in monetary terms.

Overruns in Cost of Paper used for Ballot papers and Forms

The cost of the paper used for ballot papers and forms increased by 26 percent from Rp 372.58 billion to Rp 470.963 billion. The reasons given for the increase were that there had been a 3 percent increase in the number of electors, a 7.5 percent increase in the reserve supply of ballot papers, as well as various other reasons. These excuses were, however, unacceptable as in reality there was an excess of ballot papers. In other words, the KPU was incapable of conducting efficient and focused planning. In fact, the KPU was guilty of wasting taxpayers' money. In other words, there were indications that the KPU had misused Rp 98.75 billion in public funds.

Cost Overruns in Distribution of Election Materials

There were cost overruns in the distribution of election materials amounting to Rp 176.04 billion (616 percent), with the original estimate of Rp 28.57 billion coming in eventually at Rp 204.62 billion. As the KPU had failed to carry out factual verification on the production capacities of its ballot paper printers, the printing process encountered serious delays. This in the end led to the termination of printing contracts with a number of firms after they were found to be incapable of fulfilling the contracts. As a result, besides wasting time, the cost also increased significantly.

Cost Overruns in Information Technology Field

From the time when it was originally conceived, the bud-

get for the KPU's IT system experienced four major increases – from Rp 130,548,207,240 (based on the estimate given at a meeting of provincial KPU offices on 23-26 May 2004) to Rp 189,000,000,000 (based on explanations concerning the 2003 State Budget given during a hearing between the KPU and the House of Representatives' Commission II on 17 November 2003), then Rp 202,776,000,000 (based on the cost estimates for the 2004 election given during a hearing with the House of Representatives' Budget Committee on 15 July 2004), and finally to Rp 295,332,580,835. None of these increases were ever satisfactorily explained.

The cost of the KPU IT system seemed to be much greater than the potential value and benefit that would be obtained from it. Making optimal use of IT is not facilitated by the legislation. In other words, there is no legal foundation for electronic vote counting, so that the results of the count must still be based on the manual count.

Price Variations for Ink

In the legislative elections, the KPU used 90,000 bottles (30 cc/bottle) of locally produced ink, and a total of 1,117,000 bottles (also 30 cc/bottle) of imported ink at a price of Rp 28,500 per bottle. During the presidential election, however, the KPU used locally produced ink costing Rp 19,975 per bottle. Thus, in reality the KPU should have been able to save Rp 8,525 per bottle during the legislative elections. At 1,225,299 bottles x Rp 8,525, the saving would have amounted to Rp 10,446,673,975.

In addition, tests conducted at FITRA's behest by a well-known laboratory on the ink used in three constituencies showed that the nitrate content of the ink was well below the required level.

Unexplained Additional Costs

It was not explained by the KPU how the cost of the second round of the presidential election could amount to Rp 419,931,245,000, when the total cost of the first and second rounds came to Rp 787,363,897,817. In other words, the cost

of the second round of this election amounted to 53 percent of the total cost, despite the fact that the second round was only being contested by two tickets. Given this, the cost should actually have been lower than the first round, which was contested by five tickets. Logically, the reduction in the number of candidates contesting the second round should have led to lower costs for ballot boxes, forms and the vote count, which would obviously be much quicker.

Based on the indications of irregularities that had been discovered, increasing public demands for more transparency and accountability from the KPU, and in order to convince the public that it was actually telling the truth, the Coalition on 11 August 2004 reported its suspicions of corruption in the KPU involving five types of election materials to the Corruption Eradication Commission (KPK). The following table shows the Coalition's estimate of the losses inflicted upon the taxpayer.

Table 3: Coalition Findings on Suspected Corruption in KPU

No	Procurement	State Losses (in Bn rupiah)
1	Distribution of election materials	176.04
2	Ballot papers	56.468
3	Official cars for local KPU branches. 2003	2.775
4	- Ballot boxes	3.012 - 31.207
	- Unexplained increase in cost of ballot papers	80.10
5	- Voting booths-	6.2
		28.554
Total		353.149 – 381.344

Six Lessons Learned

Based on the process of advocacy for better budgetary management in the KPU and for the elimination of corruption, six significant lessons were learned by FITRA. First, in-depth analyses of the information and policies, and identification of the institutions and actors involved in the budgeting process is required, including both those that are overtly involved and those also covertly involved.

Second, better results will be achieved through the building up of a coalition with other institutions so as to intensify the pressure and level of advocacy, and establishing a network involving elements, both horizontal and vertical, drawn from society at large, while all the time maintaining the independence of the movement.

Third, an effective coalition does not have to involve an excessively large number of organization/institutions. What is most important is that each organization/institution provides a concrete contribution and has a clear role to play in supporting the movement on a consistent basis.

Fourth, in order to ensure that the momentum of the movement is maintained, an institution is needed that can organize regular meetings and promote consolidation, and conduct an evaluation each time a strategic action is undertaken.

Fifth, effective advocacy requires continuous pressure on all of the relevant organizations/institutions so as to encourage follow-up. Accordingly, a lot of energy, stamina, and ammunition will be required.

Sixth, in order to ensure the continued mobilization of public opinion, the issues involved need to be properly organized and packaged. It is not necessary that all the findings be described in detail. Rather, the publication of findings – through the media – should be undertaken in such a way as to achieve maximum effect and avoid any shifting of focus.

In the case of the first lesson learned, as described above, linear data analysis was conducted based on the aspect of efficiency (budget rationality = input/output). Analyses were first conducted on the Department of Home Affairs List of Activities (DIK), which allocated the budget for routine expenditure, divided up into general administration and election implementation (expenditure on staff, procurement of goods, maintenance, and official travel), and, second, Department of Finance Authorization for the operational costs associated with the 2004 elections, which came to Rp 3,023,696,822,000 for the four fiscal years from 2002 to 2005. In the end, the total budget swelled by 139

percent to Rp 7.2 trillion.

The policy analysis conducted on the state budget revealed that the regulations expressly require the management of public funds to be carried out in an efficient, effective, transparent and accountable manner having regard to the principles of equity and propriety. Among the relevant regulations are:

- Article 23(1) of the 1945 Constitution, which reads as follows: “The public finances shall be managed in a transparent and accountable manner so as to improve the well-being and prosperity of the people”;
- Article 3 of the Public Finances Law (No. 17 of 2003);
- Article 23 of Law Number 12 of 2003, and article 2 of General Elections Commission (KPU) Directive No. 635 of 2003, which states that the funding for the holding of elections shall be derived from the national and local government budgets.
- Article 4 of Government Regulation No. 105 of 2000 on Local Government Financial Management and Accountability;
- Article 3 of Presidential Decree No. 80 of 2003 on Guidelines for the Procurement of Goods and Services;
- General Elections Commission (KPU) Directive No. 33 on the KPU’s Code of Ethics, which states as follows: The General Elections Commission shall be responsible for organizing and holding general elections, and shall be autonomous, permanent, independent, non-partisan, impartial, transparent and professional in nature, based on the principles of democratic government and the widest possible public participation.”

While it is expressly stated in the above instruments that the budgeting process must comply with the principles of public participation, transparency and accountability, opportunities for leakage nevertheless arise as a result of weaknesses in the leg-

isolation and regulations governing the management of election expenses, including the following:

- Presidential Decree No. 42 of 2002 on Public Spending Guidelines. Articles 71 and 73 of this Decree, *inter alia*, state that the spending of public funds shall be supervised by the Finance and Development Audit Board (BPKP). These articles also provide that the government may permit designated NGOs and civil society organizations to monitor and appraise the implementation and specified other activities. However, these provisions have in practice tended to be ignored.
- General Elections Commission (KPU) Directive No. 635 of 2003 on Amendment of KPU Directive No. 89 on Procedures for the Management of the 2004 Election Budget. Directive No. 635/2003 expressly rules out external oversight as regards the spending of the 2004 election budget. Article 24(1) of the Directive states that oversight in respect of all spending connected with the 2004 elections will be carried out by the KPU's Secretary-General. The same applies, *mutatis mutandis*, in the regions. Thus, the KPU took upon itself sole responsibility for overseeing the spending of its 2004 election budget.
- Presidential Decree No. 18 of 2000 and Presidential Decree No. 80 of 2003 on Guidelines for the Procurement of Goods and Services. These Decrees state that Grade I and II officials, and office/work unit heads may not be appointed as project leaders or treasurers. Rather, a procurement committee must be established for all procurements valued at more than Rp 50 million (article 10 of Presidential Decree No. 80 of 2003). The reality in the KPU was that KPU leaders and members became the chairmen and members of the procurement committees. As a result, control within the KPU was rendered ineffective as members of the KPU management sat on the procurement committees.

The analytical approach adopted in regard to the aspects of

efficiency, and input, benefit and impact involved an analysis of the structure of election costs and the performance of the KPU – both of which would have a direct impact on the realization of a “clean and successful” election during the preparatory, implementation, monitoring and evaluation stages.

The identification of the institutions and actors involved in the budgeting process – both at the planning and oversight levels – was necessary so as to ascertain the strength of networking between the institutions that were to be targeted for advocacy. In the context of the electoral budget, these institutions were as follows: (1) Planning Stage - Department of Finance, KPU and House of Representatives, including donations from other countries, such as assistance for the procurement of voting booths and public information campaigns; (2) Implementation Stage/procurement of goods and services – the suppliers and the KPU, (3) Accountability – the House of Representatives and KPU, and (4) Oversight stage – State Audit Board, House of Representatives and KPU.

No less important was the identification of the institutions and actors primarily involved in setting both official and unofficial policy, including those overtly and covertly involved. This involved, for example, a mapping out, with the support of the factions in the House of Representatives, of the process by which the members of the KPU were selected, the structure of the KPU, tender participants, the firms awarded contracts or those selected as the winners of tenders (identifying the owners and shareholders), and connections and networks between the institutions and actors directly and indirectly involved in budgeting (links with political parties, cronies, businesspeople, officials, former officials, ideologues, etc.).

With regard to the second of the above efforts - establishing an inter-institutional coalition to strengthen pressure and advocacy, this normally involves the establishment of a form of collective participation, even though it will be clear from the outside that not all agendas and interests will be capable of being accommodated. Accordingly, the members of a coalition or alliance are required to make some sacrifices as regards their narrower interests for the sake of the greater good.

At the outset, the coalition consisted of elements drawn from civil society, election monitoring institutes, the press, the BPK, BPKP/ local government audit boards (Bawasda), Indonesian Association of Accountants (IAI), the Department of Finance, the House of Representatives, election candidates, and even the organizers of the election – the KPU and Election Supervisory Committees (Panwaslu). However, as time went on resistance became increasingly apparent. In order to prevent the coalition's activities being stymied by this resistance, it proved necessary to hold a workshop to consolidate civil society organizations in applying pressure for transparency and accountability in the election budget, to exchange ideas about the need to establish a pressure group to ensure such transparency and accountability, and to highlight the importance of control at each stage of the election.

The vertical network was primarily focused on the institutions involved in decision-making, policy implementation (the legislature, executive and election organizers), while active communications were developed at the horizontal level among civil society election monitors and other civil society organizations, the press, community organizations, students, voters, religious leaders, academics, political parties, etc.

As already pointed out in connection with the third effort described above, it was not necessary to have a large number of institutions in the coalition. Rather what was important was that each of them made concrete contributions, and the existence of a core group.

In this case, the core group consisted of FITRA, FORMAPPI, IPW, LBH Jakarta, and KIPP. This key group acted on behalf of the NGO Coalition for a Clean and Successful Election as the prime mover, initiated regular meetings, and maintained close communications with other elements.

With regard to the fourth effort, the activities to be undertaken by each member of the coalition were related to their normal activities, including investigation, research, analysis and networking. All of these activities required regular discussions so as to sharpen the focus of the actions undertaken. The same

applied when publicizing the coalition's findings in the mass media or through the network. In addition, it was necessary to have an initiator of meetings so as to energize the coalition. These meetings included internal meetings, and meetings with external institutions and actors.

Routine consolidation and evaluation activities were conducted separately from the budget advocacy activities, including the evaluation of advocacy processes, results and impacts, as part of an overall effort involving challenges, priorities, analysis, networking and the sharpening of analytical tools in order to achieve the goals of the advocacy efforts.

With regard to the fifth effort described above – applying continuous pressure on all relevant institutions – four main strategies were adopted. First, research analysis through the tracing of documents, an analysis of all electoral policies and of budget planning (plans, realization and overall spending), the conducting of investigations, and the legal and political implications. Before any findings were made public, it was necessary to conduct validation.

Second, dissemination and publication. This was achieved through the provision of training and holding of workshops, and consolidation of civil society elements into a strategic coalition. This was followed by the packaging of issues in line with the priorities that had been agreed upon, and the publicizing of the issues through stickers, press releases, press conferences and public discussions.

Third, the coalition was expanded at the horizontal level through a series of informal discussions with other civil society organizations, students, political parties, and the public at large, while at the same time expanding the ranks of the monitors and allies through the dissemination of monitoring manuals and the coalition's findings. Meanwhile at the vertical level, close communications were developed with the officials involved in the various stages of the election.

Fourth, pressure for the taking of legal action was applied through the reporting of suspected corruption in the KPU

to the Corruption Eradication Commission (KPK) – or law enforcement authorities. This was followed up on by hearings with the legal authorities, oversight institutions, the House of Representatives, the exposing of suspected cases of corruption in the media, the eliciting of public support, and overseeing the progress of the legal processes in respect of the complaints of suspected corruption that had been made.

The above four endeavors were often carried out simultaneously in accordance with the circumstances.

In order to ensure that public attention continued to be focused on the KPU, the sixth and final effort consisted of strategic planning. As part of this process, the core group would initiate and prioritize strategic issues based on the SMART-CS approach to strategic planning. SMART-CS stands for “specific”, “measurable”, “achievable”, “relevant”, “time-bound”, “challenging”, and “strength”. Based on this approach, it is hoped that pressure can be shifted from changing individual behavior to changing collective behavior and producing the policies that are desired. However, a need arises to limit the number of issues that will be targeted for advocacy, and a careful consideration will be required as to which issues come within the public agenda and those that do not. In addition, the question of how issues are to be packaged so as to bring them, and keep them before the eyes of the public will need to be carefully weighed up.

An example of this arose when a difference was discovered between the figures provided by the Department of Finance and those provided by the KPU in connection with the budget for the registration of electors and data gathering drive. It turned out there was a difference of Rp 310.81 billion between the two sets of figures. When attempts were made to confirm this with the KPU, the Commission refused to make public the true cost of the registration drive. This lack of transparency gave rise to suspicions that something underhand was taking place, particularly in connection with the budget for the procurement of official KPU vehicles, which was carried out without going to tender, as well as in the IT system budget, which increased

by 46 percent. This was especially suspicious as electronic vote counting was not provided for under Law No. 12 of 2003.

In addition, suspicions were also aroused by the frequent overseas trips by KPU members on the grounds that these were necessary to socialize the new electoral system – this at a time when the majority of people at home were still completely in the dark about it!

The lack of participation, transparency and accountability in the KPU, and the increasingly apparent potential for corruption, was elaborated through factual analysis and repeatedly highlighted to the public in simple language so that it was capable of being understood by all elements of society, including those who still lacked an awareness of the importance of social control over public spending. It was essential that all of the findings of the coalition regarding the KPU be verified so as to strengthen the message. The most important thing was credibility and trustworthiness.

It was of the essence to ensure that the issues became the subject of public debate. This was continuously pushed in line with the goals of the advocacy being conducted. In order to achieve the coalition's objectives, it was necessary to bring the media on board as an equal partner at each stage in the process, and to continuously evaluate the character of the advocacy so as to ensure that the issues involved were highlighted in the most effective manner so as to influence decision-makers and elicit the support of the public. The essence of the entire effort was to ensure that the public and policy-makers received the necessary information from the media, and that the media received the necessary information from the coalition.

When the cooperative approach ran into a dead-end, there was no alternative but to resort to a confrontational approach. It was hoped that this would serve as shock-therapy for the KPU. The uncovering of this corruption scandal in the KPU will, at the very least, have opened the eyes of policy-makers to the importance of transparency and accountability in the management of public funds.

The most valuable development, however, was a concrete commitment on the part of the Corruption Eradication Commission (KPK) to help, as manifested in the letter sent by the KPK to the Indonesian Chief of Police regarding the protection of whistle-blowers from criminal defamation prosecutions. Given that corruption is no longer regarded as an “ordinary” crime, but is rather now classified as an “extraordinary” crime, the law enforcement agencies need to first prioritize suspected corruption cases before acting upon complaints of criminal defamation arising out of the same cases.

With regard to those involved in advocacy, the challenges are, and will continue to be, almost the same, namely, intimidation in the form of death threats uttered via text message or telephone. It is not infrequently that activists are tailed by persons unknown – something that obviously gives rise to fears as to their personal safety.

Another challenge is the offers to ensure a compromise from particular parties, who offer inducements but refuse to state their identities. This sort of thing constitutes a major challenge when doing advocacy work both at the national and local levels.

Meanwhile, at the legal level, there are still no provisions in place that impose strict sanctions on state institutions that fail to plan and manage their spending in a transparent and accountable manner, despite the fact that this is explicitly required under the Public Finances Law (No. 17 of 2003).

For the future, it is an absolute necessity that the KPU be reformed, including its recruitment processes, structure, powers and budgetary management, so as to transform it into an independent and sustainable institution based on transparent and accountable financial management.

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CHAPTER 4



Interfaith Coalition against Corruption¹

Isnaini Muallidin

A Public Tolerant of Corruption

There are a number of fundamental questions that arise in connection with anticorruption education, namely, whether the behavior and mindsets of those involved in corruption have been produced by their education; what is the real understanding of people of religion and religious communities regarding the definition of corruption, and what are the attitudes of religious people to the problems caused by corruption? There are also a number of other similar questions that have never been satisfactorily answered.

These questions arise from the phenomenon that has emerged in society whereby a small number of people in the country apparently believe that corruption is not a critical problem in Indonesia. Without being aware of it, some people in society have even begun to regard corruption as something that is normal or acceptable. If systematic measures are not urgently designed to root out corruption, then the problem will become even more acute due to increasing public tolerance of corruption in line with misconceptions regarding its effects and consequences.

One important effort that may be made to weed out corruption is to employ the educational approach as the education system in Indonesia still fails to address fundamental issues such as character building. This, together with other forms of affective education, besides helping to mold moral capacity at the

¹ This paper describes the empirical history of the program titled “Developing the anticorruption movement through educational media in the Yogyakarta Special District”, which ran from August 2003 to December 2004. This program was supported by the Partnership for Governance Reform in Indonesia.

theoretical level, will also need to be internalized in the mental outlook and attitudes of individuals.

Anticorruption education – whether defined narrowly or widely – is essential in the new Indonesia. One of the main ways of ensuring the internalization of anticorruption values is through religious/ethics education, which should serve to create an awareness of the moral turpitude inherent in corruption.

From the empirical perspective, religion and the social order should be capable of playing an effective role in eradicating corruption. Beyond the issue of legal control, the question of whether or not to engage in corruption must be viewed as a moral issue by the community. This means that the effort to eradicate corruption cannot be confined to the curative-rehabilitative aspects through the conviction and sentencing of those who commit this particular crime, but must also involve preventative aspects through removing the environmental influences that tend to encourage corruption. Thus, cultural efforts will be necessary to prevent the further replication of corruption in society.

Accordingly, effective measures will be required to overcome the tolerant attitudes prevailing in the community vis-à-vis those who engage in corruption. In addition, anticorruption material will need to be incorporated into religious/ethics education, anticorruption education training provided to interfaith activists, and anticorruption messages included in the sermons and lessons delivered by religious leaders in each community.

Based on these considerations, the long-term objective of this program was to explain and disseminate religious and ethical norms concerning corruption through both formal and informal education so as to create good governance in Indonesia. Meanwhile, the short-term objectives were as follows:

- To produce anticorruption materials for incorporation into religious/ethics education curricula;
- To encourage private and state educational institutes to incorporate anticorruption materials into religious/ethics education.
- To encourage the development of a religious organization-based anticorruption movement; and

- To encourage interfaith coalitions to adopt the drive against corruption as their joint focus.

The principal success of the program was the setting up of the Interfaith Anticorruption Coalition in the Yogyakarta Special District on 30 December 2004, and the strengthening of anticorruption initiatives by the various religious communities.

Three Anticorruption Strategies

In order to achieve the above goals, three strategies were employed: first, developing and incorporating appropriate materials and anticorruption modules into religious/ethics education curricula; second, developing an interfaith anticorruption coalition; and, third, conducting advocacy by way of public hearings.

1. Incorporating anticorruption materials in religious/ethics education curricula

Availing of formal education as a weapon in the fight against corruption was expected to produce significant results given that educated people play a highly important role in society. It is not enough that they be equipped with the knowledge and abilities needed to do their particular jobs in society. Rather what is more important is how they use the knowledge they possess and shun the opportunity to engage in corruption.

The anticorruption materials that were developed were tested in 11 institutes of higher education in Yogyakarta and Boyolali (Central Java). In the case of Yogyakarta, the third level institutes involved were the Muhammadiyah University Yogyakarta, the Duta Wacana Christian University, the Sanata Dharma University, the Sarjanawiyata Tamansiswa University, the Yogyakarta State University, Gadjah Mada University, the Information Management and Computer Science Polytechnic (STIMIK), the Computer Applications Academy (Akakom), STIKES (AKPER) Aisyiah Muhammadiyah, and the Sunan Kalijaga State Islamic University Yogyakarta. Meanwhile in Boyolali, the materials were tried out by the Buddhist Theology High School.

The anticorruption materials were tested during a total of

46 meetings with 20 teachers of the following subjects: Muslim religious education, Catholic religious education, social morals, religious education, guidance and counseling for priests, civics, Pancasila philosophy, “Taman Siswa” studies, social pathology, Buddhist religious education, biblical hermeneutics, “Winaya” studies, and Hindu religious education.

Instruction was provided referring to the relevant syllabi in each institute and involved three face-to-face meetings plus assignments. The first of these meetings was designed to ensure that the students understood anticorruption issues and the genealogy of corruption, and developed a heightened sensitivity to the problem. The teaching methods employed consisted of brainstorming, exchanges of ideas and experiences, and the furnishing of explanations. The first meetings each lasted 40 minutes.

The second meeting was designed to impart an understanding to students of the ethical values involved in the anticorruption movement as they related to religious teachings, and to inculcate in the students an anticorruption outlook, sufficient self-confidence to eschew corrupt behavior and the motivation to play an active role in the fight against corruption. Once again, brainstorming was the method employed, accompanied by explanations. The second meetings each lasted for 60 minutes. The students were then given written assignments consisting of group papers to be completed outside of class time for the purpose of building solidarity and teamwork among the members of each group.

The third meeting was intended to motivate the students to adopt an assertive attitude against the symptoms of corruption, to improve their capabilities in identifying social problems arising from corruption and in analyzing corruption cases, and to develop the belief that everyone has the power to do something to stop corruption. This meeting consisted of the presentation of the work papers and group discussions, and lasted for 100 minutes.

In conducting evaluation, the terms of reference were drawn up based on a planning process, and the collection and analysis

of data. During the initial stage, the student groups being tested as respondents were asked to complete an evaluation scale at the end of the course.

A total of 1,006 persons served as respondents. Of this figure, 56 percent were female students and 44 percent were male students. Based on the student composition in each course, the biggest group of students was made up of those studying religion (67 percent), followed by students studying general courses (33 percent).

Of the ten factors covered by the evaluation scale, it appeared that the empirical average for all the factors was higher than that hypothetical average. Thus, the students' overall appraisal of the test materials was very positive, with the female students tending to give a higher score than their male counterparts.

The evaluation scale results were also analyzed in regard to the different courses taken by the students. Based on this classification, the evaluative study provided detailed information on the quality of the training, both from the perspective of the best lessons and the best courses. It was found that the students from the general courses tended to give higher evaluation scores than those taking the religious/ethics courses.

With regard to the nature of the materials in general, it was found that many of the respondents found the materials to be straightforward. In detail, 41.1 percent of the respondents said the materials were simple, 1.8 percent said they were very simple, 22.1 percent said they were quite simple, 30.6 percent said they were difficult, and 4.4 percent said they were very difficult.

As regards the focus group discussions, part of the sample said that they now understood what corruption really meant. However, with regard to the overall material, many complained about lack of time. Meanwhile, concerning the students' attitudes to those involved in corruption, the majority said they should be punished as severely as possible.

2. Interfaith Coalition

This second strategy, the establishment of an interfaith

coalition, was believed to be an effective way of promoting a moral movement and the taking of action by young activists from religious organizations to combine the forces against corruption, and the equipping of leaders from each religion so as to be able to heighten the awareness of their followers about the evils of corruption.

