



INTERNATIONAL PAPER COMPETITION 2022
Department of Research and Technology
Ambarrukmo Tourism Institute (STIPRAM)
Yogyakarta, Indonesia
Jl. Ring Road Timur, Bantul, Yogyakarta 55584
Email: ristek@stipram.ac.id
Phone: +6281 229881414

INTERNATIONAL PAPER COMPETITION 2022

CORRUPTION IN INDONESIAN REFORMED ERA: CASES OF BRIBERY AND GRATIFICATION IN BUREAUCRACY

Sub-Theme (Politics and Law)

Mike Natanael Norend Mandagie

Angel Damayanti

Universitas Kristen Indonesia

Jl. Mayjen Sutoyo No 2. Jakarta 13630- Indonesia 021-809425

Corresponding Author : mandagie01@gmail.com

DEPARTMENT OF RESEARCH AND TECHNOLOGY
AMBARRUKMO TOURISM INSTITUTE (STIPRAM)
YOGYAKARTA, INDONESIA

2022

CORRUPTION IN INDONESIAN REFORMED ERA: CASES OF BRIBERY AND GRATIFICATION IN BUREAUCRACY

Mike Natanael Norend Mandagie, Angel Damayanti

¹ International Relations Study Program, Faculty of Social and Political Sciences,
Universitas Kristen Indonesia
. Mayjen Sutoyo No 2. Jakarta 13630- Indonesia 021-809425

mandagie01@gmail.com

*Mike Natanael Norend Mandagie

Received: day month 202x, Revised: day month 202x, Accepted: day month 202x

Published online: day month 202x

Abstract: “Corruption is not a new phenomenon in the bureaucracy, especially in Indonesia. Pathetic is a suitable word to describe the moral and integrity of State Officials who commit acts of corruption in the midst of the government priority to restore the economy. Bribes and gratuities are the starting point for corruption in the bureaucracy. The existing criminal acts need to be resolved immediately so that there is a trust from the public to government. This paper is written using a qualitative method where news articles are one of the source. Personal gain is the main goal in bribery and receiving gratuities. Morale and honesty have been lost in state officials who commit acts of corruption in carrying out government and private projects. Officials arrested by the KPK (Komisi Pemberantasan Korupsi) indicate the failure of an official in carrying out their position to ensure the welfare of the people. It is very urgent to conduct a thorough investigation of all state officials and to spread publicity about anti-corruption education, especially bribery and gratification for all generations of the nation. The younger generation needs to understand and be properly aware of the dangers and impacts of corruption, on the one hand corruption is vibrant because it can get rich, but behind this action, many people will have to experience a lot of suffering.

Keywords: Corruption, Bribery, Gratification, Government

1. Introduction

Corruption is an articulated and complex criminal phenomenon which from time to time has undergone a profound transformation from both a quantitative and qualitative point of view, moving from the phenomenon of bureaucratic dust to a political and administrative phenomenon. . From a qualitative perspective, corruption does not only involve small bureaucrats but also involves administrative and political leaders, institutions and large economic entities and even private companies.

Transmutation of corruption has brought a significant change in the negative value of the facts of corruption and the beauty of the law being violated. In particular, the systemic nature of corruption has resulted in an increase in the legal assets being violated and a reduction in the negative value of individual corruptors. In fact, systemic corruption is not limited to jeopardizing good performance and impartiality of administrative actions, but produces systemic harmful effects of an economic and institutional nature. From a political-institutional point of view, new forms of manifestation of corruption undermine the confidence of colleagues in the legality of the actions of public administration and private enterprise administration, undermine the democratic legitimacy of the public apparatus and the same way of conducting private enterprises.

From an economic point of view, the systematic and widespread nature of corruption hinders economic development and alters the distribution of economic wealth, then concentrates it on those who have it. The

negative value of corruption is not only in the form of damage or danger caused by a criminal act of corruption, but is serial in nature originating from the summation of the facts of corruption.

Bribes and gratuities occur both in private companies and in public administration. Phenomena are known and manifested in a variety of ways. Bribes and gratuities are the starting point of a major corruption act. The term "corruption" in its use is used to refer to quite a variety of phenomena. Corruption is a systemic and complex phenomenon. The first act of corruption can lead to a chain of criminal acts seeking personal gain. Abuse of power is carried out within the employees of the incumbents. acts of corruption have serious consequences in economic and social aspects as well as society as a whole. In recent years specifically in Indonesia, many corruption cases started with bribes and gratuities. Bahkan Presiden Republik Indonesia yakni Joko Widodo telah menegaskan mengenai keseriusannya dalam menumpas korupsi [1]

This research is a study that discusses issues that are quite vital in the life of the state. Corruption is not necessarily carried out in large numbers. But one thing is certain, it is the people who are the main victims. The honesty of state officials in carrying out positions is highly questionable. Many officials are not responsible for managing state funds to ensure justice and prosperity of the people and this has destroyed the government's efforts to restore the economy. Moreover, the welfare of the people is at stake.

Projects, especially large development projects carried out by the government, have become the target of individuals who see the benefits of adversity. The billions of rupiah that have been allocated by the government through the Ministry of Finance have become hollow and not in accordance with the objectives. Economic factors and lust are the main triggers for the perpetrators. Again, only integrity is the main key to be possessed by every official in carrying out state duties.

The next steps needed to ensure that the perpetrators can be brought to justice under the existing legal provisions. There needs to be an investigation into how they carried out these actions so that they can be prevented from recurring. It is urgent to conduct an investigation of all state officials and strict and transparent law enforcement to all perpetrators. Moral education and anti-corruption to all Indonesian citizens. This article will discuss various aspects of bribery and gratification, and will discuss aspects of the impact of corruption. Examples of bribery and gratification cases committed by State Officials will be given in the article. I will also present in the article the importance of moral education and anti-corruption for all citizens. As a student who is currently pursuing an undergraduate education, I will also bring my personal point of view to describe the problem.

2. Related Works/Literature Review

Basically, corruption can occur within the bureaucracy or in private companies. Especially when there is a large-scale development project carried out by the government which often uses tender procurement in carrying out the project (Van Zorge, 2007). This literature proves that corruption is very common in the bureaucratic environment and is more specific about officials with high enough positions to be able to carry out these actions. The position of office will determine the level of the role in corruption and moreover it is the people who are the most disadvantaged because they are the ones who should enjoy the development projects carried out by the government. This literature review examines the elements of perpetrators in committing corruption. More than that, it illustrates how an official with good education can commit corruption.

The progress made in understanding the mechanisms of the origin of corruption depends largely on constant communication between theory and the empirical evaluations directed against it. The literature review provides a theoretical framework for my analysis. This literature review also describes the economic actors involved, their interactions and their motivations for engaging in corrupt relationships. Corruption is traditionally defined as the misuse of functions performed in the public sphere for personal and other personal gain. Microeconomic analysis involves three parties, namely principals, agents and corruptors. Corruption is then analyzed as overlapping two contracts. [2]

The mode of corruption, especially bribery and gratification, can be done by anyone. Behind the act of corruption there are a number of parties and reasons that raise question marks. Therefore, acts of corruption must be traced from the very beginning. UNODC. (2015) show the negative impacts and effects of corruption. None other than the community, especially people who have direct dependence on the government, such as in terms of health and the economy. Often the assistance provided by the government to the helpless community is cut off for commissions of a number of irresponsible persons, resulting in greater suffering. [3]

The delegation contract is at the root of corruption. Through this contract, the principal (the State, the administration) delegates the execution of a task to the agent. Several elements are necessary for this delegation contract to allow the emergence of corruption. First, the performance of this task must affect businesses or citizens, in such a way that they are led to want to influence the behavior of the public official with the aim, for example, to obtain preferential treatment, to speed up administrative procedures, or to circumvent laws and regulations. Secondly, the function of the civil servant and the rules he must respect should not be clearly defined. In other words, the public official must have discretionary power. The latter can have several origins such as, for example, the absence of rules governing the functions of the agent, the fact that its decisions are based on subjective or private information from the agent or even that the rules governing its functions do not are not consistent or allow for different decision times. Finally, the incentive instruments available to the principal, such as the agent's remuneration and its control, must not make it possible to reconcile the divergent interests of the principal and the agent; for example, if it is not possible to implement a contingent remuneration scheme or an efficiency wage equal to the expected earnings associated with corruption, which may prevent corruption [4]. This literature review underscores the corruption contract between a bribe and an agent which is an illegal agreement dealing with the abuse of discretionary power entrusted to the agent and the distribution of expected profits