In order to translate this strategy into action, anticorruption training and training of trainers for advocacy purposes were provided. The objective of the anticorruption training was to develop a critical awareness among religious activists so as to enable them to serve as the vanguard in the fight against corruption. It was expected that this training would improve the understanding of the participants as regards to the eradication of corruption from the legal and religious perspectives; help develop an assertive attitude among the participants in respect of those involved in corruption; inculcate an understanding of the importance of the anticorruption movement among the participants; enable the participants to disseminate correct knowledge and understandings about the anticorruption movement among people of religion, and encourage the participants to voluntarily take part in the anticorruption movement.

The training was provided over five days with five training sessions for each of the religious groups taking part. The approach employed in providing the training was the adult education approach. Unlike the pedagogical approach, which is one-way in nature and primarily consists of lectures, the adult education approach to education not only involves lectures but also the presentation of materials designed to encourage the participants to play an active role. Twenty percent of the participants were women. Each recruit was assigned to take part by a particular organization, with these organizations consisting of church/mosque or temple-based youth organizations, religious organizations active in institutes of higher education, and religion-based community organizations.

The output of this training saw each religion forming an anticorruption community. Among the Muslims, those who partici-

pated in the training set up the Muslim Students' Anticorruption Network, while anticorruption communities were also established by the Protestant, Catholic, Hindu and Buddhist-based groups.

After the anticorruption training had been provided, the religious activists also underwent training of trainers for advocacy purposes so as to enable them to disseminate the knowledge, skills and understandings they had gained among their respective communities/organizations by serving as trainers for their peers. It was hoped that the participants would be equipped with the necessary knowledge and skills to serve as anticorruption advocacy trainers. From the output perspective, the training led to the establishment of a joint anticorruption forum titled the Interfaith Activists' Anticorruption Forum.

Besides the provision of training, materials capable of being used in sermons and religious discourses by religious leaders were also developed by the Coalition. The objective here was to inculcate a critical awareness among people of religion through the presentation of anticorruption messages in the sermons preached as part of the ritual activities of each religion. In testing this material in places of worship, both one-way and two-way communication methods were employed.

In order to ensure the development of a common perception among all those involved in the interfaith anticorruption coalition, regular meetings were held every two months. Those attending the meetings consisted of representatives of each religion, place of worship-based activists, and religion-based student organizations. Meanwhile, those participating in the training of trainers program were made up of pre-selected representatives from each religion. These regular meetings provided a forum for discussing the perceptions of each religious grouping on corruption and how it should be dealt with, and to identify commonalities between all the religions that would permit the formulation of joint strategies. After the discussions, the participants would draw up plans for follow-up action based on the common platform that corruption prejudiced everyone's interests and therefore had to be eradicated, that such eradication could not be accomplished

by words alone and that concrete measures were required, that the eradication of corruption would take a considerable period of time given that many people were not fully aware of the evils it produced, that socialization and “indoctrination” efforts would be needed to create such an awareness, that momentum needed to be built up to change the collective perceptions of society, and that greater networking would be required to ensure the eradication of corruption.

3. Advocacy (Public Hearings)

The planned advocacy efforts were intended to inform policy-makers at both the central and local levels of the results achieved so as to help bring about changes in government policy and ensure the incorporation of anticorruption messages in religious education curricula.

The original plan was that the Coalition would hold a public hearing with the Minister of Religious Affairs. However, the Department of Religious Affairs turned down the request, suggesting instead that representatives of the Coalition meet with the Department’s Inspector General. However, the matters that the Coalition wished to discuss had very little connection with the functions of the Inspector General. Besides the Department of Religious Affairs, the Coalition felt it would be beneficial to also hold a public hearing with the Corruption Eradication Commission (KPK) as the KPK was viewed as having a highly strategic role to play in the fight against corruption.

A joint study titled “Government Education Policy for Religious Harmony in the Yogyakarta Special District”, which was carried out by the Higher Education Council of the Muhammadiyah Central Executive Board and the Catholic Higher Education Association (APTIK), plus the results of public hearings in Yogyakarta, produced the following findings:

- a. The Yogyakarta Special District Local Legislative Assembly was very supportive of the program run by the Interfaith Anticorruption Coalition, and was willing to support the establishment of anticorruption education

as a special course.

- b. The director of the Yogyakarta Special District National Education Service did not agree with the establishment of anticorruption education as a special course. However, he was prepared to have it incorporated as part of existing courses, such as Pancasila, civics, religious education or economics. The director took the view that it would be very difficult to have anticorruption education incorporated as part of existing curricula. Instead, he suggested that the Interfaith Anticorruption Coalition be given the opportunity to talk to school principals and teachers under the coordination of the National Education Service.
- c. The Yogyakarta Special District Department of Religious Affairs was also of the opinion that it would be difficult to incorporate anticorruption education as part of the existing curricula, save if this were done via the Department of Religious Affairs for the purpose of illuminating religion teachers and preachers. The Department of Religious Affairs said it had a large number of religion teachers and preachers who, if provided with anticorruption information, would be able to disseminate this to students and congregations, with the said religion teachers and preachers serving in the front line of socializing anticorruption values.
- d. The KPK gave a warm welcome to the efforts being undertaken by the Coalition of five religions in Yogyakarta. The Commission was greatly impressed with the work carried out by the Coalition in developing anticorruption modules and models. It added that if the revolution against corruption had started in West Sumatra, the revolution in anticorruption education was clearly being pioneered in Yogyakarta. It also said that it would like to see the work of the Coalition being spread to other areas, and expressed its willingness to facilitate national meetings so as to design anticorruption

- education programs at the national level.
- e. The Minister of National Education appeared not to be overly enthusiastic about what was being done by the Coalition, and was of the view that the time had passed for public hearings. An instruction had already been issued by the President to the Minister of National Education to incorporate anticorruption education in the curricula at all levels from elementary school up to higher education. He explained that anticorruption materials had been designed and that a ministerial decree in this regard was to be issued at the start of 2005. The minister also said that the Coalition was only concerned about higher education and non-governmental organizations, and had actually been left behind by the reform efforts being undertaken by the Government. The Department of National Education was in the process of devising anticorruption curricula and lessons that would subsequently be taught at all levels from elementary school upwards. This was connected with Presidential Instruction No. 5 of 2004 on the accelerated eradication of corruption, which in paragraph 11 directed the Minister of National Education to ensure the provision of education that would inculcate an anticorruption outlook and anticorruption behavior at every educational level, both formal and informal.
 - f. The United Development Party (PPP) faction in the Republic of Indonesia House of Representatives expressed appreciation of the efforts made by the Coalition. Furthermore, the party's members sitting on Commission X urged the Government to incorporate anticorruption material in school curricula.
 - g. The speaker of the People's Consultative Assembly was very enthusiastic about the work that was being undertaken by the Coalition. He said that it was entirely fitting that anticorruption education be incorporated in education curricula so as to ensure that anticorruption

behavior was internalized from an early age. By providing anticorruption education at school, he said, we would be saving an entire generation.

Lessons Learned

A number of important constraints were encountered during the course of the program, including the following:

1. Constraints encountered during testing of anticorruption materials

a. Competence of teachers

The teachers during the trials had difficulties in employing the books provided as there were no instructions on how to use them. In reality, the teachers should have had sufficient competence as regards, for example, the preparation and mastery of the materials, methods and other aspects. Accordingly, it would have been preferable had they been better equipped, with clear competency standards being applied.

In order to overcome this problem, the anticorruption education workshops included a systematic and comprehensive orientation program for the teachers.

b. Students

In some classes, the students were initially reluctant to talk about corruption. There were also differing interpretations as regards the meaning and scope of the term “corruption”.

In order to overcome these problems, the teachers during the trials adopted a number of different approaches, namely:

- Inculcating an awareness of the importance of the materials through, for example, the presentation of case studies, illustrations and the use of humor.
- Encouraging students to study and read materials connected with corruption in Indonesia.
- Providing proper orientation so as to ensure a uniformity of perception and views among students regarding the meaning and scope of the term “corruption”.

c. Materials

As described above, the tryouts of the anticorruption education materials involved their incorporation into existing subjects,

particularly those concerning values and ethics, rather than setting anticorruption education up as a separate subject. For the teachers involved in the tryouts, the materials were highly relevant to the subjects being taught, such as religious education (Islamic, Buddhist, Protestant, Catholic and Hindu), civics, Pancasila philosophy, social and moral studies, and social pathology. However, no information was available about the relevance of the material to subjects such as biblical hermeneutics, “Winaya” studies, and Taman Siswa” studies, and counseling.

In order to overcome the difficulties faced, the teachers agreed to pioneer a number of new breakthroughs so that the materials would be readily accepted. These breakthroughs were as follows:

- The teachers would be able to select and prioritize materials from the existing modules/books so as to bring them more into line with the substance of the subjects being taught. For example, if the anticorruption materials were being presented in civics or Pancasila philosophy classes, then the materials focused on would concern the genealogy of corruption and anticorruption strategies. Meanwhile, if the anticorruption messages were being presented during religion classes, then the prioritized materials would be those concerning religion, the internalization of anticorruption values, and the roles to be played by people of religion in socializing anticorruption values.
- The teachers would use a variety of methods, rather than just those prescribed, including the discussion of case studies, games and problem-solving.
- Management would collaborate with higher education institutes to ensure that the incorporation of anticorruption education would be as wide-ranging as possible, and be taught on an ongoing basis.

d. Methods

The tryout manuals specified a number of methods appropriate to the purposes of the training and the materials employed,

namely, brainstorming, sharing ideas and experiences, explanations, class work papers and discussions. So as to overcome any potential obstacles, the methods employed were varied. The teachers would normally employ two or more methods during each meeting, although there was no set formula employed. In fact, some teachers preferred to apply their own approaches, for example, by encouraging students to understand and experience for themselves the problems associated with corruption using various sources, and only then moving on to brainstorming, and sharing ideas and experiences.

2. Constraints among Religious Activists

In general, all the religious activists involved in the training said that they had benefited from it. Among the benefits felt was an increased awareness of corruption. However, the two training sessions they participated in (anticorruption training and training of trainers) were considered insufficient to properly equip them in their roles as anticorruption activists.

The second stage of training (ToT) was generally felt to be insufficiently effective. The majority of the participants were not able to properly put into effect what they had learned during the second stage in a number of areas of the coalition's work. In fact, they were still unsure of themselves in attempting to push anticorruption issues in their respective communities. This lack of confidence was, in part, due to the fact that they had not fully mastered the necessary skills.

In order to overcome this problem, anticorruption communities were established during the first stage of training so as to strengthen socialization in each religious community, while the participants in ToT agreed to set up a Coalition of Young Interfaith Anticorruption Activists.

3. Constraints on incorporation of anticorruption messages in religious sermons

In this part of the program, the main constraints that were encountered concerned the relevance and consistency of the ap-

proaches employed and the materials being promoted. Time limitations resulted in inconsistencies between the approaches employed and the substantive messages contained in sermons and preaching. On paper, the approaches used in the manuals (ethical and moral approaches) were highly relevant to the creation of public awareness. These approaches were also in line with the cultural strategy, which was inextricably linked to the process of actualizing religious values as part of the effort to eradicate corruption, and focused on interpretable religious definitions, religious-social issues, corruption as a sin (karma), the law relating to corruption, corruption from the moral perspective, morally uplifting tales, changing mind-sets, the consequences of corruption, the establishment of systems that could combat corruption, sanctions for those engaging in corruption, the latest approaches to supervision and control, and courage in preaching against corruption during religious study activities, religious rituals in places of worship, and during other types of religious meetings.

In reality, however, not all the approaches outlined in the manuals were fully covered. Little attention was paid to the issues of sanctions for those involved in corruption, the latest approaches to supervision and control, or courage in preaching against corruption. Thus, the ideal moral and ethical approaches postulated in the manuals were not fully reflected in the sermons.

The content and scope of the materials were deemed to be unduly limited, especially as they only covered six areas of discussion. However, the contents and scope of the materials were found to be appropriate for the tryouts that were conducted. Nevertheless, the harmonization between the approaches employed and the substance of the materials could have been better.

In order to deal with these problems, emphasis was placed during the trials on improving the quality of implementation and the competence of the preachers. The tryouts on the preaching materials were conducted in a number of religious forums for the purpose of imparting awareness and the strategic cultural

basis among each religious community so that the members of these communities would be able to effectively participate in the fight against corruption. Some of the preachers had a very high level of understanding of their religions and were very competent in their fields, so that it may be concluded that no constraints were encountered as regards to the methods and mastery of materials.

Some of the other instructors also had quite a lot of experience and were quite creative. They also had a conceptual understanding of corruption and were able to develop their own materials (presenting concrete examples) having regard to the overall design of the program.

The main challenge faced to date in this part of the program is the existence of different methods and approaches by the different members of the coalition in responding to corruption. On the one hand, there are members of the coalition who feel that the right way to respond to corruption is to mobilize the masses/members of their religious community to put pressure on policy-makers implicated in corruption, while on the other hand there are those who say that the mobilization of the masses contradicts religious teachings that condemn violence. In order to bridge these differences, the Coalition agreed to respond to corruption cases by engaging in dialog with the officials concerned, and to encourage only particular religious communities to mobilize the masses for the purpose of applying pressure.

In order to ensure the sustainability of the program, the members of the Coalition have committed themselves to drawing up a plan of action for the future. The Interfaith Anticorruption Coalition will establish a presidium, which will continue to strengthen the program among the followers of each religion. With regard to socialization of the program among people of religion, the respective communities will be encouraged to be more assertive and sensitive as regards corruption, and to jointly fight against it by positioning the five religions as bulwarks of the anticorruption movement and ensuring the sustainability of the program in the future.

In addition, collaboration with the Yogyakarta Special District's National Education Service and the local office of the Department of Religious Affairs in the Yogyakarta Special District will continue for the purpose of providing anticorruption training to teachers/school principals and preachers.

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CHAPTER 5



When the Kiai Help Control Local Budgeting¹

A.S. Burhan

Religion Yes, Corruption Yes

The results of the latest Transparency International (TI) survey on corruption around the world have been released, but it was the 2002 version of the survey² that provided the inspiration for the *Pesantren*-Based Anticorruption Movement (Gerakan Anti Korupsi Berbasis Pesantren).³ This movement was started at the end of December 2002, and wrapped up its activities in August 2004. The results of the 2002 TI survey showed that developing countries that characterize themselves as being religious, or that are marked by pronounced displays of religiosity, occupied the top positions as the most corrupt countries in the world. Indonesia occupied eighth position along with Bangladesh, Nigeria, Paraguay, Madagascar, Angola, Kenya, Azerbaijan, Uganda, and Moldova. The reality highlighted by the survey results gives rise to two problematic realizations. First, the secular nations – that is, nations that do not declare themselves to be based on religious teachings – are the cleanest countries and have the greatest commitment to fighting corruption, and, second, Islam, as the way of life of the people in some of the most corrupt countries, seems to be incapable of dissuading its

¹ This paper describes the empirical history of the program titled “*Pesantren*-Based Anticorruption Movement”, which ran from December 2002 to August 2004 and was supported by the Partnership for Governance Reform in Indonesia.

² The Transparency International Corruption Survey for 2004 covered 146 countries and showed that Indonesia was perceived the fifth most corrupt country in the world, in company with the likes of Angola, the Democratic Republic of the Congo, the Ivory Coast, Georgia, Tajikistan, and Turkmenistan.

³ *Pesantren* are Islamic boarding schools, also known as *madrasah*. *Kiai* are the leaders/ patrons of *pesantren*.

adherents from becoming involved in corruption and similar types of abuses.

In the Indonesian context, where the majority (87 percent), of the people are Muslims, and where some groups are actively striving to introduce *sharia* (Islamic law), it would appear that religion is incapable of containing the seemingly unstoppable tide of corruption. After the overthrow of authoritarianism, corruption actually became more widespread, systematic, and even came to be thought of as almost part of the national culture and psyche.

While the level of corruption in a country cannot be directly related to the influence of a particular religion, the prevalence of corruption in countries where religious belief is strong, such as Indonesia, shows that the sensitivity of people in these countries to the damage done by corruption is, generally speaking, low. The question therefore arises, what has been the contribution of religious faith in this country to providing a moral-ethical foundation for addressing problems such as poverty, inequality, and other enemies of all religions, particularly corruption? Should there not be a direct link between religion and the effort to eradicate, or at least reduce, corruption? We should not allow ourselves to be categorized as a nation that is concerned with the rituals of religion, rather than the essence of its teachings. In other words, it is not enough to go through religious formalities while simultaneously turning a blind eye to corruption.

Another question that arises is why rampant corruption in Indonesia does not encourage people of religion to rise up and display a common front against the vice, which has done so much damage and harm to our country over so many years and in so many fields?

Given the increasingly systematic character of corruption in Indonesia, the anticorruption movement needs to focus on encouraging transparency and the introduction of the principles of good governance. The existence of transparency, public participation, justice (including gender equity), and public accountability must form part of the democratization of the political and economic systems. In the long term, the most pressing need is consistency

in administrative law so as to allow for a more equitable distribution of power in the political system. Meanwhile, the people – the victims of abuses of power – must take the initiative by establishing popular control over the actions of the government and state. This effort will need to involve people of all social strata and walks of life, including Indonesia's *pesantren*, if it is to ultimately prove successful. The eradication of corruption using conventional, law-based methods and increased supervision/oversight by the organs of state, as is the approach currently being applied by the government, offers no guarantees of success or that any dent will be made in the machinery of corruption.

The *Pesantren*-Based Anticorruption Movement was established on the foundations of similar anticorruption efforts in the past. The Nahdlatul Ulama (NU) National Congress in 2002 issued a *fatwa* ruling that prayers need not be offered for the soul of a deceased person who had been involved in corruption until such time as his ill-gotten gains had been repaid. Under *sharia*, according to the NU muftis, *ghulul* (corruption) was a betrayal of the people's trust. In addition, the acceptance of valuable gifts by an official was *haram* (forbidden to Muslims) as this constituted *risyah* (bribery) and violated the official's oath of office.

Following the issuance of this *fatwa* by the NU, separate anticorruption movements emerged in the two largest Muslim organizations in Indonesia – NU and Muhammadiyah – which decided to combine their forces so as to organize a national anticorruption campaign through the issuing of joint declarations in various cities around the country.

The *fatwa* issued by the NU, and the movement established by NU and Muhammadiyah had the potential to serve as the points of departure for the involvement of people of religion in the national movement to cleanse Indonesia of corruption. This perspective gradually started taking shape among people of religion in the midst of general social permissiveness as regards corruption.

It was important from the beginning to inculcate a realization that while corruption was closely tied up with moral values, it also went much further than this. Before designing a joint

effort to tackle corruption, it was essential that all understood the reality that corruption involved socio-cultural, political and legal factors, and that everyone had a proper comprehension of the ethical system prevailing in the community. In addition, a high level of awareness was required among policymakers of the need to wage war on corruption.

In the light of all of the above, the *Pesantren*-Based Anti-corruption Movement decided to adopt as its principal goal the creation of “anticorruption pockets” that would work to mobilize *kiai* in their capacities as religious and community leaders to participate in and supervise the formulation of public policy, and to particularly monitor the conduct of public officials in the exercise of their powers and in the spending of public money. Among the steps undertaken were efforts to impart a more comprehensive awareness and understanding of the effects of corruption on both the state and the people, and the dissemination of anticorruption messages to the public founded on the religious and social perspectives. These efforts were intended to form an integral part of a campaign encouraging the realization of good governance at the local government level.

There are two strategic aspects that underpin the role of the *pesantren* in bringing about change. First, as institutes of religious education that are outside the control of the state, the *pesantren* are autonomous and politically neutral. In addition, they are also sensitive to the needs of the poor and marginalized. Second, the *kiai* are symbols of morality and command respect in their efforts to uphold public ethics. They also play a role as cultural agents in developing social awareness. In short, therefore, the *kiai* represent an important group that is looked up to by the community. Their influence is strong, particularly among the lower strata of society, and this places them in a special position in the eyes of the decision-makers and power-holders in the government at both the local and national levels. By making use of the respect felt in the community for *kiai*, it was expected that the movement would be rendered more effective in preventing the further spread of corruption in the bureaucracy.

So, what were the concepts that underpinned the *Pesantren*-Based Anticorruption Movement? It needs to be remembered from the outset that the *pesantren* community was never completely blind to the problems caused by corruption. As stated above, there was already a *fatwa* in place denying blessing to deceased embezzlers until such time as restitution had been made. While this *fatwa* was a new and progressive departure, it also gave rise to various problematic questions. In general, it was true that the understanding of what corruption actually meant and its relationship to Islamic teachings was still very simple. Corruption was seen as something that solely concerned private morality, or even as something entirely normal, rather than as being a fundamental problem that threatened to undermine the entire nation.

The message of Islam as regards corruption was mostly interpreted legalistically, with corruption being categorized as something that was forbidden. However, the influence of the *pesantren* and their *kiai* had yet to be brought to bear on the surrounding social circumstances that encouraged corruption to spread. Instead, this group preferred to concentrate on issues connected with gambling and alcohol abuse. While these issues were, and are, also important, the problem of corruption, which brought the nation to the edge of disaster and which damages the interests of everybody, including the *kiai*, had to be seen as an even greater evil, and one that required the intervention of the *kiai* themselves.

Against this backdrop, three main strategic measures were adopted by the *Pesantren*-Based Anticorruption Movement. First, heightening awareness through providing an insight into the anatomy of corruption and the role to be played by Islam in combating it. As part of this effort, the *Pesantren*-Based Anticorruption Movement presented a critical analysis of how corruption had developed in this country, and the terrible damage it was doing to the interests and the economic, social and cultural rights of the people. Then, discussions were held to determine how this worrying situation should be viewed and understood by Islam (in other words, religious adherents and/or *pesantren*

figures), and how democracy and/or Islamic doctrine could provide possible answers. By Islamic doctrine here, we are talking about Islamic jurisprudence (*fiqh*), which is highly focused on in *pesantren* circles.

During this stage, it was attempted to bring about a reinterpretation of doctrine at the theological level so as to reach a consensus to the effect that the eradication of corruption was not just a duty of a worldly nature, but was also a holy duty or religious calling. It was also necessary to inculcate a realization that state funds were in reality public funds – money paid by the people through their taxes. Thus, the supervision and control of government spending was the obligation of every citizen, including those in *pesantren* circles. It was hoped that this conception – besides providing a moral reference and inspirational basis for the movement – would also be enshrined as a *fatwa* and disseminated through newsletters and radio, and in the mosques and religious councils, and thereby be communicated directly to the public.

This new interpretation was spread through the dissemination of strong and inspirational Islamic moral teachings on corruption. Other activities included the publication of books, production of stickers and religious texts, and the holding of a number of workshops and seminars. The most significant output from these activities included a stricter and more unambiguous formulation of the religious foundations and rulings that outlawed corruption in Islam through *fatwa* and/or other rulings, case responses and dissemination of the relevant legal background. One of the activities held in connection with this was the holding of a *bahtsul masail* (forum to discuss issues of public concern) of *kiai* in Jakarta in 2004. During this gathering, the most important issue discussed was the “developing of anticorruption jurisprudence”.⁴ Many of the results have been published in book form and disseminated to all *pesantren*.

⁴ See *Korupsi di Negeri Kaum Beragama: Iktibar Membangun Fiqh Anti Korupsi*, Perhimpunan Pengembangan Pesantren dan Masyarakat, Jakarta, June 2004; *Memerangi Korupsi: Geliat Agamawan atas Problem Korupsi di Indonesia*, Perhimpunan Pengembangan Pesantren dan Masyarakat, Jakarta, June 2004; and *Menolak Korupsi Membangun Kesalehan Sosial: Kumpulan Teks Khutbah Jumat*, Perhimpunan Pengembangan Pesantren dan Masyarakat, Jakarta, May 2004.

The importance of this *fiqh* (jurisprudence) should not be underestimated as *fiqh* has always been central to the teachings of the *pesantren* and as a reference for dealing with social problems among the members of the NU in particular, and Muslims in general.

It was also necessary to undertake activities so as to produce a new interpretation of the concept of *zakat* (Islamic alms) – which occupies an important position as one of the five pillars of Islam. This needed to be reformulated as “a moral norm in the fields of taxation and budgeting that holds in high regard the principles of justice, the common good and concern for the weak.” The paying of tax was a religious function, with only God having the power to collect it. Accordingly, state officials were only distributors of the taxes collected and were required to spend this money so as to benefit the weakest groups in society – as stated in the Koran. The function of the political, economic and social orders was to create equity and freedom from corruption, ensure effective control, and ethically distribute the taxes that had been collected. These were not options but rather imperatives binding on all citizens.

More than 10 years ago, the Indonesian Society for Pesantren and Community Development (Perhimpunan Pengembangan Pesantren dan Masyarakat, P3M) had suggested a more progressive interpretation of *zakat* teaching so that it could serve as a moral reference and provide inspiration for religious thinkers in developing concern for and awareness about social problems. The idea was that religion would become involved in addressing concrete problems in society, such as inequality, poverty and corruption – in reality the biggest enemies of religion. The argument was that religious organizations were positioned outside the control of the state to serve as moral guardians capable of effecting real social control rather than serving as tools for legitimizing the rule of the power-holders or the exclusive interests of their followers without having regard to the common good.

Revitalizing the Bahtsul Masail Forum

The next significant step taken by the *Pesantren*-Based Anticorruption Movement was to try to encourage the concrete involvement of the *pesantren* in eradicating corruption. It was hoped to effect a breakthrough whereby a strategic anticorruption movement would be developed that was in tune with the backgrounds of those involved in the movement itself, that is to say, through the reconstruction of their traditions. This was carried out through involving the *kiai* as agents for changing the perceptions of the community so as to encourage them to become more aggressively involved in the effort to eradicate corruption in a systematic way, particularly through the *bahtsul masail* forum, as well as the issuing of *fatwa* on matters of importance connected with the fight against corruption, and disseminating these through Friday sermons and religious councils.

The *bahtsul masail* forum has long been a part of NU tradition and is convened to discuss and resolve various problems that arise, ranging from religious doctrine to matters affecting the lives of ordinary people. Because of the importance of this forum, it was selected to serve as a medium to heighten social concern and awareness. Ultimately, *bahtsul masail* forums in different areas would critically study and discuss various social issues, particularly corruption and abuses of power by policy-makers when framing local government budgets. Thus, the *bahtsul masail* forums were expected to serve as effective means of control through the adoption of firm stances against injustice and corruption.

In the end, this control was realized through criticism and demands that local government budgets truly benefit the weakest sections of society. This was brought about through the issuance by the *bahtsul masail* forum (made up of *kiai*) of *tausiyah* (recommendations) urging that local government budgets allocate at least 70 percent of total spending for efforts that would serve the concrete interests of the public and promote community empowerment. The aim was to ensure that the popular economy (consisting of the agricultural, small- and medium-enterprise and cooperative sectors) would be developed and improved, afford-

able public services (health and education) provided, and better social security guarantees for the poor put in place (rice for the disadvantaged). Meanwhile, the remaining 30 percent of budget funds would continue to be available for routine local government expenditure.

Bahtsul masail forums were held in a total of 12 cities – Cianjur, Tasikmalaya, Garut, and Ciamis (West Java); Cirebon-Kuningan, Brebes, Jepara, and Pati (East Java); and Lamongan, Ponorogo, Blitar, and Sumenep (Central Java). Unfortunately, due to the limited capacity of the program, only one forum was able to be held in each of these cities.

The revitalization of the *bahtsul masail* tradition by *kiai* and *ulama* and its focusing on local budget policies was of the utmost important bearing in mind that traditionally up to 80 percent of local government spending had gone on such things as allowances, bonuses and official travel. This was despite the reality that great numbers of people had difficulty in keeping their children in formal education up to the high school level, let alone send them on to third level education. Many people could not afford basic health services, and the earnings of small farmers and fishermen were barely enough to keep them alive.

This, then, was the approach adopted by the P3M in promoting the *Pesantren*-Based Anticorruption Movement. As a result of these efforts, the forums were transformed into a critical religious movement concerned with social problems, encouraging local governments to frame budgets that were beneficial to the public and take steps to wipe out corruption. This was all very different to the traditional manifestation of the *bahtsul masail*, which usually only dealt with questions of religious observance and private morality.

The next strategic move was to develop the capacity, reach and scope of the *Pesantren*-Based Anticorruption Movement itself. In order to achieve this goal, senior *pesantren* students (*santri*) and young *kiai* were selected for capacity-building training and to serve as community organizers for the anticorruption movement. They were provided with special training on how to

analyze and make sense of local government budgets and conduct simple audits. These analyses and audits were essential tools for the conducting of investigations. The community organizers were also provided with training on advocacy and organizational techniques, particularly in connection with the effort to revitalize the *bahtsul masail* forum. Meanwhile at the institutional level, a process of networking was commenced among strategic groups and organizations, such as the Nahdlatul Ulama, local civil society organizations involved in the fight against corruption, students, local politicians known to be clean or idealistic, and the managements and journalists of local press outlets.

Besides the three strategic approaches described above, the *Pesantren*-Based Anticorruption Movement also initiated a number of other, derivative activities, such as the publishing of books, holding of seminars and workshops, and the provision of training to people of religion for the purpose of providing information on the importance of eradicating corruption.

It was expected that the work undertaken would develop an awareness in *pesantren* circles of the need to control corruption. It was hoped that this would then lead to the emergence of a more systematic, rather than a merely reactive, movement, or, in other words, the positioning of the *pesantren* as centers of change.

Structural and Cultural Power

As explained above, the first stage of this anticorruption campaign lasted from the end of December 2002 until August 2004. The entire program was undertaken by the the Indonesian Society for Pesantren and Community Development (P3M) with funding being provided by the Partnership for Governance Reform in Indonesia. On the ground, the program was strongly supported by intellectuals at both the national and local level, with further support coming from the existing P3M network. In addition, the movement was informally backed by NU institutions.

While the strategies adopted were generally appropriate and much support was forthcoming for the movement, it was never

going to be an easy task to realize the movement's goals given that these were two-pronged: first, converting the *pesantren* into centers of change and, second, ensuring that local governments brought in budgets that were more beneficial to the public than the power-holders. Given this reality, it was only to be expected that many obstacles would be encountered. Among the main obstacles were the following:

The first constraint concerned the fact that those who were to serve as the driving force of the movement, namely, the *kiai*, often lacked autonomy both in the political and economic senses. The fact that many *kiai* were much too close to the power-holders prevented them from playing an optimum role in serving as role models and asserting their moral authority. In addition, the closeness of the NU, a religious organization, to the center of power served as a constraint on the effectiveness of this organization as a prime mover in the war on corruption. This became particularly apparent in those cities where the *Pesantren-Based Anticorruption Movement* was present.⁵

The second main constraint revolved around the capabilities of young *kiai* and community organizers to properly analyze local government budgets and to use these analyses as tools to fight corruption. Traditionally, *kiai* have immersed themselves in texts rather than figures, and their knowledge of management is minimal. Thus, more training was essential so as to allow them to understand the budgeting system and the operation of power.

Besides this problem, the *pesantren* had traditionally had little contact with other anticorruption networks involving local NGOs and academics. To date, there are still no local forces that possess sufficient capacity and stamina to serve as fully effective instruments of control over public policy, including corruption, or to challenge the hegemony of the power-holders. Improving networks, contacts and the level of collaboration is the key to resolving this problem.

⁵ For more information and a comparison between the circumstances prevailing in each city, see the final report on field evaluation by researchers from the Indonesian Institute of Sciences (LIPI), see also *Memerangi Korupsi: Geliat Agamawan atas Problem Korupsi di Indonesia*, Perhimpunan Pengembangan Pesantren dan Masyarakat, Jakarta, June 2004.

Another major constraint on our efforts concerned the complexity of the corruption problem at the local level. Very often, those involved in corruption resorted to violence and the hiring of street thugs to get their way – a problem compounded by the weakness of law enforcement efforts. Thus, structural changes will be needed as regards law enforcement in the regions, as well as an increased ability to draw on all potential allies in the war on corruption, including the Corruption Eradication Commission (KPK) and other institutions at the central level.

Actively Monitoring Corruption

Based on their experiences as part of this brief anticorruption campaign, those *pesantren* figures and community organizers who received training began to become involved in the effort to strengthen civil society. They were aware that it would be necessary to establish critical study forums to actively monitor the local budgeting process so as to ensure it was free from corruption and that proper funding was allocated for promoting the public good and empowering the community. Interestingly, many young *kiai* took the initiative of establishing new, embryonic institutions to serve as “pockets” capable of monitoring local government budgeting. Successor forums were set up in almost all of the *pesantren* that participated in the *Pesantren-Based Anticorruption Movement*. For example, the Public Policy Study Committee was established in Pati, Central Java, the *bahtsul masail* and Scientific Study Forum (LK2P) in Lamongan, East Java, the Public Policy Transparency Center (FKIBM) in Brebes, Central Java, the Jepara People’s Justice Forum (FMJK) in Jepara, and the People’s Sovereignty Work Network (Jagat) in Cianjur. Public Policy Study Committees were also set up in Ciamis, Garut, Cianjur, Sumenep, and Blitar.

Besides the establishment of these embryonic civil society institutions, study groups concerned with ensuring equitable local government spending were also set up in Kuningan, Lamongan, and Sumenep. In addition, a number of community organizers were invited to take part in the drafting of equitable budgets

for 2005, such as in Brebes and Tasikmalaya.

The *pesantren* figures also became involved in applying pressure for the eradication of corruption and the putting of those suspected of corruption in the dock. By the end of the campaign, many young *kiai* and community organizers who had received anticorruption training had become involved in these efforts, in alliance with NGOs, civil society organizations and other groups. Such groups appeared in Ciamis, Garut, Jepara and Pati.

Thus, we may conclude that the *Pesantren*-Based Anticorruption Movement has achieved quite encouraging results in developing a new social awareness about the importance of addressing corruption from the theological perspective. A reasonably wide spread was achieved and implementation was carried out in a rather unique manner. Nevertheless, it is clear that the continuation of the anticorruption movement in *pesantren* circles will be dependent on the continued existence of a conducive socio-religious environment.

More specifically, the success of future efforts will depend on a number of factors. First, the extent to which the *pesantren* (particularly the patrons/*kiai*) and Nahdlatul Ulama are able to assert political and economic independence. In many cases, as pointed out in the field evaluation conducted by Asas Saidi, a senior researcher from the Indonesian Institute of Sciences, and his colleagues; such independence is undermined by the close relationship between religion and politics. These ties are likely to act as persistent constraints on converting the *pesantren* into agents of social change. The development of the *Pesantren*-Based Anticorruption Movement in a number of cities, including Blitar, Brebes, Jepara, and to some extent Sumenep, has been quite significantly obstructed by this factor.

Second, the success of the *Pesantren*-Based Anticorruption Movement is highly dependent on the capabilities and commitment of the community organizers, both as regards their ability to understand complex legal documents, such as budgets, and their capabilities in forging links with other strategic groups, such as NGOs and the press.

Finally, it must be acknowledged that the scope of the *Pesantren*-Based Anticorruption Movement was actually quite narrow. However, the primary benefit that resulted was the encouragement of kiai in their capacities as religious and community figures to play an active role in developing “pockets” that could exercise community and social control over public officials in their exercise of power and their spending of taxpayers’ money. The program constituted a pioneering effort to encourage those in *pesantren* circles to develop a vision of justice – through the revitalization of the *bahtsul masail* – that is orientated towards a fairer and more equitable distribution of available resources among the poor and weak, and preventing the theft of public funds.

Accordingly, while this program will require evaluation, criticism, and a long hard slog before achieving success, it is clearly worthy of continuation and expansion.

So, it’s time to get back to work!

A. S. Burhan, was born in Batang, Central Java, on 4 May 1968, and is an activist in the Indonesian Society for Pesantren and Community Development (Perhimpunan Pengembangan Pesantren dan Masyarakat, P3M), Jakarta. Since 2003, he has served as a Project Officer in the Pesantren-Based Anticorruption Movement, after previously working as a Project Officer in the Democracy and Human Rights Strengthening Program for Pesantren, also run by the P3M. Since 2000, he has worked as a researcher for and sat on the Executive Board of Indonesian Pesantren Students for Community Advocacy.

CHAPTER 6



When the People's Representatives Loot the Public Purse¹

Saldi Isra

Politicians Holding the State to Ransom

The changes that have taken place in the relationship between the center and the regions provide a golden opportunity for the reform of governance at the local level. From the perspective of public administration, a change from highly centralized to decentralized government was essential. The objective was to prevent the reemergence of the strong state-weak society pattern that had for so long subverted the will of the people. The new decentralization strategy was put into effect through the Local Government Law (No. 22 of 1999), which delegated greater powers to Local Legislative Councils and specifically defined the roles to be played respectively by these councils and local administrations (local chief executives).

Besides this “separation of powers”, there are a number of other facts that show how Law No. 22 of 1999 increased the powers of Local Legislative Councils, including the power to have the final say over the selection of local governments heads. The changes that have occurred have strengthened the bargaining position of the Local Legislative Councils, and have given them a dominant role in selecting their respective local government heads. In addition, in the performance of their duties and obligations, local government heads are now accountable and

¹ This paper summarizes the results achieved by the West Sumatra Concern Forum (FPSB) and Andalas University's Western Region Legal Studies Center (PKHWP Unand). The work undertaken was supported by the Partnership for Governance Reform in Indonesia from 2002 to 2003. The PKHWP and FPSB are currently pursuing a follow-up program, also supported by the Partnership/ European Commission. The pioneering efforts undertaken by the FPSB led to the establishment of an Anticorruption Caucus by concerned members of the West Sumatra Legislative Council.

answerable to their Legislative Councils. This gives a Legislative Council the power to dismiss the local chief executive prior to the end of his term should, for example, the local government head's annual report or other expressions of accountability be rejected by the Legislative Council.²

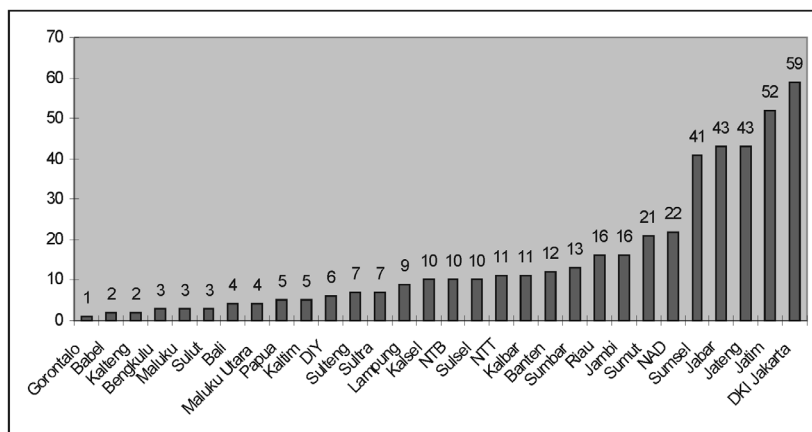
Initially, it was expected that the changes brought about by Law No. 22 of 1999 on the position and status of Local Legislative Councils would have a positive effect on the practice of local government. However, what actually happened was the opposite – the majority of Legislative Council members around the country quickly forgot about the public interest and working to benefit the voters. Examples of this were legion, with money politics becoming the norm in local government leadership elections and underhand dealings coming to characterize the interaction between these executives and their Legislative Councils.

According to Andrinof A. Chaniago, instead of controlling the behavior of the executive as they are supposed to do, the politicians in our Legislative Councils have started to hold the state to ransom. They use every available opportunity to extort and intimidate the administration so as to get their hands on more money through the local government budgeting and executive accountability processes.³ Also of interest is a report by Indonesian Corruption Watch (ICW), which found that there were 432 cases of corruption involving almost all local government regions in Indonesia in 2004 (see table). From the perspective of the perpetrators, ICW found that of these 432 cases, 124 involved members of Local Legislative Councils while 83 involved local government leaders.

Given the rapid spread of corruption and misfeasance throughout Indonesia against a backdrop of a radically changed

² Saldi Isra, "Potret Lembaga Perwakilan Rakyat", in the *Ilmu Pemerintahan* journal, 18th Ed., Jakarta, Masyarakat Ilmu Pemerintahan Indonesia, 2002.

³ Andrinof A. Chaniago, "Rintangan-rintangan Demokratisasi di Indonesia" in Maruto MD & Anwari MWK (edit.), *Reformasi Politik dan Kekuatan Masyarakat, Kendala dan Peluang Menuju Demokrasi*, Jakarta, LP3ES, 2002.



Source: LI1 Autonomy: Fertile Ground for Corruption: 2004 ICW Final

relationship between the center and the regions, it is clear that many local politicians have availed of autonomy to, in effect, decentralize corruption from the center to the regions. This is facilitated by a number of realities: first, the autonomy scheme is only focused on the delegation of powers in the policy-making, finance and administration fields from the government to the regions without being accompanied by a delegation of power to the people. Second, there is no state institution that has the capacity to effectively control abuses of power and other irregularities in the regions. And, third, local legislatures have failed to function effectively as control mechanisms. In fact, the opposite has more often than not been the case, with collusion between Legislative Councils and administrations being the norm rather than the exception. Thus, control over the administration of local government by local legislatures is rare, while the control exercised by civil society groups is still weak.⁴

Examples of politicians plundering the public purse are legion. For instance, the scandal over *kadeudenh* money (traditionally a gift to express one's gratitude for a certain deed) involving members of the West Java Provincial Legislative Council opened the eyes of many people as to how councilors attempt to enrich

⁴ Indonesian Corruption Watch, *Daerah, Laban Subur Korupsi; Laporan Akhir Tahun 2004*, Jakarta, 2004.

themselves at the expense of the public through local government budgets. Similarly with the demand for pensions made by the Central Java Provincial Legislative Council, or the case in West Sumatra where councilors voted to pay themselves insurance premiums worth Rp 2.5 million per month and lump-sum payments of Rp 200 million each per year.⁵

These sort of irregularities and abuses of power have given the public a bad impression of local autonomy. However, according to Maswadi Rauf, the excesses that have occurred are, to some extent, understandable given that the actual rolling out of autonomy took place against the backdrop of a severe economic crisis. In addition, it took place during a time of explosive public euphoria following the fall of the Soeharto dictatorship. The situation at the time was also marked by a generally chaotic environment and almost total lack of legal certainty.⁶

If the transition to local autonomy had taken place during normal times, it is quite likely that the various excesses that emerged would not have done so – at least not to the same extent. As things turned out, however, political decentralization opened the door to local politicians to get their hands on resources within their regions – resources that are exceedingly vulnerable to corruption, collusion and nepotism. Ultimately, what was happening at the local level became very difficult to control. This situation was exacerbated by the almost total absence of legal provisions that could provide an opportunity for the public to supervise and control the machinations of local politicians and bosses.

Thus, it should have come as no surprise that the new pattern of relations created following the introduction of local autonomy gave rise to two competing centers of power at the local level. On the one side there was the executive, charged with administering the region and managing its finances, but vested with

⁵ Saldi Isra, "Kolusi Eksekutif-Legislatif Daerah" in the *Media Indonesia* daily, Special End-of-Year Edition, Jakarta, 20 December 2002.

⁶ Maswadi Rauf, "Pemerintah Daerah dan Konflik Horisontal", in Syamsuddin Haris (edit), *Desentralisasi, Demokrasi dan Akuntabilitas Pemerintahan Daerah*, Jakarta, Asosiasi Ilmu Politik Indonesia (AIPI) and Partnership for Governance Reform in Indonesia, 2002.

only limited power, while on the other hand, the local legislature, now in the ascendancy through its control of political power but deprived of the power to completely control the purse strings (still mostly in the hands of the executive). The existence of these two competing power centers, in the absence of external control, led to widespread collusion designed to ensure that each side got what it wanted. The formula was quite straightforward – political domination on the one side plus financial domination on the other combining to achieve complete domination.

Accordingly, the strengths and advantages possessed by each side were combined to ensure the furtherance of their respective interests. The additional powers given to the Local Legislative Councils as part of the effort to ensure the creation of an effective system of checks and balances were ultimately emasculated and rendered completely ineffective through collusion with the executive. In fact, it was the Local Legislative Councils that benefited most from the changed paradigm in executive-legislative relations at the local government level. According to Robert E. Jaweng, the local legislatures were now enjoying the fruits of power, and all the riches that these entailed.⁷

Engineering Opinion

With regard to irregularities and corruption in the local government budgeting process, many councilors started to investigate how they could manipulate their budgets for the purpose of enriching themselves. This was made possible by Law No. 22 of 1999, which gave the right to each Legislative Council to determine the council's internal budget on its own. What happened was that councilors started to totally ignore restrictive aspects of the regulations issued by the central government, and to set their council budgets however they liked based on items and allocations determined by no one else but themselves. A putative legal basis would be provided through an amendment to the Standing Orders (internal council regulations).

⁷ Robert E. Jaweng, "Thwal Hubungan Kepala Daerah-DPRD, Apa yang Salah?" in *Kompas* daily, Jakarta, 23 September 2002.

The legal grounds adduced by the Legislative Councils to justify their actions were as follows: first, article 34(3) (g), article 34(4) (c) and article 34(5) of Law No. 4 of 1999 on the Composition and Status of the MPR (People's Consultative Council), DPR (House of Representatives) and DPRD (Local Legislative Councils)(hereinafter referred to as Law No. 4 of 1999), which states that a Local Legislative Council has the right to determine its own budget, finances and administration, the exercise of which powers shall be provided for in the Legislative Council's Standing Orders. And, second, article 19(1) (g) and article 21(1) (c) of Law No. 22 of 1999, which provides that Local Legislative Councils have the right to determine procurement, finance and administration budgets, the exercise of which powers shall be provided for by the Council's Standing Orders.

In fact, if Local Legislative Councils were actually serious about submitting to the legislation in the budgeting field, then there would be no question of their Standing Orders taking precedence over the national legislation. Article 86(4) of Law No. 22 of 1999 specifically states that the rules for the drafting, amending and calculation of local budgets shall be set out by Government Regulation. In addition, the issuance of Government Regulations is mandated by article 5(1) of the 1945 Constitution, which states that the President shall give effect to legislation by issuing Government Regulations. Furthermore, article 4 of Government Regulation No. 105 of 2000 on local financial management and accountability states that the management of local government finances shall be undertaken in an orderly, efficient, effective, transparent and accountable manner in line with the provisions of the laws and regulations in effect and the principles of equity and propriety. Meanwhile, article 52(3) of Government Regulation No. 1 of 2001 on rules for the drafting of Local Legislative Council Standing Orders stresses that the types and cost of Local Legislative Council activities shall be determined by Government Regulation on the status and finances of Local Legislative Councils.

All of the above provisions envisage or require the existence

of Government Regulations that guide and control financial management at the local level – whether by the local executive or by the legislature. In line with this requirement, the central government has issued Government Regulation No. 109 of 2000 on the financial status of local government leaders and deputy chief executives, and Government Regulation No. 110 of 2000 on the financial status of Local Legislative Councils. In the particular case of internal financial management by Local Legislative Councils, article 2 of Government Regulation No. 110/2000 explicitly provides that the standard remuneration of the leaders and members of a Local Legislative Council shall consist of the following components: (a) representation allowance; (b) package allowance; (c) rank allowance; (d) commission membership allowance; (e) special allowance; and (f) income supplement allowance. In addition, the take-home pay of members may be further increased by the following allowances: (a) welfare allowance; (b) bereavement allowance; and (c) wardrobe allowance.

If this regulation was properly complied with, it would actually be very difficult for Local Legislative Council members to loot the public purse, especially as Government Regulation No. 110 of 2000 explicitly sets out permissible percentages governing each budget item. For example, the representation allowance paid to the Council speaker may not exceed 60 percent of the governor's basic salary. Similarly, the income supplement allowance shall be governed by the same rules as those applying to civil servants.

Based on the monitoring and surveillance we have conducted in the regions, it was found that the West Sumatra Provincial Legislative Council was one of the worst offenders as regards flouting the provisions of Government Regulation No. 110 of 2000. Various *modus operandi* were employed by the members of this Council to feather their own nests at the expense of the taxpayer. First, the Council's Standing Orders were accepted as the paramount regulations governing its own financial management. The Council voted to pay itself far more allowances than were permitted by Government Regulation No. 110 of 2000. These additional allowances were then added to the allowances envisaged by Government Regulation No. 110 of 2000 so that the local

councilors ended up enjoying the best of both worlds. According to calculations carried out by the West Sumatra Concern Forum (FPSB), the members of the West Sumatra Provincial Legislative Council paid themselves 27 different types of allowances. In fact, some budget items were even divided up into sub-items, for example, the healthcare allowance was divided up into three sub-items, namely (1) A healthcare allowance; (2) medical insurance premiums; and (3) a checkup allowance.

The second common ruse was to duplicate budget items. For example, under article 10 of Government Regulation No. 110 of 2000, a healthcare allowance may be paid to cover the cost of medical care and treatment. This allowance is paid in the form of medical insurance premiums. However, what happened in West Sumatra was that even though the local budget contained an allocation for healthcare allowances amounting to Rp 367,014,000, it went ahead and also voted through an allocation worth Rp 1,562,672,000 for medical insurance premiums.

The third *modus operandi* was to invent all sorts of new allowances, such as “dignity” allowances worth Rp 600,000,000, rice allowances (Rp 62,832,000), constituency visit allowances (Rp 137,500,000), leaders and members support allowances (Rp 330,000,000), faction allowances (Rp 660,000,000), overseas comparative study allowances (797,500,000) etc.

In fact, if there was a proper understanding of the regulations, plus a large helping of *bona fide*, Local Legislative Councils would never have been able to set their own budgets as they pleased. As the majority of the local budget in West Sumatra’s case came from the central government, obviously the central government had the right to set parameters that could not be exceeded. Otherwise, autonomy would enable Local Legislative Councils to spend money however they liked without having any regard to superior regulations in the hierarchy of laws.

Most legal observers are of the view that the unwillingness of Legislative Council members to accept Government Regulation No. 110 of 2000 has nothing to do with the fact, as often claimed, that it conflicts with higher legislative instruments. The

sad reality is that they refuse to accept it as it would only serve to circumscribe their freedom to enrich themselves at the expense of the public. Given the willingness of councilors to loot the public purse, it should come as no surprise that protests broke out in a number of areas.

Experience of the FPSB

Although it only formally came into existence in 2002, the establishment of the West Sumatra Concern Forum (FPSB) was very closely connected with the election campaign for the West Sumatra Governorship for the 2000-2005 term. This campaign lasted from the end of 1999 to the start of 2000, and involved the participation of various elements of society eager not only to provide input to help the Local Legislative Council elected in 1999 elect a governor who was capable of meeting the needs of the West Sumatran people, but also to encourage the council take action against the incidences of money politics that had taken place during the gubernatorial election campaign. Unfortunately, these efforts came to naught. Not only did the effort to ensure the election of a governor from the new generation of politicians fail, so also did the effort to ensure the taking of effective action against money politics.

After the election of the new governor, NGO activists and other elements of the community held a series of meetings to discuss and adopt a stance on the outcome of the gubernatorial election. After a couple of meetings, it was concluded that the majority of Local Legislative Council members resulting from the 1999 election were no different from the Council members during the twilight years of the New Order. This conclusion gave rise to the question: What must be done in the face of disdain on the part of the majority of Council members for the will of the people? It was decided that all components of society would have to closely scrutinize the behavior of the Local Legislative Council, particularly as regards budgeting and spending.

Based on the results of these meetings, a series of discussions were held on the financial structure of the Legislative Council budget. These found that a number of items in the budget were

clearly questionable, if not downright unacceptable. One of the items that was greeted with incredulity was titled “Aspiration Funds”. This amounted to Rp 200 million per year, and was managed by the Legislative Council members themselves. In 2001, a number of groups involved in the discussions⁸ on the Legislative Council budget agreed to bring an action against the Council in the Padang District Court. However, after a number of hearings the action was struck out with the Court ruling it had no jurisdiction to hear the case.

The outcome of the case gave a new sense of almost boundless self-confidence to the members of the Council in drawing up financial arrangements that became increasingly remote from the provisions of Government Regulation No. 110 of 2000 as time went on. By the same token, the decision also encouraged those involved in bringing the action to adopt a more systematic approach to the problem. The decision to take more focused and structured steps was taken at the same time as the process of drafting the 2002 provincial budget started. In order to strengthen the movement against the 2002 draft budget, it was decided towards the end of 2001 to create an umbrella organization that would concentrate on conducting a sustained campaign against the draft 2002 budget. Thus, the West Sumatra Concern Forum was born at the start of 2002 to watch the drafting of the budget from “outside”.

In order to further promote discussion of the draft local budget, the FPSB undertook the following activities: First, an academic discussion on the 2002 draft budget was held involving the following participants: (1) experts who had earlier been involved in drafting the West Sumatra Development Program; (2) experts in local government financial management from Andalas University and Padang State University – the two best known institutes of further education in Padang; and (3) experts in local government financial management law. The discussions that were held were not confined to members of the FPSB but also

⁸ Almost all of the meetings were held at the offices of the Padang Legal Aid Institute.

included law enforcement personnel, community figures, practitioners. etc. It was concluded at the end of the discussions that the structure of the local budget, and the amounts involved, were in contravention of the provisions of the laws and regulations in effect, and in particular Government No. 110 of 2000.

Second, the outcome of these discussions were forwarded to the Legislative Council in the hope that it would see fit to make the necessary amendments to the budget so as to bring it into line with the requirements of Government Regulation No. 110 of 2000. In order to facilitate the Legislative Council in this regard, the FPSB also drafted a concept budget based on Government Regulation No. 110 of 2000. Unfortunately, the Local Legislative Council gave no response to the FPSB's proposals. The majority of the Council's members continued to maintain the draft budget was fully in line with the prevailing regulations.

After being ignored by the Council, the FPSB approached a number of institutes of further education to ask them to conduct a study on the draft budget and submit their conclusions to the Legislative Council. This initiative received a positive response from Andalas University and Padang State University, which then proceeded to carry out the proposed study, most of the findings of which turned out to be the same as those of the study previously committed by FPSB. Unfortunately, the Legislative Council was once again unresponsive and refused to make the suggested changes.

Third, as it appeared impossible to change the mind-set of the Legislative Council, the FPSB then decided to inform the Governor of West Sumatra of the irregularities that had occurred in the drafting of the 2002 local budget. During a meeting with the governor, the FPSB not only explained the deviations that had occurred but also asked the governor to explain to the Provincial Legislative Council that the proposed budget would need to be amended so as to bring it into line with Government Regulation No. 110 of 2000. During this meeting, the FPSB also asked the governor to withhold his signature from the 2002 draft budget if

the necessary changes were not made by the Council. Strangely, instead of accepting the FPSB proposals, the governor actually tried to convince the FPSB that the budget had been drafted in line with the regulations.⁹

Fourth, having failed to get the governor on board, the FPSB then decided to go to the Department of Home Affairs¹⁰ to request the Ministry of Home Affairs to use his powers to order the Legislative Council to revise the 2002 draft budget. However, no response was forthcoming from the Department of Home Affairs either.

Having failed in all of its efforts to date, the FPSB decided to take legal steps by reporting the violations that had occurred to the authorities. Prior to making such a report, however, there were three fundamental aspects that would need to be discussed in depth: (1) to which institution (the police or prosecution service) should the report be submitted; (2) who should be reported – the executive or legislature, or both the executive and legislature; and (3) who should submit the report.

With regard to the first issue, the FPSB agreed to submit the report to the West Sumatra Provincial Prosecutor's Office. This decision was based on the consideration that a report to the prosecution service would bypass one of the rungs of the investigation ladder. In addition, the initial discussions held by the FPSB on the 2002 draft budget had been attended by a number of prosecution service officials. Thus, it was expected that the prosecution service would therefore have a better understanding of the issues involved.

The second question – who should be reported – gave rise to quite a debate. In the end, the FPSB decided that the reporting of the Local Legislative Council members should be prioritized. This, of course, gave rise to the question as to why only the legislators would be reported and not the governor given that the governor was also intimately involved in the discussion

⁹ During the meeting, this writer pointed out to the governor that if he failed to warn the Legislative Council, he could be categorized as colluding with it.

¹⁰ The representatives of the West Sumatra Concern Forum who visited the Department of Home Affairs failed to meet with the Ministry of Home Affairs.

of the draft budget. In addition, the draft budget could never have been passed into law had it not been signed by the local government leader.

The main reason for prioritizing the Legislative Council members was the fact that they were elected to effect control over the executive, particularly as regards the effort to reduce corruption. As part of the local budgeting process, the legislature should have been able to correct irregularities or violations in the draft budget presented to it by the executive. However, the local legislators in West Sumatra had neglected this duty and instead become deeply involved in financial engineering so as to enrich themselves.

Many members of the Legislative Council had failed to maintain their personal integrity and the integrity of the House. They had instead conspired with the executive in order to obtain luxurious facilities and massive financial gains. This was despite the fact that it was of the utmost importance that such inducements be eschewed if the legislature were to be able to play a meaningful and credible role in reducing the incidence of corruption. The failure to maintain both personal and institutional integrity resulted in the local budget being used as a vehicle for personal enrichment. Not only did the councilors fail to uphold the honor of their House and act on public demands for the eradication of corruption, but they themselves became personally involved in this particular evil. Accordingly, it was right and fitting that the members of the Council be the first to be reported to the authorities.

With regard to the question of who should submit the report, it was initially thought it would be better if the report was made anonymously. This was based on the consideration that there was no witness protection legislation in place and that there was a significant chance that a revenge attack would be made on the complainant. However, it was eventually decided that it would be better if the report was made openly as this would facilitate confirmation by the media. The decision to go public was based on a rather uncertain legal foundation, namely, article 41(2) (e)

of Law No. 20 of 2001 on the Eradication of Corruption, which states that members of the public who report incidences of corruption have the right to obtain legal protection.

Based on the above considerations, on 9 February 2002 the FPSB reported the indications of corruption in the West Sumatra Provincial Legislative Council to the West Sumatra Provincial Prosecutor's Office. Under article 41(2) (d) of Law No. 31 of 1999, a complainant is entitled to receive a response to a report that he has submitted to the legal authorities within a period of not more than thirty (30) days. Unfortunately, no response was forthcoming from the prosecution service within this period.

After the expiry of the 30-day period, the FPSB decided on another approach – to send a formal legal letter to the West Sumatra Provincial Prosecutor's Office. After the letter was sent, nothing more was heard about it. Amid all this uncertainty, the National Ombudsman Commission (KON) was working in collaboration with Andalas University's Legal Studies Center in Padang for the establishment of a Local Ombudsman Commission in West Sumatra. This opportunity was availed of by the FPSB to report the West Sumatra Provincial Prosecutor's Office to KON. The complaint from the FPSB was received directly by KON chairman Antonius Sudjata and member Teten Masduki, who promised to study the complaint at the earliest possible opportunity. After around two weeks, the FPSB received a copy of a letter sent by KON to the Attorney General's Office on foot of the complaint received from the FPSB.

Whether as a result of the measures taken by the FPSB or whether it was simply because the West Sumatra Prosecutor's Office was unable to prevaricate any longer, it became apparent in April 2002 that the Prosecutor's Office was making a move to investigate the FPSB complaint. One of the first steps taken by the prosecution service was to send the results of its study of the FPSB complaint to the West Sumatra Provincial Legislative Council. The letter read as follows:

In the attachments to the above letter,¹¹ the West Sumatra

Provincial Chief Prosecutor put forward ten opinions on the FPSB report, with points seven to ten to the effect that what had been done by the members of the West Sumatra Provincial

The West Sumatra Provincial Prosecutor's Office, Padang

N o : B - 6 6 2 / N 3 / F d . 1 / 0 4 / 2 0 0 2

Padang, 24 April 2004

Nature: Normal

Encls: One set of attachments

Re: Examination of FPSB Report

To: The Speaker of the West Sumatra Provincial Legislative Council in Padang

Please find attached our preliminary findings on a report submitted by the West Sumatra Concern Forum (FPSB, photocopy attached) in a letter dated 9 February 2002 concerning information on corruption in the preparation of the 2002 West Sumatra Provincial Budget.

Please be informed accordingly.

For the West Sumatra Provincial Chief Prosecutor

Signed,

Halius Hosen, SH,

Senior Prosecutor, ID No, 230013341

Cc:

1. Republic of Indonesia Attorney General (as report)
2. Deputy Attorney General for Special Crimes in Jakarta
3. Deputy Attorney General for Intelligence in Jakarta
4. Governor of West Sumatra in Padang
5. Files

Legislative Council fulfilled the elements necessary for proving the crime of corruption.

Points seven to ten read as follows:

“Seven, that West Sumatra Provincial Legislative Council Resolution No. 02/SB/2002 dated 31 January 2002 (on the approval of the West Sumatra Legislative Council of the Draft Regulation on the 2002 Provincial Budget and

¹¹ The attachments contained (1) the results of the preliminary examination, (2) an opinion, and (3) an advice note signed by the Assistant for Special Crimes, Berlin Sinaga, SH.

the adoption of the said budget), violated Government Regulation No. 110 of 2000 on the financial status of Local Legislative Councils.

Eight, in deciding whether the said violation constitutes an illegal act that may be categorized as corruption given the differing interpretations regarding the financial status of Local Legislative Councils, with the West Sumatra Provincial Legislative Council employing Council Standing Order No. 18/SB/1999 dated 21 December 1999 in order to give effect to article 19(1) and (2) of Law No. 22 of 1999 on local government, and Government Regulation No. 110 of 2000 as the implementing regulation for article 39 of Law No. 4 of 1999 on the status and composition of the MPR, DPR and Local Legislative Councils. In order to arrive at a definitive interpretation on this issue, expert testimony will be required.

Nine, the enactment of article 16(2) of Government Regulation No. 110 of 2000 in essence means that the allocation of additional funds for Legislative Council activities beyond what is permitted by Government Regulation No. 110 of 2000 may be overruled and annulled. Thus, what was done by the Local Legislative Council through its Decision No. 02/SB/2002 dated 31 January 2002 cannot be classified as a "Test" as the provisions of Article 16(2) of Government Regulation No. 110 of 2000 allows for the annulment of a local regulation governing the running of the Legislative Council, which would include the allocation of funding for the West Sumatra Provincial Legislative Council.

Ten, should the local budget regulation be passed and not annulled by the Ministry of Home Affairs so that the leaders and members of the Legislative Council receive remuneration packages that conflict with the provisions of Government Regulation No.110 of 2000, the case/issue may be followed up on in accordance with Law No. 31 of 1999 in conjunction with Law No. 20 of 2000 on the eradication of corruption."

Based on the above examination, the West Sumatra Provincial Prosecutor's Office recommended that two significant steps be taken: (1) should the draft local regulation on the 2002 provincial budget be passed, the Governor of West Sumatra must immediately propose to the Ministry of Home Affairs that it be annulled, and (2) if it is not annulled and the leaders and members of the West Sumatra Provincial Legislative Council continue to receive remuneration packages based on the local regulation, then the matter should be dealt with in accordance with the provisions of Law No. 31 of 1999 in conjunction with Law No. 20 of 2001.

After almost all of the members of the Local Legislative Council had received the above opinions of the 2002 local budget and no action was taken on foot of them, the West Sumatra Provincial Prosecutor's Office sought clarifications from a number of members of the Council. The prosecution service investigation began to gather pace after testimony was sought from a number of members of the FPSB. This process reached a peak with the detention of Masfar Rasyid¹², the Deputy Speaker of the Legislative Council (United Development Party faction), on 5 February by the prosecution service (*Kompas*, 6 February 2003).

Besides bringing pressure to bear on the prosecution service to act on the FPSB report, the media and students also played significant roles in uncovering irregularities in the 2002 West Sumatra budget. The central role played by the media (particularly the print media) not only involved wide coverage of every step taken by the FPSB, but also the publication of opinion pieces by members of the FPSB on matters pertaining to the 2002 budget. The coverage afforded by the media greatly assisted the FPSB in molding and shaping public opinion, and in eliciting public support. Meanwhile, the role played by the student movement consisted of both staging demonstrations and acting as an extension of the FPSB in bringing important issues to the

¹² The detention was effected by the head of the Pre-prosecution Section of the West Sumatra Provincial Prosecutor's Office, Khaidir Ramli, SH. Since 24 February 2004, Khaidir Ramli has been working for the Corruption Eradication Commission (KPK).

attention of the public.¹³

Anticorruption Virus from West Sumatra

After the West Sumatra budget corruption case was brought before the courts, the next question that arose was whether the courts would be willing or capable of dealing with the case in a fair and just manner? Given past experiences with other corruption cases that came before the courts, this question was extremely important given that the judges had shown a tendency to acquit corruption suspects using all manner of legalistic arguments. The difficulties in West Sumatra were further compounded by the fact that the case was highly complex from the legal perspective.

After a trial lasting for around one year, the fear that the court would acquit the councilors proved to be unfounded. In the middle of May 2004, the Padang District Court found 43 members of the West Sumatra Legislative Council guilty of corruption. This decision was not only historic for West Sumatra but also helped unleash a rash of corruption investigations into Local Legislative Council members in other parts of the country. Within less than one month, corruption cases in local legislatures had been revealed in West Java, Lampung and Nanggroe Aceh Darussalam.

Thus, the West Sumatra case set a new and historic precedent for the fight against corruption in Indonesia. In line with the new spirit of optimism, *Kompas* daily ran the following editorial, titled "Corruption Eradication starts in West Sumatra", on 8 June 2004:

The optimism expressed in this *Kompas* editorial turned out not to be misplaced. While the Padang District Court had set a precedent by convicting the 43 councilors, an even greater precedent was set by the West Sumatra High Court on appeal. While the District Court had acquitted the councilors of the primary charges (instead convicting them on the subsidiary charges)¹⁴, the High Court took the view that primary charges had also been

¹³ Among the important actions taken by the students was the distribution of 10,000 leaflets in a number of markets in Padang, and thousands of booklets setting out the arguments against the 2002 local budget.

“PERHAPS some will see the conviction on corruption charges of 43 members of the West Sumatra Legislative Assembly by the Padang District Court as a special case. Nevertheless, the conviction of the Local Legislative Council speaker provides hope that the real fight against corruption has started in West Sumatra. Why do I use the word “hope”? Because the legal process is still in the initial stages. We still have a long way to go before it fully runs its course. So, we “hope” that what has happened in West Sumatra will truly serve to punish those responsible for corruption. We all hope that the West Sumatra case will snowball and produce similar results in other areas around the country. What is most required at the present time is seriousness in fighting against corruption. The graft taking place all around us not only leads to injustice but also damages the nation’s economy and moral fiber. Many say that what we have in Indonesia is structural corruption. Everyone is involved - the only thing that differs is the degree. In the West Sumatra case, it is encouraging and praiseworthy to see that the successes achieved were the results of work by ordinary people. The West Sumatra Concern Forum (FPSB), a civil society organization in West Sumatra, took the lead in fighting institutionalized corruption in the province. Its unceasing struggle against injustice and abuse of power eventually forced the justice authorities to act. The end result was the conviction and sentencing of 43 members of the West Sumatra Legislative Council for enriching themselves with the money of the West Sumatra people. Now, the speaker and 24 members of the Payakumbuh Legislative Council are being questioned in connection with similar charges – misusing budget funds. The snowball effect from what happened in West Sumatra will not be immediately felt everywhere. However, the effects are already apparent in a number of areas, including Nanggroe Aceh Darussalam, West Java and Lampung. We all earnestly hope to see justice prevail in our courts. That is the only way in which this nation can be saved from disaster.

proven beyond all reasonable doubt.¹⁵

On final appeal to the Supreme Court, the justices rejected the arguments of the councilors on 2 August 2005 and upheld the decision of the Padang High Court (*Padang Express*, 3 August 2005). Thus, the councilors' convictions achieved final and conclusive legal effect.

Following the decision of the Supreme Court, the West Sumatra anticorruption "virus" truly started spreading all around the country, and even started to affect local chief executives (governors, regents and mayors).

In this regard, in my article titled "Corruption amid Starvation" (*Kompas*, 28 May 2003), I pointed out that local budgeting was not the sole prerogative of the legislature, but also deeply involved the executive. Thus, the prosecution service also needed to investigate the roles of local chief executives. In the context of Indonesian local government, it is impossible to formulate a budget without the involvement and approval of the administration. Thus, the participation or collusion of the administration in the formulation of a budget should be very easy to prove. In the legal theory of collusion, all those who participate in the commission of a crime must bear responsibility for that crime. Involvement may take various forms, such a perpetrating the crime, commissioning the perpetration of the crime, and colluding in the perpetration of the crime.

While a final and conclusive legal decision has been handed down in the West Sumatra Legislative Council case, it has not been fully resolved. The execution of the court's decision is now awaited – without execution, all of the work undertaken to date will be rendered less meaningful.

Lessons Learned

So, what are the lessons to be learned from the West Su-

¹⁴ Because the councilors were convicted based on the subsidiary charges, the District Court sentenced each of the leaders to only two years and six months in prison, and each member to two years.

¹⁵ Following the councilors conviction on the primary charges by the Padang High Court, the sentences of the Council leaders were increased to five years each, while those of the members were increased to four years each.

matra case? Most importantly, uncovering corruption must be carried out systematically and steadfastly. If one method fails, then another method should be employed. Also, as corruption involves a vast network, joint action is needed to combat it.

In conclusion, it must be remembered that the experience of the FPSB is just one example of what can be achieved. Also, this article primarily reflects my personal understanding of the campaign waged by the FPSB. It is quite possible that my colleagues and partners could have different viewpoints. What is important, however, is that we are all united in the struggle against corruption.

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As the coordinator of the West Sumatra Concern Forum from mid 2003 to October 2004, he was awarded the Bung Hatta Anticorruption Award (2004), and the Award of Achievement for People who make a Difference by the Gleitsman Foundation in the United States (2004).

The West Sumatra Concern Forum or FPSB, was established January 2002 in Padang, West Sumatra. FPSB has a vision to promote good governance, with the mission; a) to promote democracy in the government; b) to push for clean government that is free of corruption, collusion and nepotism; c) to enforce a social transformation to establish a government that is clean and free of corruption, collusion and nepotism.

At the beginning of its establishment, FPSB spotlighted irregularities in the local budget in West Sumatra Province, filing a complaint about members of the Provincial Legislative Council to the West Sumatran Supreme Court on corruption charges during the 2002 fiscal year. At the moment the forum is working on an anticorruption caucus program for members of the parliament in West Sumatra. In responding to the postponement of the execution of Provincial Legislative councilors charged by the Supreme Court, the FPSB is looking into the obstacles surrounding the delay of imprisonment by seeking and gathering information as well as support from related institutions; therefore, the verdict can be executed according to the Supreme Courts decision.

Western Area Legal Studies Center or PKHWB at Andalas University, was established in 1999, through the head of Andalas University. PKHWB was established to; 1) conduct research to push for the development of law; 2) Increase capacity and integrity within the law enforcement; 3) Increase capacity and expand legal knowledge, especially in the context of national law development.

PKHWB has been involved in several activities, according to its mission. For example a) increasing public awareness on laws and working together with the Ministry of Justice and Human Rights; b) workshop and training, working together with National Ombudsman Commission in creating a local Ombudsman Commission; c) workshop on “Developing an Ideal Coordination System and the Function of the Law Enforcement Institution in West Sumatra”; d) socializing the general elections bill; e) Examination of government Regulation PP 110 of 2000, on Financial Position of the Provincial Legislative Council. Currently, PKHWB is implementing the project, *Strengthening Regulations, Enforcement, Integrity Assurance and Public Participation on Local Budget in West Sumatra*, working together with Partnership for Governance Reform in Indonesia.

PKHWB is supported by lecturers and professors from Andalas University.

CHAPTER 7



Tracking the Spending of Tax Revenues¹

Heni Yulianto

Five Region Program

The level of people's knowledge and awareness of tax issues in Indonesia is extremely low. One of the reasons for this is that the information on tax and public service charges provided to the public is generally minimal, if provided at all, and is not accessible on an ongoing or regular basis. As a consequence, the public generally are not aware of how, where, and, particularly importantly, on what their taxes are being spent. In reality, public funds, raised from taxes and public service charges, should be put towards the provision of better quality public services.

Public funds are raised from various types of taxes and charges, including income tax, value-added tax, land and building tax, land and building use charges, and a myriad of other taxes and charges. Taxes may be imposed by the central government and the regions. Under the Indonesian taxation system, local governments are free to impose various taxes and charges, such as motor vehicle tax and motor vehicle registration transfer charges at the provincial level, and hotel and restaurant tax, category C mining tax, and various charges on such places as markets, entertainment spots, etc., at the regency/municipality level. Land and building tax is one of the taxes that the public are most familiar with as it is paid by people at almost all social levels – from people in the lower income brackets up to the most well-to-do.

¹ This paper describes the empirical history of the program titled “Implementing a Local Integrity System to ensure transparency and accountability in the management of Land and Building Tax (Indonesian acronym: PBB), and in the procurement of goods and services”, which ran from 2 January 2004 to 30 November 2005 and was supported by the Partnership for Governance Reform in Indonesia .

It appears that as things stand at the moment, government has no interest whatsoever in supplying clear and straightforward information on the tax system. This has resulted in a lack of awareness on the part of the public about taxation issues, which in turn has had an impact on the ability of the public to demand accountability in the management of tax receipts by government. The situation is further exacerbated by the fact that government rarely involves the public in the decision-making process.

For example, much of the data and information contained in annual tax demands are not in line with the situation actually prevailing on the ground. For instance, it may be the case that a particular taxpayer owned one hectare of land in the previous fiscal year. However, some of that land was sold so that the taxpayer is now only left with half a hectare. However, the tax on the land is still charged at one hectare. Another problem that often occurs is that taxpayers receive more than one tax demand. In March, for example, a particular person receives a tax demand, and then receives the same demand again in September.

Taxpayers also face various other problems, for example, where should they submit complaints if they feel hard done by? On the ground, it is frequently the case that taxpayers do not know where their local tax offices are. If they do know, more often than not the tax office is located far away. For example, in Kotabaru Regency, one of the locations where this program was implemented, the nearest tax office is in Banjarmasin – between 12 and 15 hours away. The cost of actually getting to Banjarmasin may actually be much more than the amount of tax in dispute. While a Tax Suboffice was opened in 2005 in Pelaihari (at the urging of TI Indonesia), this is still between six and nine hours traveling time from Kotabaru. This sort of situation is not only encountered in the program areas, but throughout Indonesia.

If this unsatisfactory state of affairs is allowed to persist, it will only result in increasing numbers of taxpayers failing to pay their taxes. Such reluctance to pay tax is highly undesirable, particularly at the present time when the state is earnestly striving to increase the tax take so as to keep the wheels of government turning.

It is this reality that formed the background to the decision

by Transparency International Indonesia (TI Indonesia) to initiate a program for the reform of the taxation system. This program was designed to improve access on the part of taxpayers so that they can trace how every rupiah of their tax payments are being spent, and is particularly significant given that tax receipts are playing an increasingly dominant role in financing the national budget. In fact, tax revenue accounted for 80 percent of the total budget in 2004.

Given the vast geographical size of Indonesia, the program took the form of pilot projects in five regions around the country, namely, Tanah Datar Regency (West Sumatra), Wonosobo (Central Java), Jakarta, Kotabaru (South Kalimantan), and Bulukumba (South Sulawesi).

Public Services for Ordinary People

The program involved encouraging the reform of the taxation legislation so as to make it more pro-taxpayer, particularly as regards ordinary, man-in-the-street taxpayers. The main reason for focusing the program on ordinary people was the fact that it is these people who are not receiving the basic public services they deserve. These public services include the right to adequate food, shelter, clothing, education and healthcare. Accordingly, a team of TI Indonesia legal draftsmen, experts and tax consultants drew up a White Paper on reform of the taxation system.

At the time of writing (October 2005), the White Paper had been completed and forwarded to the speaker of the House of Representatives. At around the same time, draft amendments to the taxation code prepared by the government through the Directorate General of Taxation (a unit of the Department of Finance), were submitted by the President to the House of Representatives. It is now hoped that the TI Indonesia White Paper will be availed of so as to improve on the government's proposed amendments.

Among the fundamental issues dealt with in the TI Indonesia White Paper were changes to the paradigms underpinning the taxation system and the obligation of taxpayers to pay taxes,

simplification of the service procedures, the setting up of an independent body to oversee the operation of the taxation system, and the instituting of greater balance between the rights and obligations of the revenue service and those of taxpayers. Based on a new paradigm of people being voluntary taxpayers rather than being compelled to pay tax, it is hoped that the position of members of the public vis-à-vis the state will become more equitable. In this way, the taxes paid by the public will come to be seen as requiring the provision of commensurate services and efforts to improve public welfare.

Efforts were also undertaken to encourage the Directorate General of Taxation to improve the services provided to taxpayers, including in the area of land and building tax, with the offices responsible for dealing with this tax being brought closer to the public. This would facilitate taxpayers in submitting complaints to the revenue service, and these could in turn be quickly acted upon.

In the five pilot project areas, the offices responsible for land and building tax were generally located quite far removed from the taxpayers they served. Program activities in this regard included lobbying efforts and approaches to local leaders (executive and legislature) at the national, provincial, regency, district and sub-district levels so as to convince them of the importance of bringing these offices closer to the people.

Another reform that needs to be instituted by the Directorate General of Taxation is the keeping of separate accounts for the revenues raised from different taxes. This is necessary so as to increase transparency, and entails the depositing in separate accounts of the revenues raised by local governments from different forms of taxes and charges. It is expected that this would allow the sources, whereabouts and uses of funds to be easily traced by the public.

The pilot programs included efforts to encourage local revenue and governmental authorities to consistently involve the public in budgeting and policy-making. This also involved pushing local governments to allocate funding for the reform

of the taxation system in their respective regions.

In order to ensure optimum performance by the revenue authorities, taxpayers must be able to play a supervisory role as regards the levying of taxes and charges in the areas in which they reside. In order to ensure that the necessary activities could be engaged in by the public and to improve the quality of the supervision effected, regular meetings were held and training packages provided. At the present time, Taxpayer Forums have been established in the five pilot areas. The setting up of these forums represented the culmination of a long process and a lot of hard work on the part of field personnel familiar with the situation and circumstances pertaining in each area. These field personnel were highly reliable, competent and of unimpeachable integrity, and came to be trusted by the communities in each area.

Three-way Relationship

Transparency and mutual understanding were the key factors in the three-way relationship between TI Indonesia and regency governments, between residents and regency governments, and between residents and TI Indonesia. All of the experiences gained during the implementation of the program up to the establishment of the Taxpayer Forums showed just how important these two aspects were.

A Taxpayer Forum represents a multi-stakeholder forum especially established to critically review taxation and budgetary policies. Following the commencement of the program in 2004, forums were established in the five pilot areas with a view to their being subsequently established in other areas. In order to ensure integration and proper coordination, a Taxation Monitoring Network was set up to serve as an umbrella in Jakarta.

The process of establishing the Taxpayer Forums was far from straightforward. A study on transparency and accountability in the taxation system conducted in 2002-2003 found that regular meetings were already being held in each community to discuss taxation issues, as well as other issues affecting the community. Thus, it was decided to avail of these vehicles during the initial stages until

such time as special Taxpayer Forums could be set up.

In Wonosobo, for example, regular meetings to discuss taxation issues were held every thirty-six days. In order to intensify approaches at the personal level, informal meetings were also held in the intervals between the thirty-six day meetings. Meanwhile, in Tanah Datar Regency, activities and meetings were arranged in line with the agendas of the local customary leaders in the Nagari Traditional Law Center (BKAN) and the Minangkabau Traditional Law Institute (LKAAM) – both customary representative bodies.

In Tanah Datar, lack of education and awareness, as well as a reluctance to organize (a hangover from the New Order), were the principal constraints encountered during the effort to establish a Taxpayer Forum. Another no less important factor was the level of support forthcoming from local leaders. Prior to the fall of the New Order, people were afraid to organize and assemble, even when this was in their own interests. Thus, if the support of the local leader – the regent, for example – was not forthcoming, it would not be possible to establish a Taxpayer Forum, or, if it was established, it would remain weak. Village people would lack the courage to become involved if the Taxpayer Forum was not supported by the local government.

Experience gained from the efforts to establish civil society organizations in Tanah Datar prior to the setting up of the Taxpayer Forum showed that if the local leader was not accommodating, then the organization would find it very difficult to attract members. During the early stages of this program, relations between TI and local leaders were not intensively cultivated. Initial agreements were confined to the conducting of studies on taxation transparency and accountability in each area. Instead, outspoken local figures were selected as the prime movers for the establishment of civil society organizations. These figures were encouraged to be critical of government policy, particularly in the taxation field. However, despite the holding of meetings each week over a period of three months in 10 villages in Tanah Datar, local people were still reluctant to participate.

The fear felt by people was not without reason. Some time after the regular meetings had been initiated, TI Indonesia reached an agreement with the local government on the holding of a workshop to which all elements of the community would be invited, including representatives of civil society. By this time, TI Indonesia was beginning to comprehend the fear that was infecting people. When discussing the invitations to the workshop, the Tanah Datar regent said he could not accept the presence of civil society organization representatives, and, further, could not accept the presence of civil society organizations in his regency. According to the regent, a number of key figures in the civil society organizations in question were former village officials during the New Order who were now actively opposed to the regency government's programs. From this it was apparent that people were unwilling to take part in the meetings due to the fact that this could bring the wrath of the local government and leaders down upon them as some of the key figures in local CSOs were critical of the administration and therefore *persona non grata*.

On the other hand, West Sumatra had also been the scene of a heroic struggle (the Paderi War) led by Tuanku Imam Bondjol against the imposition of tax (*landrente*) on lands and buildings owned by residents.

Learning from these experiences, modifications were made to the original strategy for the establishment of citizens' forums. Now, the setting up of Taxpayer Forums in the villages where meetings had previously taken place was preceded by approaches to the regent, and local district head and village head. The process would start off with a discussion on the taxation situation in each village and would conclude with the formal establishment of the Taxpayer Forum by the regent or other senior regency official.

Following this change in strategy, the number of Taxpayer Forum members increased rapidly. In addition, the fact that the forums had been officially established by a senior official meant that they could not be excluded by the regency government

from its activities.

In order to strengthen the Taxpayer Forums, in addition to the routine and other meetings held at the village level, campaigning was also undertaken and various training packages provided. These packages included coaching on how to lobby, advocate and critically read budget and policy documents, and training for journalists.

The success and benefits of the training were clear to be seen from the interactive radio shows on taxpayer rights, situation comedy films on taxation issues, the running of public service advertisements, the publishing of comics and a newsletter, and various others activities. During the radio talk shows, members of the public were free to pose their questions directly to officials, such as the heads of local government agencies and tax officials. A fundamental aspect underlying the success of the campaign was the involvement of experts who were not only capable of designing campaign activities and materials, but also of forging collaboration with the media.

Prior to their participating in the training, most of the questions raised by members of the Taxpayer Forums on the radio shows concerned administrative and technical aspects of land and building tax. However, after receiving training and other information, the scope of the questions widened to encompass such issues as the use of taxation revenue, why schools were not being repaired, the exorbitant cost of healthcare, etc.

Participation and Citizens' Rights

Opposition from both the local government and people was frequently encountered during the initial stages of the program. This opposition was primarily a result of the fact that taxation and budgetary issues are always highly sensitive. For the local government, taxation is a source of money with the result that officials are loath to provide information on the issue to the public. Meanwhile, ordinary citizens feel that talking about taxation issues is only inviting trouble.

Despite the constraints, the intensive approaches employed

proved successful in overcoming all opposition. As regards local leaders and officials, the approaches used included lobbying and actively participating in every government forum. During these forums, TI Indonesia consistently and patiently put forward its views and proposals on the necessity of governance reform, transparency, and the importance of public participation in policymaking if leaders wished to maintain the support of the people.

As regards the people themselves, the importance of public participation in the development process was constantly stressed during the regular discussions and meetings.

At every meeting, TI Indonesia stressed that the public must become involved in overseeing the administration of government and the implementation of development policies at the regency level, such as the construction of bridges, roads, irrigation works, schools, etc, while at the same time refraining from all forms of violence and anarchy. All development projects essentially belonged to the people as they were funded by the taxes paid by the people.

The program's success was apparent from the fact that the regency governments in all of the pilot areas eventually agreed to allocate funding for improved access to taxation information, and the maintaining of separate accounts for different types of tax revenue. The program also succeeded in encouraging civil society to play a part in overseeing the spending of tax revenues.

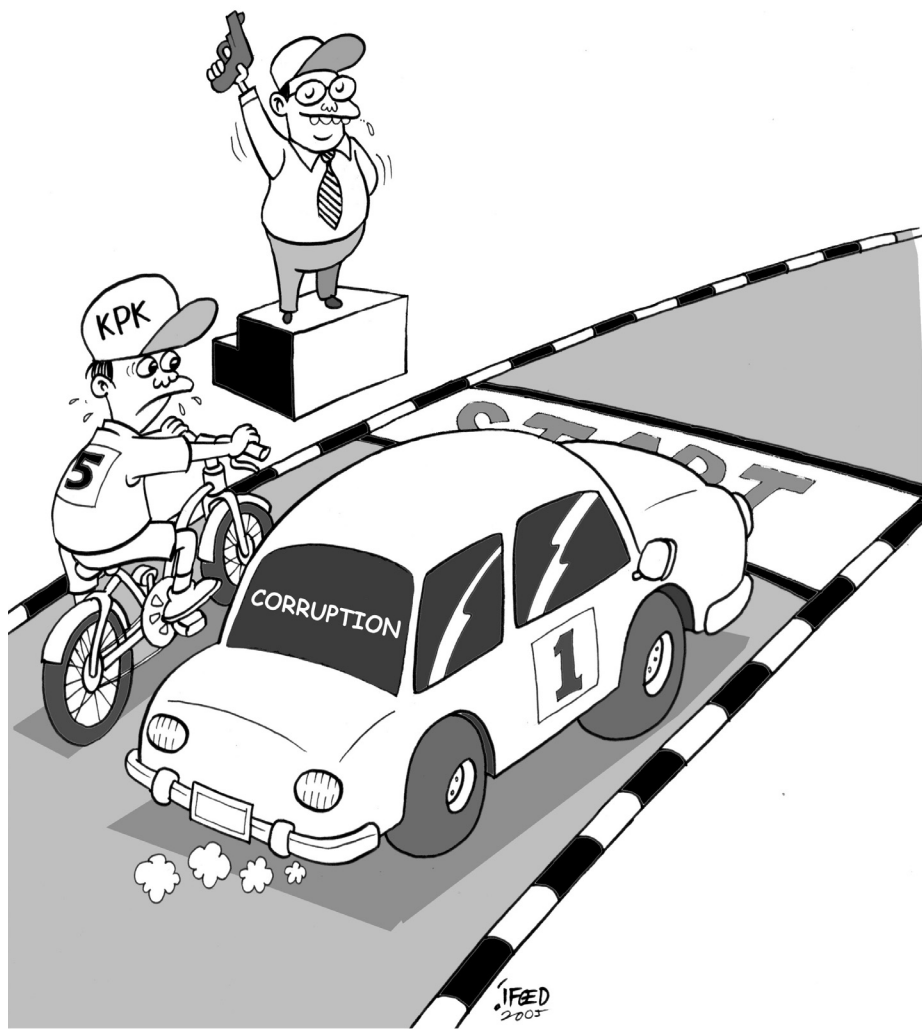
The question of taxation, particularly the levying of land and building tax, became a hot topic in each of the pilot areas. As a consequence, increasing numbers of people were made aware of their entitlements to quality public services in return for the taxes they pay. The roles played by the Taxpayer Forums gained increased significance as time went on. In Tanah Datar, Wonosobo and Bulukumba, these forums took the initiative of questioning the lack of accuracy in land and building tax demands, or the fact that many people received two demands even though the first demand had already been paid.

For the future, the Taxpayer Forums will need to be strength-

ened and consolidated through the making available of more resources – information, funding, human resources, etc. – so as to force administrations to provide more comprehensive budgetary information, particularly in respect of spending on public services as part of the effort to satisfy the fundamental needs of people for food, clothing and shelter.

Heni Yulianto is now a TI Indonesia program manager having previously worked as a project officer with the Tax Transparency and Accountability Program. Teaming up with TI Indonesia in 2002, Heni earlier served as the Coordinator of the Development and Foreign Debt Monitoring Division, and as a member of the Indonesian Corruption Watch (ICW) Working Group.

CHAPTER 8



The Establishment of the Corruption Eradication Commission¹

Erry Riyana Hardjapamekas

Background

Despite the necessity to root out corruption in order to create an equitable, prosperous and fair society as mandated by the 1945 Constitution and the state ideology, *Pancasila*, this objective had been proven to be difficult to realize. Accordingly, the effort to root out corruption needed to be further professionalized, intensified and sustained, bearing in mind the very damaging impacts of corruption on national finances and development, and the economy.

In addition, the government agencies responsible for dealing with corruption have not effectively and efficiently dealt with the problem of corruption.

It was against this background that the Corruption Eradication Commission (KPK) was established as an independent body specifically charged with the task of eradicating corruption from Indonesian society. The KPK was set up by the Corruption Eradication Commission Law (No. 30 of 2002), which was enacted on 27 December 2002. Under this legislation, the KPK is assigned the following five duties:

1. To coordinate with other authorized agencies in the effort

¹ This paper describes the empirical history of the program titled “Initial Start-up Support”, which ran from 14 January 2004 to 30 July 2004 and was supported by the Partnership for Governance Reform in Indonesia. It was followed by support to the development of standard operating procedures (SOPs) from August 2004 to May 2005. This program was funded by the Asian Development Bank (ADB) with the Partnership being the Implementing Agency. At the present time, a program titled the “KPK Crash Program” is underway (September 2005 - September 2006) with the support of the Partnership/ European Commission.

- to eradicate corruption;
- 2. to supervise other agencies authorized to eradicate corruption;
- 3. to conduct examinations, investigations, and bring prosecutions against those involved in corrupt acts;
- 4. to take preventive action so as to dissuade those likely to engage in corrupt acts; and
- 5. to monitor the administration of state.

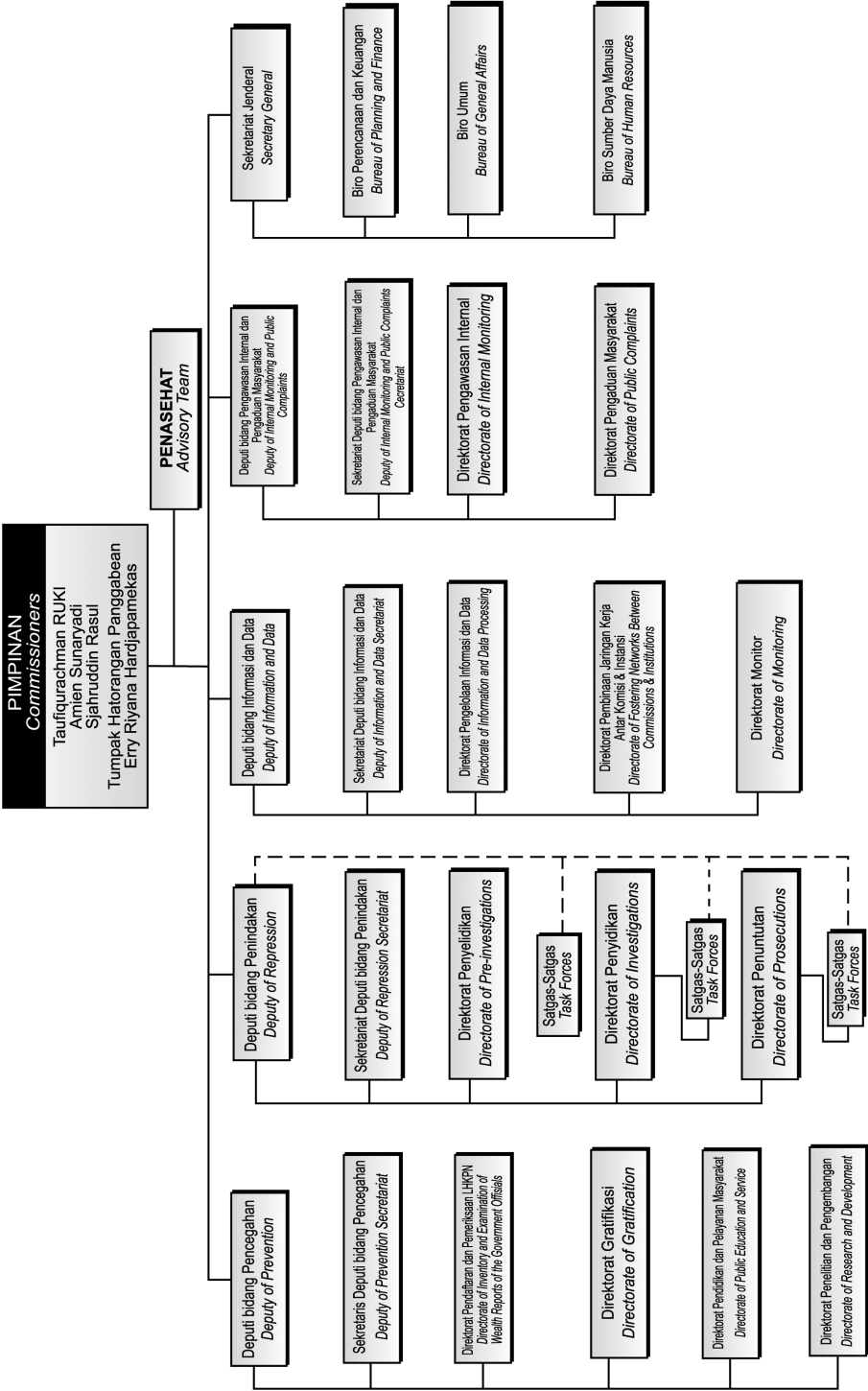
One year after the enactment of Law No. 30 of 2002, the House of Representatives selected the leaders of the Corruption Eradication Commission on 29 December 2003, and these were then appointed by the President. The current leadership of the KPK is as follows: Taufiequrachman Ruki (former Inspector General of Police), Erry Riyana Hardjapamekas (former President Director of PT Timah), Sjahruddin Rasul (former Deputy for Accountability at the Finance and Development Control Board/BPKP), Tumpak Panggabean (former Secretary to the Deputy Attorney General for Special Crimes), and Amien Sunaryadi (former manager at Pricewater House Coopers and auditor with the Finance and Development Control Board/BPKP).

The five commissioners of the KPK have the joint duty to ensure that the KPK and its staff will fulfill the public's expectations in the fight against corruption. In order to do so, however, appropriate resources, structures and procedures will be required. Resources shall include human, physical and financial resources, the organizational structures to accommodate the KPK's human resources, as well as necessary systems and processes made available for the performance of their duties..

Working out of Restaurants

Shortly after being sworn in on 29 December 2003, we – the commissioners of the Corruption Eradication Commission (KPK) – commenced our work. Given the backgrounds of the five newly appointed commissioners, the first thing that needed to be done was to get to know each other, develop teamwork and ensure a common perception. This was a new and very exciting experience for all concerned, with the KPK being built

Organizational Structure



up from scratch.

As almost always happens with organizations funded out of the national budget, the processes by which start-up funding was disbursed and the procurement of office space were long and complicated. However, imbued with a desire to fulfill the hopes of the people, the five newly appointed commissioners of the KPK were not going to let themselves be held back by a lack of offices or equipment.

Instead of working in offices equipped with all the necessary facilities and with the backing of a full support staff, the KPK executives were forced to hold their discussions in restaurants. Frequently, meetings were arranged using cell phones or by text message – somewhat ironic given that the KPK was supposed to be a “superbody” vested with extraordinary powers. Thankfully, in the end we were offered the loan of a building on Jl. Veteran III, and were finally able to move our discussions out of restaurants.

Besides the questions of resources, structures, systems and processes, every organization needs to have a vision, mission and objectives. As the KPK is an organization specifically designed to eradicate corruption, it is also important that it adhere to set standards and a code of ethics.

It was clear at this stage that the KPK, as a newly established organization, would benefit greatly from the support of independent third parties that were capable of assisting it to emerge as a professional organization in as short a time as possible.

It was at this time that we received support from the Partnership for Governance Reform in Indonesia in the following five key areas:

1. Facilitating the KPK in formulating its vision, mission, code of ethics and strategic plans;
2. Developing a human resources management system and guidelines;
3. Developing a basic internal communications system;
4. Developing communications with the public; and
5. Integrating the Public Officials Audit Board (KPKPN) into

the KPK.

Vision, Mission, Code of Ethics and Strategic Plans

In January 2004, after all of the participants at a meeting had congratulated Amien Sunaryadi, the youngest KPK executive, who by coincidence was celebrating his birthday, each of the five KPK executives outlined their visions for the new organization, and a spirited discussion then ensued.

As the leaders of a state agency that had been vested with extraordinary powers, it was agreed that rules of conduct would need to be drawn up so as to set clear parameters delineating the limits beyond which the leaders of the KPK would not transgress. As each of the Commission's five executives had very different backgrounds, it was clear that they would likely have differing views as to how these guidelines should be drawn. It was here that the assistance of an facilitator assigned by Amrop Hever was of great benefit.

A Code of Ethics binding on the Commission's executives was consequently drawn up, while at the same time, the Commission's strategic plans were being drafted. This Code set out in detail what was permissible and what was impermissible, as well as the sanctions to be applied in respect of any violations.

The Code of Ethics requires the commissioners to accept the following responsibilities:

- to abide by the teachings and precepts of their respective religions;
- to comply with and abide by legal and ethical rules;
- to use public resources efficiently, effectively and appropriately;
- to firmly uphold jointly agreed principles, values and decisions;
- to clearly differentiate between what is appropriate, becoming and feasible and what is inappropriate, unbecoming and unfeasible.
- to participate in the making of difficult decisions;
- to always maintain impartiality in the performance of duties and the exercise of functions and powers;

- to be willing to accept the consequences of every decision;
- to never stop learning and listening;
- to be willing to act firmly;
- to always work to the optimum;
- to leave behind all negative practices from the past;
- to abandon all forms of individual or institutional arrogance/feelings of superiority;
- to identify all conflicts of interest or possible conflicts of interest that arise, and to inform other executives of such conflicts of interest as soon as possible;
- to be committed and loyal to the KPK and to colleagues;
- to set aside personal or group interests so as to permit the achievement of the jointly agreed objectives;
- to eschew all inducements that could be interpreted as having the potential to influence the substance of decisions;
- to notify the other executives of any meetings with third parties that have been or will be held, whether connected with KPK duties or otherwise;
- to refuse payment for food, accommodation or entertainment by any third party;
- to show independence by not displaying closeness or familiarity with particular persons in public.
- to restrict as much as possible meetings in public places such as hotels, restaurants, office or hotel lobbies, etc.
- to inform the other commissioners of the names of family members, friends and other parties with whom frequent communication is engaged in.

Besides responsibilities, the Code of Ethics also contains prohibitions, which are as follows:

- using public resources for personal or group interests;
- receiving valuable inducements in connection with Com-

mission work;

- requesting or receiving help or assistance in any form from any person where such help or assistance has the potential to pose a conflict of interest; or
- playing golf with any party or parties so as to directly or indirectly give rise to a conflict of interest, no matter how insignificant.

Should any of the commissioners of the KPK violate this Code of Ethics, they will leave themselves open to the imposition of sanctions, the severity of which will depend on the gravity of the violation committed. The precise sanctions to be imposed will be determined by the Ethics Committee, which consists of both KPK commissioners and advisors, and one or more persons from outside the KPK, who are selected by a combined meeting of the KPK commissioners and advisors.

Given the enthusiasm and common purpose of the Commission, and the willingness of each commissioner to listen to and work with his colleagues, plus the help provided by the facilitator, within only two days the Commission had drawn up its strategic plans (as well as short-term plans), a Code of Ethics binding on KPK leaders, the draft KPK organizational structure, and an interim KPK budget.

Management System and Guidelines

In any organization, human resources comprise one of the key factors necessary in realizing that organization's objectives and goals. The five commissioners of the Corruption Eradication Commission (KPK) wanted to see the Commission develop as an institution built on a foundation of strong, professional and competent human resources of unimpeachable integrity. In order to ensure that this vision was realized, recruitment would need to be carried out carefully and correctly.

The KPK executives were of the opinion that if an institution like the KPK failed to hire the correct people, it would be unable to achieve the desired results. In addition, in the post-recruitment period it would be necessary to ensure that career

development and other supporting systems be managed well.

The Partnership and the Commission agreed to work together on developing detailed job descriptions and criteria, formulating recruitment criteria and examination materials, and on the actual carrying out of recruitment. The terms of reference for this collaborative effort were as follows:

- studying the organizational structure and principal duties and functions of the KPK as set out in the work plans and strategic plans;
- developing job descriptions and criteria (the necessary competences, qualifications, knowledge, skills and attitudes) for each division. The job descriptions and criteria that were drawn up needed to accommodate the needs of the KPK in the pursuit of its vision and mission, and the mandate given to it in upholding the law.
- Developing recruitment criteria and examination/test modules;
- applying the examination/test modules based on the job descriptions and criteria as formulated;
- conducting a study on a suitable remuneration system.

The recruitment process for the deputies and directors commenced with the placing of advertisements in the newspapers in May 2004. More than 1,100 people applied for these positions. After going through a tight selection process involving a series of tests and examinations set by various appraisers under the coordination of Daya Dimensi Indonesia (DDI), three deputies and seven directors were selected, consisting of seven people from the private sector and three with backgrounds in the public service.

As there is a provision in the Criminal Code stipulating that criminal investigators must be either police officers or public prosecutors, the KPK also recruited a number of such staff. This involved the submitting of requests to the Attorney General's Office and the Republic of Indonesia Police to nominate a number of staff members to work as KPK investigators.

At the start of 2004, after the commissioners of the KPK

had been selected, the KPK received assistance from a number of other institutions, including the Development and Finance Control Board (BPKP), the Department of Finance, the State Secretariat, etc. With the winding up in the middle of 2004 of the Government Officials Wealth Audit Commission (KPKPN) – which had previously been charged with the task of auditing the assets of high ranking public officials – all of the officers who had worked for the KPKPN were now transferred to the KPK. However, in order to ensure that staff of the necessary caliber were obtained, it was made mandatory for all of the KPKPN staffers to undergo selection tests.

Following the examination of temporary and former staffers of the KPKPN at the end of 2004 and in January 2005, a total of 80 officials were returned to their original institutions as they were considered more suitable to work at the institutions they were originating from.

With the completion of the recruitment process of the deputies and directors, and the reselection process of the former KPKPN staff, the KPK now had a total of 120 personnel. This figure, however, was still far from what the KPK would require to satisfactorily perform its duties. Accordingly, another round of recruitment was held at the start of July 2005. At the time of writing in September/October 2005, a total of 16,500 hopefuls had applied to join the KPK, with the number of vacant positions numbering only 150.

Through the formulation of job descriptions and criteria, recruitment criteria, examination modules and the implementation of transparent and open recruitment processes, the KPK has shown itself capable of attracting professional and competent staff from both the public and private sector.

Human Resources Development

After staff had been recruited, it was necessary to design a human resources management system so as to ensure that the KPK's staff could perform their duties optimally. This was because the human resources management system and guidelines employed in the civil service so far could not possibly be applied

by the Commission if it was to achieve its objectives. Similarly, private sector models of human resources management were also incapable of being fully applied bearing in mind that the KPK was a public agency. Accordingly, a new human resources management system needed to be developed that would enable to KPK to achieve its goals.

The following efforts were made as part of this task:

- The development of human resources management policies and guidelines based on best practice in both the public and private sectors;
- The identification of areas of conflict between the policies and guidelines referred to above on the one hand and the policies and regulations employed by the civil service in general on the other hand, and a consideration of whether the KPK's policies and guidelines needed to be modified or whether the general civil service policies and regulations needed to be amended; and
- The formulation of human resources policies and guidelines so as to be workable and practical by instituting whatever changes were found to be necessary.

Besides the above, a study was also conducted on an appropriate remuneration system for the KPK. The KPK leadership agreed that the current system of public service remuneration in Indonesia would not support the creation of a conducive work culture in the Commission and would be incapable of motivating Commission staff to perform optimally.

Given that Law No. 30 of 2002 conferred wide-ranging powers on the KPK and that the Commission needs to exercise these powers correctly and avoid any possible abuses of power, it was essential that the remuneration system selected be the correct one, right from the very beginning. If this turned out to be the case, it could subsequently be employed as a model for the reform of the remuneration system in the bureaucracy as a whole.

To provide such a model, the KPK remuneration system needed to be based on appropriate formulation and be capable

of ensuring that all Commission staff shall perform optimally. This would require salary levels to be competitive with other institutions or bodies so as to avoid key staff members being enticed to leave the KPK. However, there was also an awareness that high salaries would be unacceptable to both the public and government. Therefore, it was decided that it would be necessary to design a new remuneration system for the KPK.

The basic objective of this effort was to identify appropriate salary components, structures and levels for KPK executives and staff.

The designing of an appropriate remuneration system involved the following efforts:

- Identifying the salary components, structures and levels applicable in the public service;
- Conducting a study on salary components, structures and levels in the Indonesian private sector based on type of work, risk and workload, and then comparing these with the work undertaken by KPK officers.
- Developing salary components and structures for the KPK and determining the most appropriate salary levels based on the results of the studies described above; and
- Ensuring that the salary components and structures developed for the KPK would facilitate the Commission in the performance of its work and achievement of its goals based on Law No. 30 of 2002.

With almost 22 months having elapsed since the establishment of the KPK, a government regulation on the KPK staffing and remuneration system has yet to be approved – mainly due to bureaucratic obstacles and an unwillingness on the part of some institutions to embrace change.

To fill the vacuum until such time as a government regulation has been issued, the KPK leadership has sought approval in principle to pay cash advances to its staff. Any overpayments or underpayments resulting from the payment of such cash advances vis-à-vis the future government regulation could be calculated

at a later date. Thankfully, approval has been given for this arrangement by the Minister of Finance, and it is currently being employed as a basis for setting salaries.

The proposed KPK remuneration system consists of a combination of a salary and allowance components. Staff members will be prohibited from accepting any other types of fees and emoluments, such as payments for attending meetings, project fees, speaker's fees, etc. While it will be impossible to match the remuneration levels offered by the private sector, it is nevertheless hoped that the KPK will be able to attract dedicated and competent people to serve in its ranks.

On the many occasions where KPK members have been asked to speak at various events, they have consistently refused to accept speaker's fees, transport money and accommodation money. This has surprised not a few event organizers as it is something quite unheard of in Indonesia. Similarly, KPK members also refuse to accept money for attending meetings or events, or for serving as members of working groups. This is because members of the KPK are determined to only accept remuneration from the KPK.

Internal Communications System

The ways in which corruption is committed are becoming increasingly sophisticated. Accordingly, the Corruption Eradication Commission needs to develop as an organization that is equipped with state-of-the-art equipment, including an up-to-date communications system. This is essential given that the KPK must produce two pieces of admissible evidence before a case of alleged corruption can be brought to court. Of course, modern working methods supported by IT and top-flight expertise will greatly assist the KPK in coming to grips with corruption cases committed using the most-up-to-date technology. With the assistance of the Partnership, the Commission has developed a local area network in the KPK headquarters, and this has greatly assisted the Commission in the performance of its duties.

As is only to be expected of the senior policy-makers in a

modern organization in this era of the virtual office, the deputies and directors always bring their laptops with them wherever they go, and through these they can access the KPK network wherever they go and maintain contact with staff in the office. To date, paperless management in the Commission has been a success even though it took some time for the commissioners used to the hardcopy approach to get familiar with e-mail and e-filing. This coming to grips with new technology is indeed a rarity in an Indonesian government agency.

With regard to eradicating bribery, by October 2005 the KPK had arrested red-handed a member of the General Elections Commission (KPU), the lawyer of Abdullah Puteh, and his lawyer on cassation (final appeal), and a Supreme Court clerk.

These arrests involved the application of pioneering methods for the Indonesian law enforcement sector, and would have been impossible without the use of modern technology, and, of course, the dedication of our staff.

Integrating the KPKPN into the KPK

Long before the leadership of the KPK was selected, the Public Servants Audit Commission (KPKPN) was already in existence. This agency was established in 2001 by Law No. 28 of 1998 on the State Organizer who is Free of Corruption, Collusion and Nepotism. The principal duties of the KPKPN were to monitor and verify the assets of public servants, audit their asset declarations, and receive and investigate complaints from the public, NGOs, the community and government agencies regarding suspicions of corruption, collusion and nepotism involving public officials. In addition, the KPKPN was also authorized to launch investigations at its own initiative in respect of the assets of public officials and the provenance of such assets.

Law No. 30 of 2002 on the KPK provided that the roles and functions of the KPKPN would be transferred to the KPK and form part of the KPK's corruption prevention strategy. The Partnership played a significant role in helping ensure the success of integrating the KPKPN into the KPK by, among other

things, enlisting the services of the University of Indonesia's School of Psychology. Through their help, we were able to somewhat reduce the level of resistance to change that always emerges during a process of this kind.

The problems arising out of the integration of the KPKPN into the KPK were mainly the result of resistance by former KPKPN staff. The KPK found it difficult to convince them that the process would produce positive effects for the fight against corruption. Despite the initial resistance, the process became easier after the KPK collected complaints from the former KPKPN staff and took action to address them.

The assistance from external parties was of immense benefit during this process. This was clearly shown by the change in attitude of the KPKPN staff after having consultations with experts from the University of Indonesia's School of Psychology.

Public Consultation and Changing Paradigms

It was clear from the outset that individual adjustments would have to be made so as to produce mutual understanding and a common perception among the executives of the KPK given their varied backgrounds: some from the police, some from the civil service, and some from the private sector, plus the age gaps (the youngest commissioner was 45 and oldest 62).

The original plan to provide training to the leaders of the KPK was modified given the lack of time. Their first job was to draw up strategic plans and a code of ethics. This was accomplished at the end of January 2004 after intensive discussions between the Commission leadership and various parties who voluntarily provided assistance. The second task was a discussion of simple training, which took place over the course of half a day during the discussions on the KPK's vision. This discussion was also integrated into human resources management system development activities, and involved the assistance of Daya Dimensi Indonesia.

The Partnership also assisted with the organizing of out-bound executive training for the leaders of the KPK in order

to accelerate bonding and improve teamwork among them. In addition, after the deputies were selected, the executives, deputies and the secretary-general underwent mind-setting training to help them change their paradigms and preconceptions. By participating in this program, they arrived at a common perception as to the future of the organization, and developed a willingness to better listen to and respect the views of others. Similar training programs are now undertaken on a routine basis in line with the type of cases being handled by the KPK and the expectations of the public.

All KPK staff, from the leadership level down to security staff, participated in an outbound program in Puncak, West Java, from 18-19 September 2005. As a result, all staff members were introduced to the values underlying the work of the KPK, namely, integrity, professionalism, productivity, religious faith, transparency, teamwork, and innovation.

The active involvement of the public will play an indispensable role in ensuring the success of the KPK's work. Accordingly, discussions with various public groups that have the potential to help eradicate corruption were held in five areas: Medan, Jakarta, Denpasar, Makassar, and Balikpapan. These public discussions focused on disseminating information on the KPK's strategic plans and leadership Code of Ethics, and were also intended to elicit feedback and criticism from various perspectives and viewpoints.

In order to assist with the effort to provide information on the KPK's activities, it was decided that it was necessary to build a press center at the KPK offices. This serves as a base for the members of the press who have taken such a keen interest in the work of the KPK to date, starting with the interrogation of Abdullah Puteh and members of the General Elections Commission (KPU) suspected of soliciting and receiving kickbacks from KPU suppliers.

As pointed out earlier in this paper, the fight against corruption will be unlikely to bear fruit if all responsibility is placed solely on the shoulders of the KPK. Rather, the effort must

involve all elements of society. As part of the public consultation process, all feedback and criticism received from members of the public were considered and put to use in fine-tuning the KPK's strategic plans and as reference material in the planning of work programs by the different KPK directorates.

Informants and TV Crews

While public consultation was originally only intended to elicit feedback and criticism as regards the KPK's vision, mission and strategic plans, it was later developed so as to ensure the wide-ranging participation of the public in the corruption eradication program.

The number of corruption reports submitted by the public has been rising rapidly. As of the end of September 2005, the total number of reports that had been received amounted to more than 7,000. This clearly shows the level of trust and hope that the public is placing in the KPK, even though it is obvious that not every report will in reality involve corruption. In fact, some informants are motivated more by personal and emotional considerations, such as a desire for revenge on the part of, for example, a dismissed employee, a losing bidder in a tender, the loser in a court case, etc.

The types and nature of the reports submitted to the KPK vary greatly. Some are sufficiently comprehensive so that all that remains to be done is to find the necessary supporting evidence, while others consist of mere newspaper clippings. Some informants come to the KPK offices taking great care to conceal their identities, while others arrive complete with television crews, apparently determined to appear on the next TV news broadcast.

All reports received by the KPK are studied and analyzed. Some clearly reveal *prima facie* evidence of corruption, while others show minimal indications of criminality. Not all complaints received came within the jurisdiction or purview of the KPK. After examination, where appropriate the reports are either acted upon by the KPK itself or are forwarded to the appropriate

body, such as the relevant local audit board (Bawasda), inspectorate general, the police or the prosecution service. Even in the case of those reports that are handed over to other agencies, the KPK will continue to conduct monitoring and coordination in respect of the progress achieved.

An informant has the right to seek information on the progress of the KPK investigation into a case he has reported, and the KPK is always willing to provide such information, where feasible.

Many of the informants who show up at the KPK offices are in a highly agitated state, convinced that their reports are of the utmost importance.

KPK staff are aware that public participation is of the essence in the fight against corruption. In order to maintain their zeal and also to improve the quality of reports, the KPK has organized both internal and external training.

With regard to internal training, this is provided to improve the technical capabilities of KPK staff so as to expedite investigations, and to equip staff to be able to deal with highly emotional/angry informants. Meanwhile, the external training that has been provided has mainly consisted of efforts to inform the public about the type of reports that fulfill the requirements. This effort includes training on how to conduct initial investigations, the distribution of leaflets, etc.

In order to mobilize the necessary resources, the KPK held a coordination meeting with donors on 4 March 2004. With the increasing discussion of corruption in the United Nations, Asia Pacific Economic Cooperation (APEC) and other forums, the willingness of donors to contribute to the fight against this evil has increased. The task now is to convert this willingness into concrete support and financial assistance. In this regard, the KPK has consistently received solid support from donors, including the Partnership. This included Initial Startup Support, assistance with the drawing up of standard operating procedures (Asian Development Bank and the Partnership), on-the-job overseas training (ASEM Trustfund/World Bank), Preventing corruption

by strengthening legislators capacity (Danida-Denmark), a so-called Crash Program supported by the Partnership (which was just commencing as this paper was being written), operational support from the Asian Development Bank for the KPK in Aceh, and others.

Lessons Learned

The success of this Initial Start Up Support depended on various factors, including the following:

- the KPK knew precisely what was needed in terms of donations;
- the KPK as the recipient of the donations was able to formulate its needs in budgeting, planning and time-frame terms. The budgeting, planning and scheduling processes had to be in line with the KPK's operations. For example, the budget and scope of the work had to be revised on two occasions due to the rapidly evolving nature of the KPK's work;
- Projects were carried out in a transparent manner in line with budgets and plans.

As a new state agency, the KPK has become the subject of great expectations on the part of the public. These expectations will, however, be difficult to fulfill if the KPK does not resolve all of its internal and institutional challenges. The drawing up of the Commission's vision, mission, Code of Ethics and strategic plans represents the laying of firm foundations for the future development of the organization.

While attempting to fulfill the expectations of the public and ensure internal consolidation, the KPK must also respond to and take action in respect of those corruption cases that have become the focus of public attention. It obviously will not be easy to accomplish all of these things at the same time.

However, as a new institution the KPK possesses the advantage of having the opportunity to develop a new organizational paradigm that is capable of eradicating corruption in Indonesia and ensuring that it does not reemerge. Thus, continued support for the efforts of the KPK in achieving internal consolidation

will be of the utmost importance in ensuring that the Commission is capable of creating and internalizing an organizational character and culture that are in line with its mission.

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CHAPTER 9



Mobilizing the People of Papua to fight Corruption¹

Bambang Sugiono, Maftuh Effendi,
and Yusak E. Reba

Legislation but no ancillary regulations

Law No. 21 of 2001 on Special Autonomy for Papua Province has been instead in the region formerly known as Irian Jaya, since 21 November 2002. This legislation was intended to provide for the following: (1) a more satisfactory distribution of powers between the central and local levels, (2) the protection of the identity of the indigenous inhabitants of Papua, who have become increasingly marginalized in the province, and (3) increasing development funding in order to improve the economic capacity of the people of Papua Province, particularly marginalized groups.

The new legislation provides the legal and policy framework necessary for extending greater powers to the provincial, regency and municipality governments in Papua Province so as to allow them to arrange and manage their own affairs. These powers cover the areas of government administration and the exploitation of natural resources to improve the quality of life of the people, especially in the fields of education, healthcare, physical infrastructure and the popular economy.

As a consequence of the enactment of the Papua Special Autonomy Law, the funding allocations for Papua Province from the national budget must be significantly increased, while

¹ This paper describes the empirical history of the program titled “Strengthening Civil Society Organizations and the Bureaucracy in Preventing and Eradicating Corruption during the Implementation of Special Autonomy in Papua Province” (April 2003–February 2005). Funding for the program was provided by three organizations: the Partnership for Governance Reform in Indonesia, particularly for improved communications with the legislative and executive branches of the local government, the CSSP for advocacy with a view to encouraging greater civil society participation, and the ICCO for a public information campaign in the media.

the management of natural resources, particularly forestry and marine resources, must be improved so as to increase local government revenues.

In order to give proper effect to the Papua Special Autonomy Law, 20 provincial regulations and 11 special district regulations need to be issued, and under article 75 of the Papua Special Autonomy Law, these should have been issued by not later than two years after the enactment of the legislation.

Now, almost three years after the legislation was introduced, not one of these provincial and special district regulations have been placed on the statute books (most of the required regulations concern the management and utilization of special autonomy funds, and the instituting of social control over government). As a result of this legislative failure, the spending of the annual 2 percent subvention from the central government's General Allocation Fund (DAU) has gone ahead without the conducting of any kind of needs assessment or the putting in place of objective parameters based on the set formula of 60 percent of the funding for the provincial government and the remaining 40 percent for the regency and municipality governments. Under the legislation, these funds should be spent on education and healthcare. However, there are to date no ancillary regulations that could serve to prevent the misuse of public funds through the instituting of effective political and social control. Given this deficiency, a clear threat exists to the achievement of the objectives of special autonomy for Papua Province. The results of an investigation published in Jayapura's *Cenderawasih Pos* newspaper on 23 April 2003, highlighted 22 cases that appeared to involve the misuse of development funds by project treasurers and administrators.

Given these circumstances, the Institute for Civil Society Strengthening (ICS) – together with a number of other civil society organizations in Papua Province – decided that systematic efforts would be needed to promote a cultural movement and law reform at the local level so as to reduce the opportunities for corruption. It was believed that this effort was an essential precondition to the instituting of good governance in the province. It was geared to the prevention, and eventual eradication,

of corruption involving abuse of power and misuse of public funds by the power-holders in Papua and their cronies.

The three main goals of the movement were as follows: first, providing a proper understanding of the consequences of corruption and encouraging the public to be courageous enough to fight it. This was to be achieved through organized advocacy and public campaigning. Second, the application of public pressure to those involved in corruption in the local government bureaucracy, local political institutions and economic players associated with the power-holders through the seeking out of information and conducting of investigations to uncover cases of corruption and bring them before the courts. Third, the development of a partnership between all of those concerned with the anticorruption effort for the purpose of eliciting the views of the public and advocating the enactment of local regulations that would make it more difficult for corruption to occur, as well as encouraging an improvement in the public services provided by government institutions.

In order to achieve the above goals, there were three factors that would be required: first, a partnership between all those committed to the fight against corruption, including individuals in both governmental and non-governmental institutions; second, an increased awareness on the part of the public about corruption and greater courage to tackle it; and third, political will on the part of local administrations and legislatures to deliberate, enact and put into effect local regulations that could reduce the opportunities for corruption and ensure the provision of better services to the public by government institutions.

Developing the Right Strategy for the Movement

There were three crucial issues that led to the enactment of the Papua Special Autonomy Law as part of an effort to resolve Papua Province's problems: 1) political conflict arising from the demands for Papuan independence, which were viewed by the Republic of Indonesia government as expressions of separatism; 2) social conflict resulting from the failure to satisfactorily resolve the earlier political conflict; 3) and the low level of

economic development enjoyed by Papua, particularly indigenous Papuans, compared to the majority of other provinces in Indonesia. Accordingly, the Papua Special Autonomy Law had three primary goals: in the political field, to bring about power-sharing between the central and local governments through decentralization; in the social field, to ensure recognition and respect for the socio-cultural identity and the fundamental rights of indigenous Papuans as part of Indonesian unity in diversity; and in the economic field, to increase the allocation of development funds so as to improve the economic capacity of the people, particularly indigenous Papuans as the most marginalized group in Papuan society.

In order to support the attainment of these three goals, Papua Province was to be allocated 2 percent of the General Allocation Fund at the national level. The amount of additional funding would be agreed upon between the central government and the House of Representatives based on the proposals submitted by the province for each fiscal year. Based on this formula, the funding allocated to Papua Province increased significantly following the introduction of the special autonomy package, with the result that development projects and programs in the province could be expanded and accelerated. However, as a consequence of the fact that there were no clear accountability procedures in place, or political or social control over the spending of the additional funding, the way was left wide open for increased corruption on the part of the power-holders and their cronies.

With the intention to counter this tendency towards increased corruption, the ICS – together with its civil society partners – developed a strategy involving the establishment of a coalition between pro-democracy and anticorruption activists. Two principal approaches were employed by the coalition. First, a “repressive” approach involving investigations, the uncovering of incidences of corruption, advocacy for the putting of embezzlers in the dock, and clear and transparent legal processes, and, second, anticipatory action involving the conducting of studies to identify people’s aspirations and the holding of public consultations

to design draft legal products in the form of local regulations, and subsequently advocating the deliberation and enactment of these regulations by the local executive and legislature. Both of these approaches, which complemented each other, were to be put into effect through a gradual culturally oriented strategy, including the encouraging of public participation. This gradual strategy also consisted of another element – the putting in place over time of performance indicators with which the public would be familiar.

The Robert Klitgaard Formula: $C = D + M - A$

The anticorruption movement in Papua Province took its cue from the results of a study and investigations conducted by the ICS in collaboration with its civil society partners.² Based on the findings of this study and the associated investigations, it was found that the dominant culture of the bureaucracy was one of nepotism and opaqueness, that there was a serious lack of social and political control resulting from the cozy relationship between the political elite and the local government bureaucracy. There was virtually no public accountability, there was weak communication between politicians and the voters, law enforcement was poor due to the limited jurisdiction and powers of the Administrative Court, there were no local regulations capable of preventing corruption and ensuring appropriate punishment for those involved in corruption, and those staffing the law enforcement agencies often actually assisted in the commission of corruption. Taken collectively, these factors tended to provide fertile ground for widespread corruption and impunity.

² Results of the study titled “Identifying public perceptions about the implementation of Papuan special autonomy in seven regencies of Papua Province: Jayawijaya, Biak, Merauke, Sorong, Manokwari, Fakfak, and Jayapura.” This study, which was supported by the European Union and conducted from January to March 2003, focused on public perceptions regarding three aspects: 1) the utilization of special autonomy funds in the healthcare, education and popular economy sectors; 2) the drafting and issuance of government regulations on the Papuan People’s Council; and 3) legal, political and social control over the implementation of the Papua Special Autonomy Law by the provincial, regency and municipality governments in Papua. The results of the study were presented during a seminar to evaluate one year of implementation of the Papua Special Autonomy Law held at the Hotel Matoa, Jayapura on 9-10 May 2003.

On 1 March 2003, activists from various civil society organizations³, all of whom were involved in particular areas of advocacy, agreed to develop and expand the anticorruption movement. The forum recommended that all pro-democracy and anticorruption players – consisting of individuals from local government institutions, law enforcement agencies, political parties and non-governmental institutions – be invited to reflect and develop a critical attitude, conduct investigations, and design a format for preventing corruption. The forum agreed that the best way to put pressure on the embezzlers was through “repressive” and anticipatory measures.

This was also the approach adopted by the government of Hong Kong in its fight to rid the territory of corruption. The government there availed of the formula designed by Robert Klitgaard, and used it when drafting the necessary legislation to weed out corruption. The said formula was as follows: $C = M + D - A$, with C representing corruption, which was equal to M (monopoly power) plus D (discretion by officials), minus A (accountability).⁴

The forum in Papua resolved to expand the public movement it was promoting so as to encourage and design advocacy campaigns to ensure the enactment of the necessary local legislation to make it more difficult for the embezzlers and ensure that appropriate sanctions were imposed on them, and all who assisted them, including bureaucrats, politicians, and members of the law enforcement institutions. The situation was particularly acute in Papua Province given the almost total absence of comprehensive and detailed regulations providing for public

³ The said civil society organizations consisted of The Institute for Civil Society Strengthening (ICS) Papua in Jayapura, Lembaga Bantuan Hukum (LBH) Papua in Jayapura, Konsultasi Independen Pemberdayaan Rakyat (KIPRA) Papua in Jayapura, Forum Partisipasi Masyarakat untuk Pembangunan Merauke (FORPAMER) in Merauke, Yayasan Nanimi Wa Bilisu in Sorong, Lembaga Pemberdayaan Ekonomi Rakyat (eLPERA) in Fakfak, Yayasan Santa Lusia di Biak, Lembaga Penelitian, Pengkajian, dan Pengembangan Bantuan Hukum (LP3BH) in Manokwari, Pusat Kajian Demokrasi Universitas Cenderawasih (Democratic Center Cenderawasih University) in Jayapura, and the Papua provincial branch of the Partai Keadilan Sejahtera (PKS) in Jayapura.

⁴ For more information on this formula, see Robert Klitgaard, *Membasmi Korupsi*, Yayasan Obor Indonesia, Jakarta, 2001.

participation, transparency and accountability – which obviously had adverse consequences for the efforts to eradicate corruption from the local bureaucracy and political scene.

The plan was to develop the anticorruption movement gradually. During the first five years (2002-2007), the following three main activities were to be undertaken:

1. Conducting organized advocacy and public campaigns focused on the eradication of corruption and the bringing to surface those involved in corruption in Papua Province. The objective would be to persuade people to be more courageous in combating corruption, which would involve regular public campaigns, including the use of talk-back radio, the insertion of anticorruption messages in the local print media, the distribution of stickers and T-shirts displaying anticorruption messages, such as “Corrupt Power-holders, Bankrupt Nation”, “Come down hard on the Corruptors”, “Reject monopolies, ensure accountability”, “Yes to anticorruption politicians”, “Transparent policies prevent corruption”, and “Corruptors are enemies of the people”. In order to obtain feedback from the public on the effectiveness of the campaign, an evaluation team was established consisting of journalists, academics and religious leaders.
2. Investigating and uncovering corruption cases, and encouraging the taking of legal action against those involved so as to put pressure on dishonest members of the local government bureaucracy, political parties, and well-connected business-people. This would be carried out through the seeking out of information on institutions vulnerable to corruption, such as local administrations and legislatures (particularly as regards a lack of transparency in project management), the police, the prosecution service, and the courts when handling cases involving the spending of public funds. Such information would then be followed up on by specific case investigations, encouraging people to lodge complaints, and applying pressure to ensure that those suspected of corruption were put in the dock. In addition, routine focus group discussions involving concerned individuals and those employed

by corrupt institutions would be held, studies conducted on public policy and public services, workshops held to discuss the effectiveness of law enforcement efforts in eradicating corruption, advocacy training workshops held for civil society organization activists to help them uncover corruption, routine meetings convened to consolidate the anticorruption network in Papua Province, and public pressure consistently applied to uncover corruption in the Papuan Police and Prosecution Service.

3. Conducting studies to identify the wishes and views of the public, drafting and advocating the adoption of local legal products that would make things more difficult for those involved in corruption, and bringing pressure to bear for improved public services. The objective here would be to encourage the issuance of comprehensive and detailed local regulations that would guarantee the public's right of participation, policy transparency, and public accountability in policy implementation for the purpose of preventing corruption in the bureaucracy and among local politicians and their cronies. This would be carried out through the establishment of a partnership of anticorruption civil society organizations, public dialogs to encourage policy transparency, the conducting of studies and advocacy on the setting up of a Papua Ombudsman Commission, the provision of legislative drafting training so as to improve policy transparency, the conducting of studies on the relevant local and central legislation, drafting local ordinances on issues affecting the public interest in a transparent and participatory way, including ordinances that would prevent abuses of power, such as an ordinance requiring public participation in the framing of local legislation, an ordinance on transparency and accountability in public policy, and an ordinance establishing a local ombudsman commission.

With regard to strategy formulation and implementation, those responsible for the successful implementation of this work would be the members of the anticorruption and pro-transparency coalition, consisting of individuals drawn from NGOs, academia,

traditional/tribal organizations, local government, the police, the prosecution service, the public courts and the administrative court, and journalists in seven Papuan regencies and municipalities. The ICS would play the role of initiator and facilitator in formulating and implementing strategy, and for program design and implementation. Meanwhile, the actual implementation of the anticorruption drive would be carried out by the civil society anticorruption coalition consisting of individuals drawn from civil society organizations, academia, traditional/tribal organizations, local government, the police, the prosecution service, the courts and the media.

In the last two years, the Partnership for Governance Reform in Indonesia has been the biggest source of funding for the design, implementation and evaluation of the anticorruption program. However, the ICS as the initiator institution has also continued to provide funding support.⁵

With regard to the second activity described above, advocacy was conducted from February to June 2003, in collaboration with the local press, and members of the Papua Local Legislative Council from the Bulan Bintang Party and Keadilan Sejahtera Party – for the purpose of ensuring the prosecution of 22 treasurers and administrators of development projects funded out of the 2002-2003 Papua provincial budget. The advocacy campaign was successful in eliciting responses from the governor and deputy governor, who ordered the Development and Finance Supervisory Board, the local audit board, the Regional Planning and Development Management Board (BP3D), and the Papua Provincial Secretariat's Finance Bureau to conduct audits on the projects. Advocacy at the wider level has also been quite successful in molding public opinion and spurring the involvement of lawyers, the police, the prosecution service and the courts in ensuring that corruption cases that would previously have been dealt with administratively would now be prosecuted before the

⁵ ICS is funded by members' dues, profits from its photocopying and car rental businesses, and part of the fees earned by ICS activists working as facilitators, from speaking engagements and as the authors of articles promoting democracy.

courts as criminal offenses.

However, the prosecutions that have been taken have suffered from a lack of transparency and undue delay. To date, the pressure applied by the ICS and its fellow civil society organizations to ensure that the prosecution service in Papua provide updates on the progress of these cases has failed to bear fruit.

In addition, the efforts to encourage the Corruption Eradication Commission to become involved have been greeted by apologies due to lack of time and personnel on the part of the Commission. Thus, many of these cases are still on the back burner.

Another serious obstacle to the advocacy process has been the uttering of a variety of threats – both psychological and involving violence – by individuals claiming to be acting on behalf of law enforcement institutions, local governments and community groups.

Promoting Transparency

Over the last three years, the anticorruption movement has succeeded in eliciting the views of the public, drafting instruments, publicizing the anticorruption drive in the local media, and initiating deliberations in the Papua administration and the Papua vLegislative Council on three draft provincial regulations that could provide the basis for the future progress of the anticorruption movement⁶. These bills are as follows: the Draft Provincial Regulation on Public Participation and Transparency in the Administration of Papua Province, the Draft Provincial Regulation on the Legislative Process in Papua Province, and the Draft Provincial Regulation on the Establishment of an Ombudsman Commission in Papua Province.

⁶ The processes involved, the problems identified, the white papers and the drafts of the provincial ordinances have been published in book form as 1) *Developing the anticorruption movement through local legislation: A normative study (Membangun Gerakan Anti Korupsi melalui Peraturan Perundang-undangan Daerah: Suatu Kajian Normatif)*; 2) *Study on planning and policy transparency in Papua Province (Kajian Perencanaan dan Transparansi Kebijakan di Provinsi Papua)*; 3) *Establishing an Ombudsman Commission in Papua: Identifying the problems and necessary steps for realization (Membentuk Ombudsman Papua: Identifikasi Masalah dan Langkah Implementasi)*; and 4) *Understanding and combating corruption: Instituting the principles of good governance in local administrations (Memahami dan Melawan Perilaku Korupsi: Menuju Prinsip "Good Governance" dalam Penyelenggaraan Pemerintahan*

These three bills have been discussed in detail and all efforts made to ensure they are free from ambiguity in four aspects: 1) law enforcement procedures; 2) imposition of sanctions, including sanctions for law enforcement officials and law officers who break the law; 3) time-bound targets for law enforcement and legal processes, and 4) public accountability for law enforcement and legal institutions. This is an important first step to improving the quality of local legislation in Papua, much of which is ambiguous, provides excessive discretion to officials, is difficult to access on the part of the public, and fails to provide sufficient deterrents for law enforcement officials and legal officers who fail to perform their duties.

The process of intense interaction that has been gone through has also encouraged a more open attitude on the part of government officials and institutions in Papua Province, as shown by their positive response to the three bills presented by the civil society organizations. However, no significant policy changes have been made to date as little headway has been made on enacting the three bills into law. On the positive side, there has been an increase in communications and cooperation between the partner civil society organizations. This includes members of the local press, Local Legislative Councils, and local political party leaders, as shown by their active involvement in and support for the efforts of the coalition to elicit the views of the public and ensure the deliberation of the three reform bills.

The provision of legislative drafting training so as to improve policy transparency was followed by skills training designed to improve the capabilities of activists in conducting advocacy and drafting white papers/bills as part of the effort to encourage policy transparency at the regency and municipality levels in Papua Province.

For the future, the constraints encountered to date must be overcome by further developing the anticorruption movement through improved cooperation between those concerned individuals and institutions that possess experience in anticorruption advocacy – such as those involved in the University of

Indonesia's post-graduate police studies program, Indonesian Corruption Watch (ICW) in Jakarta, the Indonesian Forum for Budget Transparency (FITRA) in Jakarta, the Attorney General's Office, and the Corruption Eradication Commission – as part of the effort to uncover and resolve corruption cases in Papua Province, and to ensure the drafting and enactment of local regulations that would reduce the room for corruption, and lead to improved public services. In addition, regular publication of the movement's achievements will be required so as to increase public trust and support in Papua.

In order to ensure structural, substantive and cultural harmony in law enforcement in Papua, emphasis will need to be placed on the following aspects in the future: the public must be involved in the legislative drafting and formulation process, regulations must be based on concrete needs and be well-drafted and realistic as regards implementation, the public must be guaranteed the opportunity of voicing criticism, and information about law enforcement efforts must be conveyed through the media so that it can be easily accessed by the public.

The provisions of all local legislation must be tightly drafted so as to avoid any opportunity for ambiguity and erroneous interpretation, and involve all of the institutions concerned with the law and law enforcement. In addition, provisions requiring public accountability must be put in place, and strong sanctions and clear procedures introduced. Protection will also need to be provided for whistle-blowers, and scope afforded to the public to conduct oversight through the setting up of an effective complaints mechanism.

Pressing Issues

For the next stage of the campaign – which will involve both “repressive” and anticipatory measures as part of the effort to transform cultural values and the local legal system so that effective action can be taken to uproot corruption – the

most important precondition will be that both program initiators and implementers be truly clean from all forms of corruption, no matter how insignificant, so that the public can be kept on board.

The most pressing steps that now need to be taken are as follows: first, conducting a critical study, and publishing its findings, on those local regulations that provide opportunities for corruption; second, instilling an awareness among the public of the importance of local regulations in supporting the anti-corruption drive; and third, developing the political will on the part of local administrations and legislatures to repeal those local regulations that afford opportunities for corruption and replace them with appropriate legislation that will once and for all close the door to this extraordinary crime.***

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CHAPTER 10



Eradicating Corruption: From Acceptance to Resistance

Teten Masduki¹

Transformation of Corruption

Under the kleptocratic New Order regime – a time when corruption was transformed from being a sideline into the principal pursuit of government bureaucrats and officials – political and business patronage led to abundant natural resources, state economic facilities and government procurement contracts falling into the hands of a small group of individuals in the coterie of the power holders. The people had to pay dearly for all this through poor public services.

The corruption that spread so widely during this period was most probably the result of the excessive centralization of political and economic power in the hands of President Soeharto without any form of accountability being applied. Political scientists have concluded that the power held by Soeharto was in reality absolute, given that all forms of checks and balances had been rendered ineffective as a result of the fact that the political parties, elections, the legislature and the courts were all controlled by the President. There was almost no functioning opposition during the New Order years. Meanwhile, social control also proved to be ineffective as civil society – particularly the press and student organizations – were subjected to an extraordinary level of regimentation.

¹ The writer is the coordinator of Indonesian Corruption Watch (ICW). The programs pursued by ICW that were supported by the Partnership are as follows: “Facilitating Public Participation in the Discussion Process on the Anticorruption Commission Draft Law” (April 2002 – September 2003) and “Citizen Monitoring of Campaign Finance” (November 2003 – May 2005 funded by the European Commission).

Since the fall of Soeharto and the institution of a much more democratic system of government equipped with functioning multiparty arrangements and a free press, corruption has evolved from something practiced by an oligarchy to something now practiced on a multiparty basis. The center of corruption is no longer focused on the presidential palace, but has spread into the legislature and to the regions. This change took place in line with the changes that have occurred in the political system since the 1999 general elections, with the role of the Office of the President becoming more circumscribed and that of the legislature being strengthened. During the same period, the system of government was decentralized, with many powers being devolved to the regions.

In brief, the transition from an authoritarian system to a democratic one has not automatically led to a diminution of corruption, even though it is much easier now for the public to become aware or be informed of such cases. New political forces – which claim to be reformist – are themselves frequently also up to their necks in corruption, often to the same extent as those old forces that they condemned and replaced. In fact, the courts, bureaucracy, and business world are still controlled by the old forces and reform in these institutions has only scratched the surface.

Unfortunately, the reform agenda to date has been primarily directed at the overhaul of government institutions and the system of governance. This is probably due to the perception that the prevalence of graft in Indonesia represents a failure of the governmental system. Corruption is seen as the consequence of failures on the part of the courts, legislature, budgeting system, oversight and control, the bureaucracy, etc. Perhaps this perception is well-founded, and that reform in these areas will give rise to a country that no longer has problems with the representation of the people in democratic institutions, and which actually has public representatives that actively work for greater prosperity for the people and improved public services.

However, the corruption eradication agenda to date has failed to pay adequate heed to the people as the principal victims of

corruption. Despite reforms to the legal system, there are still no mechanisms that would enable members of the public to bring misfeasors and embezzlers to court, whether on a legal standing or class action basis. In reality, those who have been harmed by corruption have the potential to resist the practice – after all, the ouster of president Soeharto from power was accompanied by anticorruption slogans. Unfortunately, after that various aspects of the reform movement failed to fully accommodate the aspirations of the people.

Public Investigations

Corruption in Indonesia is no longer a crime that is perpetrated covertly. The charging of unofficial levies – or, in reality, extortion by bureaucrats – in the provision of public services is already widely acknowledged and admitted. Overruns in government goods and services procurement projects as regards cost, amount of work involved and prices paid are commonplace, with the cost frequently swelling to three or more times the normal price. Bureaucrats and officials seem not to worry about conspicuously displaying their wealth, even though it would be impossible for them to amass such wealth based on their official salaries. Thus, it is nothing unusual to meet a “corruptor” in Indonesia. However, it would be extraordinary to meet an honest public servant or official.

All this is possible as corruption here involves a tiny risk compared to the potential gains. The possibility of being caught and thrown into jail is very small indeed, while the proceeds of corruption are normally more than enough to pay off law enforcement officers and judges, as well as those responsible for effecting oversight and control. A corrupt official runs very little risk of having his progress up the career ladder interfered with – in fact, precisely the opposite is normally the case. In fact, the recruitment and career advancement systems in the public service provide fertile ground for corruption and are tailor-made to suit those with deep pockets. Even among the public, a corrupt official may even be perceived as being more generous and

“philanthropic” than an honest one.

To date, the prevalence of corruption has only managed to elicit resigned acceptance among members of the public. Those who become its victims do not want to remember the incidences of extortion they have been subjected to, let alone report them to the law enforcement agencies or make them public. The reason for this is that they lack the courage to go up against those involved in corruption, who have power, guns and money, and are virtually free to do anything they want. This mind-set is only to be expected from a people that lived for so long under an authoritarian regime and that has yet to gain confidence in the new system of government.

The lamentable realities described above were the primary reasons for the establishment of Indonesian Corruption Watch (ICW) in 1998 – exactly one month after Soeharto stepped down. In essence, the foundation of ICW was intended to encourage collective public participation in eradicating corruption, no matter how insignificant, from people’s daily lives. In other words, to transform acceptance into resistance. ICW positioned itself as a trusted friend and shield for those courageous enough to report incidences of corruption but who wanted their identities to be kept confidential so as to protect them from the consequences of their decisions to go public. In such circumstances, ICW was determined to protect these brave individuals.

At the outset, it proved very difficult to get the program off the ground. Very few whistle-blowers turned up with sufficient information – possibly because many still doubted that action would be taken on foot of their reports or were still unsure about the actual extent to which ICW itself was clean. It is no secret that confidential information of this nature could constitute a potent weapon for blackmail.

It was only after we had investigated and made public a number of graft cases that the public had thought would never be touched by the law enforcers – due to the fact that the power holders, influential generals or tycoons were involved – that a slow trickle of whistle-blowers began to arrive in our offices.

This slow trickle later turned into a flood.

A significant “ice breaker” in this regard was our report revealing an account held by Attorney General Andi Muhammad Ghalib in a private bank in Jakarta. There was a very large amount of money in this account derived from transfers from tycoons being investigated by the prosecution service on suspicions of corruption. At that time, the Attorney General was widely believed to be holding up the effort to eradicate corruption amid the antigraft euphoria that accompanied the investigation of Soeharto.

As expected, our report to the Republic of Indonesia Military Police (Den Pom ABRI) was not followed by a prosecution. In the end, Andi Ghalib was removed from office by President B.J. Habibie to facilitate the investigation of his case, and was not restored to office again.

Besides giving a commitment that every report would be fully investigated and acted upon, another strategy employed for the purpose of encouraging people to come forward involved the building of a wide network involving various groups, particularly labor unions in the banking sector and in state-owned enterprises.

The collaboration of the labor unions plays an important role in uncovering corruption. This is because the members of the labor unions are directly affected by the state of the enterprise for which they work. The consequences of corruption within an enterprise are frequently felt by the workers in the form of worsening conditions and even dismissal. In addition, clean members of the bureaucracy and law enforcement agencies/the courts also have a major role to play in uncovering corruption cases.

The active involvement of whistle-blowers – even if they remain anonymous in order to protect themselves – from the time of planning an investigation up to the advocacy stage forms an essential part of the effort to instill public confidence and trust in the conduct of the investigation. The public also gains valuable insight into the workings of the law enforcement agencies/courts. In general, whistle-blowers get a feeling of satisfaction when the cases they have reported receive wide coverage in the

It takes guts to spill the beans!

While many people feel the affects of corruption in their daily lives, identifying the principal actors is not always so straightforward. The large number of people involved, the complicated modus employed, the opaque nature of government in Indonesia, and the involvement of the law enforcement agencies and courts in corruption all make it difficult to combat the practice.

Given these circumstances, Indonesian Corruption Watch (ICW) encourages social groups to develop their capabilities in uncovering corruption cases using various approaches. The provision of basic anticorruption training is the most common method employed, covering the imparting of knowledge about corruption, detection skills, program analysis skills, and knowledge about how to prepare special reports and conduct effective advocacy. The idea here is to establish pockets of resistance to corruption around the country.

It has been clearly shown that this approach is capable of heightening awareness among members of the public and encouraging them to report corruption cases. In 2004, ICW received 415 reports of suspected corruption from private individuals and community groups throughout Indonesia.

In the particular case of corruption in Jakarta, ICW conducts independent investigations and passes on the results of these to the law enforcement agencies. One example of such a case is that involving markups at Radio Republic of Indonesia (RRI) worth Rp 40 billion. This case is now being investigated by the Corruption Eradication Commission (KPK). Another example is the case involving a markdown worth Rp 300 billion in the sale of a plot of land belonging to the National Housing Agency, which is currently being investigated by the Coordinating Team for Corruption Eradication (Timtas Tipikor).

Among the new anticorruption networks that have been established are Prodem in Kendari, the LPS-HAM in Palu, Bontang Corruption Watch (BCW) in East Kalimantan, G2W in Garut, PIAR in Kupang, Gerak, SORAK, and SAMAK in Aceh, Rahima in Cirebon, and many others besides. These come on top of the anticorruption networks established previously, such as SOMASI in West Nusa Tenggara (NTB), Maraks in Surabaya, Pattiro in Semarang, Komite Anti Korupsi (KoAK) in Lampung, BAKO in West Sumatra, Perak Institute in Makassar, Gemawan in Pontianak, Pokja 30 in Samarinda, etc.

The drafting of a report on a suspect case of corruption is not confined to the preparing, writing and forwarding of the report to the law enforcement agencies. It also involves building up an anticorruption network, inter-group capacity building, and promoting common cause so as to ensure even greater courage in fighting against corruption.

(Adnam Topan Husodo)

media. Such coverage also gives them a better understanding of what has happened if the person or persons whom they have reported are not sent to jail at the end of the process.

Feeding the Media

Every case where the documentation has been completed is given a legal opinion, and revealed to the public through the media. This is an essential part of transparency and accountability in handling reports, and is necessary so as to maintain public trust. Corruption cases where the data or information is incomplete – or which are difficult to follow up on – are passed on to journalists to be used as they see fit.

After investigative capabilities, public trust is the most important element in ensuring a flow of information on graft cases from the public.

However, there is no way of knowing whether a reported case will eventually get as far as the courts. The failure to put a defendant in the dock often gives rise to a sense of frustration or even a suspicion that the case in question has been sabotaged. This sort of perception is unavoidable given the reality that judicial corruption is still rampant in Indonesia.

The findings of research conducted by ICW in 2001 on the judicial mafia in a number of regions of Indonesia (Jakarta, Medan, Makassar, Samarinda, Yogyakarta, and Surabaya) showed how corruption had spread to involve almost all actors in the courts, including judges, lawyers, prosecutors, police officers, registrars/clerks, and even secretarial staff and parking attendants. Apparently, judicial corruption is now regarded as something normal, and the courts are no longer places where justice is obtained. Rather justice is now up for sale to the highest bidder. Whoever can cough up the most money will win the case.

Given these conditions, it is often impossible to ensure that a corruption case is acted upon and the culprit put in jail. Accordingly, it is absolutely essential that increased public pressure – in the form of better oversight and control in respect of the courts – be brought to bear.

The public has the potential to directly exercise control over the courts by conducting independent assessment of judicial decisions. Such assessments do not need to come up with specific evidence of the payment of a bribe or preferment of some other form of inducement. However, every crime will always leave a trace and, in the judicial sphere, this will be apparent from the decision.

Public examination of judicial decisions represents an alternative method by which the public may critically review controversial court decisions that have an impact on society and indicate the presence of judicial corruption.

The overall purpose of public assessment is to ensure the effecting of oversight and control in respect of legal decisions. This oversight and control is effected based on the assumption that many judicial decisions are tainted by graft – both from the substantive and procedural perspectives – and fail to satisfy the people's sense of justice.

Spreading the Anticorruption Message

In waging war on corruption, ICW has never suggested it has a monopoly over the struggle. In fact, exactly the opposite is the case, and it has consistently tried to spread the anticorruption message and to have it incorporated as an important part of the agendas of all non-governmental and civil society organizations, farmers' and fishermen's associations, labor unions, other workers' organizations, and so forth. Based on its desire to decentralize the anticorruption movement, ICW has resolved not to establish branch offices around the country.

For ICW, building up an anticorruption network is by far and away the best method for expanding the scope of the movement. When networking, ICW does not confine itself to anticorruption institutions that have already been established around the country, but also focuses on the establishment of pockets of resistance to corruption.

ICW has a clear approach to networking based on its founding principles and code of ethics. While ICW will always be open to the establishment of new anticorruption networks, the

Public Examination of Cases as Part of Fight Against Judicial Corruption

The extent of judicial corruption in Indonesia's courts can be seen from Daniel Kaufman's study, *Bureaucratic and Judiciary Bribery*, 1998. Meanwhile, the findings of a survey on judicial corruption conducted by the Partnership for Governance Reform in Indonesia in 2001 showed that the courts are the most corrupt institutions in the country in the opinion of the public. Similar findings were arrived at by another survey conducted by Transparency International in 2004.

One of the factors leading to the endemic character of judicial corruption is the lack of an effective internal oversight system within each law enforcement agency and in the courts. Internal oversight is frequently hampered by an excessive devotion to esprit de corps, human-resource weaknesses, and the fact that many of those responsible for effecting oversight are in fact involved in the chain of corruption themselves.

In order to overcome the weaknesses that exist as regards internal oversight, external supervision and control needs to be effected by the public. The existence of people and groups in society that possess a commitment to uprooting the deeply entrenched networks of corruption within our courts is essential.

One effort that may be undertaken by the public is the evaluation and appraisal of legal decisions – a process frequently referred to as public examination. This work is of the utmost importance as it involves the active participation of the public in supervising the judicial process.

Public participation in exercising control over the courts through case examination was pioneered by ICW in 2001 in the Supreme Court review of Tommy Soeharto's conviction in an asset swap deal involving the National Logistics Agency (Bulog) and the Goro wholesale chain. The ICW also examined the decision in the Arifin Wardiyanto case in Yogyakarta.

These two examinations produced something akin to a snowball effect, and were subsequently used as models for judicial monitoring by a number of civil society organizations and institutes of higher education in Padang, Jakarta, Yogyakarta, Malang and Denpasar, as well as a number of other regions in Indonesia. To date, a total of 18 cases that proved controversial, had a widespread impact on society, or revealed indications of judicial corruption (5 civil cases, 12 criminal cases, and one Supreme Court practice direction) have been examined by the public, facilitated by non-governmental organizations and institutes of higher education.

(Adnan Topan Husodo)

members of these must adhere firmly to the fundamental principles for which the ICW is fighting. These principles are divided into three categories: First, the application of the principles of good governance to networking. ICW does not select network partners for advocacy and campaigning purposes randomly, but rather there must be an agreement to apply the principles of transparency and accountability in each activity that is undertaken. Second, the principle of credibility. Every community group that wishes to collaborate with the ICW must have a good record as regards organizational and group credibility bearing in mind that this is of the essence in the fight against corruption. Third, the principles of capacity and capability – in order for the anticorruption drive to achieve maximum results, all those involved in networking with ICW must have the capacity and capability to properly manage their programs and finances so that all their activities can be accounted for correctly and honestly.

As it is not such an easy task to find network partners that are capable of satisfying the above requirements, ICW has positioned itself as a facilitator for the promotion of ethics among community organizations and groups involved in the struggle against graft. In addition, ICW also takes part in the effort to improve the capacity of network members through the application of various methods, such as providing anticorruption training, training on how to conduct investigations, technical financial assistance, advocacy training, etc.

The other role of ICW is to promote coordination and mediation in respect of the advocacy work undertaken by partners in the regions. In its most straightforward form, this involves arranging meetings for the purpose of reporting suspected graft cases to the Corruption Eradication Commission (KPK), and notifying these to journalists so as to ensure press coverage.

Not all networking activities start with the programmatic approach. Activities can also be commenced on foot of complaints or case studies. For example, ICW has developed networks covering different parts of the country. Among the organizations participating in these networks are the Aceh Anticorruption

Movement (GeRAK), Peoples' Solidarity against Corruption (SAMAK) and Anticorruption Solidarity (SoRAK) in Aceh, the West Sumatra Concern Forum (FPSB), Bako Sumbar, and Padang Legal Aid Bureau in West Sumatra, and the Anticorruption Committee (KoAK) in Lampung. In Jakarta, almost all organizations concerned with upholding human rights have become strategic partners in the advocacy effort.

As for other areas, in Garut there is Garut Government Watch (G2W), in Semarang the Pusat Telaah dan Informasi Regional (Regional Studies and Information Center – Pattiro), Malang Corruption Watch in Malang, the Anticorruption Community (MARAKS) and Surabaya Legal Aid Bureau in Surabaya, Bali Corruption Watch in Bali, People's Solidarity for Transparency (Solidaritas Masyarakat untuk Transparansi – Somasi) in West Nusa Tenggara, the People's Resistance Movement (Gerakan Masyarakat untuk Perlawanan – Gemawan) in Pontianak, Working Group 30 (Pokja 30) in Samarinda and the Perak Institute in Makassar.

Many of the organizations who report cases to ICW have the potential to become part of the anticorruption movement. For example, the Southeast Sulawesi Anticorruption Community (Masyarakat Antikorupsi Sulawesi Tenggara – MARA) in Southeast Sulawesi, the Social Action and Advocacy organization (Aksi Sosial dan Advokasi – ASA) in Kendal regency, the People's Advocacy and Information Center (Pusat Informasi dan Advokasi Rakyat – PIAR) in Kupang, the Fahmina Institute in Cirebon municipality, Bontang Corruption Watch in Bontang municipality, etc.

Besides networking among organizations, many clean individuals working for government institutions serve as informants and as tireless front-line troops in the war on corruption.

Strengths and Weaknesses

The making public of the results of investigations through the general media, as well as internal electronic media, entails a number of both strengths and weaknesses. Among the strengths

are the fact that each report is made known to a large number of people and can therefore serve to encourage the imposition of social sanctions on those involved even if it turns out that legal sanctions are not applied. Given the current level of press freedom and the large number of media outlets, it is very easy to get the press onboard for the fight against graft.

However, this approach also suffers from many weaknesses. These constraints range from the “envelope culture” – or bribery, in other words – prevailing in many sections of the press to the interests of the press owners. Given these constraints, it is necessary to develop close, personal relations with honest and idealistic journalists. It is, of course, only natural that those suspected of corruption will also try to boost their images in the media, and that not all media outlets or major magazines believe that social sanctions should be imposed on those responsible for the misfeasance or embezzlement of public funds.

Frequently, a crooked official, advocate or hired expert or observer will be the main source of information to counter allegations of corruption laid against a particular person. This, accompanied by the fact that white-collar crime falls into a grey area that is often beyond the scope of the prevailing law, means that differing interpretations frequently appear in the media. Using sources partial to those involved in misfeasance and corruption, the reporting carried in the media can often serve to help cover up corruption and confuse the public.

Because the media is generally more concerned with what is happening right now, existing corruption cases are frequently overshadowed, or pushed out of the limelight, by newly emerging cases. As a result, it is not unusual for the old cases to be forgotten about in such circumstances. In addition, the media tends to direct much of its focus to corruption cases involving important personages or enormous sums of money. However, this can lead to a tendency to ignore graft cases that do not involve important public figures or large amounts of public money. Thus, corruption that impacts directly on people’s quality of life, such as graft in the health and education sectors, normally fails

to attract the attention it deserves.

The media is also insufficiently interested in public education so as to enable people to understand the character, effects and causes of corruption, despite the fact that such comprehension is essential if corruption is to be eliminated. Generally speaking, the media is more interested in the legal aspects. Unfortunately, this leads to frequent interviews with the lawyers of corruption defendants and legal experts to the detriment of more wide-ranging public participation. The coverage of corruption cases as described above reveals the fact that many weaknesses still affect our efforts to deal with the problem.

Revealing incidences of corruption based on reports from the public is not always beneficial. People can have various motives for spilling the beans on graft. This could include anger at being transferred or fired, failure to win a tender, or even political competition or rivalry at work. However, in graft cases that are difficult to prove, such as those involving drugs, money-laundering, or highly complex modus, in reality the motivation for blowing the whistle will not be a primary consideration in deciding how to handle the case. Danger arises, however, when a watchdog lacks independence or there is an insufficient distance from the interests of the whistle-blower. Thus, it is essential at all times that the anticorruption movement maintains its distance from political parties, business interests and the power holders.

Another problem is that the reports received from the public are too wide-ranging in scope. The fact that they do not focus on one particular sector complicates matters bearing in mind the limited human resources available. This may, however, be overcome by involving experts from various disciplines on a voluntary basis, and an appropriate allocation of tasks among network members. At the moment, many community organizations are starting to specialize, with some, for example, focusing on budgeting, some on procurement, some on the tax sector, some on transportation, etc.

Resistance to the anticorruption movement is quite common. The hiring of thugs to physically terrorize and intimidate activists,

and the threat of defamation suits or prosecutions, are two of the most common ways by which it is sought to divert activists from pursuing their investigations. The use of the criminal law by corrupt officials and businesspeople in courts that are themselves corrupt obviously constitutes a major threat to the anticorruption movement – one that is particularly potent given the absence of legal protection for whistle-blowers.

Balanced Relationship

Beyond our wildest expectations, the simple model described above has provided inspiration for anticorruption activists all over the country, and is currently being applied in a number of variants in line with the emergence of a great variety of watchdogs throughout Indonesia. These methods are in reality nothing new and they work in the same way as investigative reporting works in the media. However, what is new is the fact that they are now being applied by watchdogs and are not confined solely to investigative work, but also include campaigning, shaping public opinion, lobbying and applying pressure to the law enforcement agencies and courts, as well as policy makers. However, it must be remembered that most of the corruption cases reported by the public never make it to court.

This approach is worthy of being further developed, especially given that 80 percent of development funding comes from taxes. Logically, the taxpayers want to see their money being used in the public interest rather than being stolen by embezzlers. One variant of the above approach was titled the “Anti Rotten Politician Movement” – a campaign run during the 2004 general elections. Within a relatively short space of time, this movement spread to almost all parts of the country – something that clearly revealed just how anxious the public was to prevent “rotten” politicians being elected to public office. The provision of information about the records of legislative and presidential candidates constituted important political education for the voters and helped prevent irrational voting during the elections.

While “rotten” politicians were still elected to the House

of Representatives and Local Legislative Assemblies despite the Anti Rotten Politician Movement, the number of such politicians was much less than it could have been. In fact, their election was primarily due to the fact that the electoral system facilitated this.

Don't vote for 'Rotten' politicians!

Given that the country's political parties had set themselves up as a pro-status quo oligarchy, there was no other choice but to heighten the awareness of the voters so as to prevent the wool being pulled over their eyes. The basic idea underlying the campaign was to ensure that the voters would be able to force change both among the politicians and the political parties. In order to do this, people's ways of thinking would need to be changed from irrational to rational, from blind loyalty to critical thinking, and from being emotional to being objective. Driven by ICW and a number of NGOs in Jakarta, the Anti Rotten Politician Movement almost immediately led to changes in voter behavior and the Indonesian political constellation.

The establishment of the movement was first announced on 29 December 2003 at the Proclamation Monument in Jakarta, and it immediately drew a great deal of support from various circles. Amid a heavy downpour, at least 2,500 people filled the square to listen to speeches marking the formal establishment of the movement. After the signing of the declaration by all in attendance, the war against the reelection of rotten politicians started in earnest.

This declaration of war was emulated around the country. At least 200 civil society organizations, including student unions, issued similar declarations. Such declarations were made in Aceh, North Sumatra, West Sumatra, Lampung, Jakarta, West Java, Central Java, East Java, Bali, Western Nusa Tenggara, Southeast Sulawesi, South Sulawesi, Central Sulawesi, West Kalimantan, East Kalimantan, South Kalimantan, and many other areas besides.

The term "rotten politician" was applied to all those who engaged in corruption, damaged the environment, violated human rights, or committed sexual crimes. The adoption of these criteria clearly showed that this was to be a negative campaign rather than a black campaign. Negative campaigning is a normal part of democracy as it conveys to the public something that is true and that people have a right to know, with the basic idea being to improve the quality of democracy. Publicizing the records of the "rotten politicians" would allow the people to avoid casting their votes for these candidates.

The Anti Rotten Politician Movement became immensely popular during a very short space of time due to the fact that much creativity was employed in designing socialization methods. Among the methods used were campaign theme songs produced by popular musicians like Franky Sahilatua and Harry Roesli (deceased), the dissemination of stickers and posters, public discussions, talk shows on many radio stations and even the publication of a newsletter titled *Sosok*, which contained a list of "rotten" politicians.

(Adnan Topan Husodo)

Given the widespread involvement of the public in the efforts to oversee the provision of public services, it was essential that a Report Card System (RCS) be developed and applied to the education sector in Jakarta. In the end, this was found to have transformed the previously passive attitudes of the public into active efforts to encourage better government services. This approach is now to be expanded to the healthcare sector.

The only constraint affecting this approach is that it requires organization. Fighting against “rotten politicians” requires that the majority of voters form an alliance. Demanding better quality services in the education sector requires independent teachers’ organizations and parents associations. Similar requirements also apply in other sectors. The problem is, however, that under the New Order many social institutions were destroyed so that it may be said today that the majority of people are not actually involved in organizations.

Report Card System – Making Sure Your Voice is Heard

The report card system is a method that is intended to encourage the public to play an active role in overseeing and improving the quality of public services. The principle under which it operates involve the combining of quantitative and qualitative research. The method was first pioneered by the Public Affairs Centre (PAC) in Bangalore, India.

The RCS represents a form of advocacy research. As part of the system, encouraging networking between groups that have an interest in the education sector is an essential element. In this regard, ICW took two steps. First, it established or strengthened parents' groups and, second, it encouraged the establishment of networks in the education field.

The establishment or strengthening of a parents group was normally preceded by the holding of Focus Group Discussions (FGDs). The problems faced by parents were identified by a questionnaire, and efforts made to resolve them. Generally speaking, the problems faced were highly micro in nature, particularly as regards relations with the school.

Among the parents, and the community at large, the biggest weakness identified was a lack of information on the provision of education, particularly as regards the rights of parents. The main reason for this was a lack of transparency on the part of the schools and those responsible for running the education system. The role of the ICW was now to open up access to information, to continuously promote greater inter-group solidarity, and to move from addressing micro problems to resolving those of a more macro nature.

The success of the campaign is to be seen in the greater transparency brought about as a result of the pressure applied by community groups. In addition, the groups in a number of places were able to pressure the education agency to replace school principals who had been involved in corruption and to make schools free of fees, as happened in State Elementary School No. 3, Mangga Dua, Jakarta.

The parents and community groups presented the results of their appraisals on a regular basis to policy makers, such as the education agency, Local Legislative Council, and Department of National Education. It was hoped that a consideration of these appraisals would be capable of producing improvements in education policy. For example, in Garut, the parents groups were able to pressure the local administration and legislative council to issue a regulation on the education system.

In order to make the government better aware of its obligations to provide quality public services, particularly in the education sector, collective and sustained pressure will be required. For this reason, ICW continues to strengthen its network of community groups so that members of the public can play an active role in oversight and supervision. ICW is currently applying the RCS method in Jakarta, Garut, Solo, Semarang, and Kupang.

(Adnan Topan Husodo)

For the future, it is clearly not enough for the anticorruption movement to be confined to watchdogs, such is the case at the moment. Rather, the anticorruption agenda must be made the agenda of every person in Indonesia. How is this to be done? The fight against graft must be made part of the agenda of every religious institution, business, cooperative society, labor union, teacher, farmer, fisherman, consumer, etc.

Corruption has not reached its current prevalence due to some fundamental weakness in our country, but rather because of imbalances in the relationship between the citizen, state and business community. The anticorruption movement must be made part and parcel of the democratization movement so as to restore balance to these relationships.

Teten Masduki, born in Garut, West Java, on 6 May 1963, received his higher education in the Department of Mathematics and Chemistry at the Bandung Institute of Teaching Science (IKIP). However, he is best known as the chairman of Indonesian Corruption Watch (1998 to date). He has also served as the coordinator of the Labor Law Reform Consortium (Konsorsium Pembaruan Hukum Perburuhan), (1996-1998), and as the coordinator of the Labor Solidarity Forum (Forum Solidaritas Buruh), (1992-1993). In addition, he is a member of the National Ombudsman Commission.

List of Acronyms

ACC	: Anti Corruption Committee
ADB	: Asian Development Bank
ADTK	: Aceh Damai Tanpa Korupsi (Peaceful Aceh without Corruption)
AJI	: Aliansi Jurnalis Independen (Alliance of Independent Journalists)
APEC	: Asia-Pacific Economic Cooperation
ASA	: Aksi Sosial dan Advokasi (Social Action and Advocacy)
ASEM	: Asia-Europe Meeting
Bakar	: Barisan Koalisi Rakyat Melawan Korupsi (People against Corruption Coalition Front)
Bawasda	: Badan Pengawas Daerah (Audit Board at Provincial/Regency/Municipality level)
BCW	: Bontang Corruption Watch
BEM	: Badan Eksekutif Mahasiswa (Student Union)
BKAN	: Balai Kerapatan Adat Nagari (Nagari Adat Center)
Bongkar	: Barisan Organisasi Rakyat Pembongkar Korupsi (People's Front for the Eradication of Corruption)
BPD	: Bank Pembangunan Daerah (Regional Development Bank)
BP3D	: Badan Perencanaan dan Pengendalian Pembangunan Daerah (Provincial/Regency/Municipality Audit Board)
BPK	: Badan Pemeriksa Keuangan (Supreme Audit Agency)
BPKP	: Badan Pengawas Keuangan dan Pembangunan

	(Finance and Development Audit Board)
BULOG	: Badan Urusan Logistik (State Logistics Agency)
CSO	: Civil Society Organization
DAU	: (General Allocation Fund)
Den Pom ABRI	: Detasemen Polisi Militer Angkatan Bersenjata Republik Indonesia (Military Police Detachment)
DPD	: Dewan Perwakilan Daerah (Regional Representatives Council)
DPR	: Dewan Perwakilan Rakyat (House of Representatives)
DPRD	: Dewan Perwakilan Rakyat Daerah (Provincial/Regency/Municipal Legislative Council)
eLPERA	: Lembaga Pemberdayaan Ekonomi Rakyat (Institute for the Strengthening of the Social Economy)
FITRA	: Forum Indonesia untuk Transparansi Anggaran (Indonesian Forum for Budgetary Transparency)
FKIBM	: Forum Kajian Ilmiah dan Bahtsul Masail (Bahtsul Masail and Scientific Studies Forum)
FMJK	: Forum Masyarakat Jepara untuk Keadilan (Jepara People's Forum for Justice)
Formappi	: Forum Masyarakat Pemantau Parlemen Indonesia (Indonesian People's Forum for Parliamentary Monitoring)
Forpamer	: Forum Partisipasi Masyarakat untuk Pembangunan Merauke (Public Participation in the Development of Merauke Forum)
FPSB	: Forum Peduli Sumatera Barat (West Sumatra

	Concern Forum)
G2W	: Garut Government Watch
GAK	: Gerakan Anti Korupsi (Anticorruption Movement)
GaSAK	: Gabungan Solidaritas Anti Korupsi (Anticorruption Solidarity Association)
GeRAK	: Gerakan Anti Korupsi (Anticorruption Movement)
IAI	: Ikatan Akuntan Indonesia (Indonesian Association of Accountants)
ICS	: The Institute for Civil Society Strengthening
ICW	: Indonesian Corruption Watch
IPW	: Indonesian Procurement Watch
Jagat	: Jaringan Kerja untuk Kedaulatan Rakyat (People's Sovereignty Network)
JAMAK	: Jaringan Mahasiswa Muslim Anti Korupsi (Muslim Students Anticorruption Network)
JARAK	: Jaringan Akar Rumput Anti Korupsi (Aceh Anticorruption Grassroots Network)
KIPP	: Komite Independen Pemantau Pemilu (Independent Election Monitoring Committee)
KIPRa	: Konsultasi Independen Pemberdayaan Rakyat (Independent Consultation for People's Empowerment)
KKN	: Corruption, collusion and nepotism
KMAK	: Koalisi Masyarakat Anti Korupsi (People's Anticorruption Coalition)
KoAK	: Komite Anti Korupsi (Anticorruption Committee)

KOAR	: Komando Rakyat Anti Korupsi (People's Anticorruption Commandos)
KOBAR	: Koalisi Barisan Rakyat Anti Korupsi (People's Anticorruption Coalition Front)
Komnas HAM	: Komisi Nasional Hak Asasi Manusia (National Commission on Human Rights)
KON	: Komisi Ombudsman Nasional (National Ombudsman Commission)
Kopel	: Komite Pemantau Legislatif (Legislature Monitoring Committee)
Korupa	: Komunitas Rumah Panggung (Theater Community)
KPK	: Komisi Pemberantasan Korupsi (Corruption Eradication Commission)
KPKPN	: Komisi Pemeriksa Kekayaan Penyelenggara Negara (Public Officials Audit Commission)
KPU	: Komisi Pemilihan Umum (General Elections Commission)
LBH	: Legal Aid Institute
LBH-P2i	: Lembaga Bantuan Hukum Pemberdayaan Perempuan Indonesia (Women's Empowerment Legal Aid Institute)
LK2P	: Lajnah Kajian Kebijakan Publik (Public Policy Study Committee)
LKAAM	: Lembaga Kerapatan Adat Alam Minangkabau (Minangkabau Traditional Environmental Law Institute)
LKPMP	: Lembaga Kajian dan Pengembangan Masyarakat dan Pesantren (Community and Madrasah Development and Studies Institute)

LMPI	: Lembaga Masyarakat Peduli Informasi (People concerned with Information Institute)
LP3 UMY	: Lembaga Penelitian dan Pengembangan Pendidikan Universitas Muhammadiyah Yogyakarta (Education Research and Development Institute at the Muhammadiyah University, Yogyakarta)
LP3BH	: Lembaga Penelitian, Pengkajian, dan Pengembangan Bantuan Hukum (Legal Aid Development, Research and Studies Institute)
LPM	: Lembaga Pemberdayaan Masyarakat (People's Empowerment Institute)
MARA	: Masyarakat Antikorupsi Sulawesi Tenggara (Southeast Sulawesi Anticorruption Community)
Maraks	: Masyarakat Anti Korupsi (The Anticorruption Community)
Mataraja	: Masyarakat Transparansi Aceh Jaya (The Aceh Jaya Transparency Community)
MATRAS	: Masyarakat Anti Korupsi Singkil (The Singkil Anticorruption Community)
MPR	: Majelis Permusyawaratan Rakyat (People's Consultative Council)
NAD	: Nanggroe Aceh Darussalam
NGO	: Non-Governmental Organisation
NTB	: Nusa Tenggara Barat (West Nusa Tenggara)
P3M	: Perhimpunan Pengembangan Pesantren dan Masyarakat (The Indonesian Society for <i>Pesantren</i> and Community Development)
P4B	: Second round voter registration
panwaslu	: Election Supervisory Commission

PBB	: Land and Building Tax
PDMD	: Penguasa Darurat Militer Daerah (Military Emergency Commander)
PIAR	: Pusat Informasi dan Advokasi Rakyat (People's Advocacy and Information Center)
PKS	: Partai Keadilan Sejahtera
PPP	: Partai Persatuan Pembangunan
PPSK	: Pusat Pendidikan dan Studi Kebanksentralan (Central Bank Study and Education Center)
Pusaka	: Pusat Transparansi Kebijakan Publik (Center for Transparency in Public Policy)
RCS	: Report Card System
RRI	: Radio Republik Indonesia (Indonesian State Radio)
SAKSI	: Solidaritas Untuk Transparansi (Solidarity for Transparency)
SAMAK	: Solidaritas Masyarakat Anti Koruspsi (People's Solidarity against Corruption)
Somasi	: Solidaritas Masyarakat untuk Transparansi (People's Solidarity for Transparency)
SoRAK	: Solidaritas Gerakan Anti Korupsi (Anticorruption Solidarity Movement)
SRDK	: Solidaritas Rakyat Untuk Demokrasi Keadilan (People's Solidarity for Democracy and Justice)
SMART-CS	: specific, measurable, achievable, relevant, time-bound, challenging, strength.
STIMIK SuAK	: Solidaritas untuk Anti Korupsi (Anticorruption Solidarity)
Syarikat	: Masyarakat Santri untuk Advokasi Rakyat (Theological Students for Public Advocacy)

TI-I	: Transparency International Indonesia
WAC	: Watampone Anti Corruption (Watampone against Corruption)
UMY	: Universitas Muhammadiyah Yogyakarta (Muhammadiyah University Yogyakarta)
Walhi	: Wahana Lingkungan Hidup (Indonesian Forum for the Environment)
YLBH	: Yayasan Lembaga Bantuan Hukum (Legal Aid Foundation)
YLKI	: Yayasan Lembaga Konsumen Indonesia (Indonesian Consumers Organization)
YMAMI	: Yayasan Masyarakat Mandiri Indonesia (Indonesian People's Self-reliance Foundation)