Corruption depends on the bargaining power of each. Agents and corruptors will be involved in a corrupt relationship when the value of illegality dominates the value of honesty [5]. For an agent, the value of honesty depends on the salary he receives from the principal, his aversion to illegality, the bribe he will accept, but also on the possibility of being fired, walking away or being punished. For the briber, the decision to enter into a corrupt relationship depends on the profit expected of him, the amount of the bribe and the costs of starting the relationship. The latter includes the moral costs suffered by the corrupt, but also all the real and monetary costs incurred to make this encounter possible.

3. Material & Methodology

This study uses a qualitative methodology to examine in detail the understanding of bribery and gratification in Indonesia. Articles and news are the main sources in this study, especially news reporting on corruption cases committed by officials in Indonesia. Literature study is also used to collect data. The data analyzed will be carried out qualitatively by focusing on the views of the community and then presented. Qualitative methodology in the form of case studies is very important to be used in this research. Case study research is a research design that is extensive, complete, detailed and in-depth, especially as an effort to examine the problems of global phenomena. Case studies are able to reveal things that are specific and detailed, in-depth and very detailed things that other money studies cannot reveal. Case studies also provide thoughts that develop in cases that become study material that cannot be captured by quantitative research and are able to reveal the meaning behind events in actual conditions.

4. Results and Discussion

1) Bribery

Bribery is an act of giving, offering or receiving something of sufficient value with the aim of persuading or influencing someone to act. In Indonesia, bribery can pose a threat to the honesty and integrity of officials. Bribery itself can destroy the image of an institution and the values of justice and democracy. Bribery can also injure development carried out by the government for the welfare of the people. In general, bribes are given to influential people or officials to do or not do something related to their position. Bribes are often given to law enforcers such as prosecutors, police, judges. Bribery together with embezzlement of public funds is often referred to as the basic form of corruption.

Thousands of movements against bribery got their big moment in 1999 with the Convention on the Eradication of Bribery of Foreign Public Officials in International Business Transactions. This Convention took place and was signed in Paris on 17 December 1997 under the auspices of the OECD. This convention defines bribery as an offer, promise or giving of something to influence a public official in the performance of his official duties [6].

Bribery is also indicated to pose a danger to human security because it has spread to the health, education, provision of people's food and clothing, and other social service functions. The high-profile crime of bribery has the potential to harm the country's finances and economy in large amounts so that it can disrupt development resources.

2) Gratification

Gratification is a gift received by a Civil Servant or State Apparatus. Gratification itself is basically a bribe that is delayed or disguised. If a Civil Servant receives gratuities, a criminal offense can be imposed for committing corruption. Gratification occurs when the party enjoying the service gives something to the party providing the service without any offer or transaction. Gratuity aims to make it easier for service users.

Gratification in Pasal 12B Undang-Undang Pemberantasan Tipikor, namely giving in a broad sense, which includes the provision of money, goods, rebates (discounts), commissions, interest-free loans, travel tickets, lodging facilities, tourist trips, free medical treatment, and other facilities. [7].

One of the generally accepted habits in society, especially in Indonesia, is the giving of a token of gratitude for the services rendered by the officers, either in the form of goods or even money. Of course, this becomes a negative habit and can lead to potential acts of corruption in the future. Regardless of the value of the gratuity received by the Civil Servant, if the gift is suspected to be related to the position or authority possessed, then the Civil Servant should immediately report to the KPK (Komisi Pemberantasan Korupsi).

3) Official Integrity

Integrity is a vital thing for an official to have. Integrity means acting consistently in accordance with the values and/or policies of the organization/professional code of ethics, or values that are perennially embraced by society such as honesty and wisdom. Integrity is a word that includes a number of values that should be upheld by every State Official and become a guide for action. The understanding that represents the range of the concept of integrity leads to carrying out duties and work by always being guided by the code of ethics and moral principles such as acting honestly and consistently. In the context of corruption, integrity also means avoiding corruption which literally means rotten, damaged, destabilizing, twisting and bribing, in short, we need anti-corruption integrity.

Realizing and implementing the values of integrity is believed to be able to play a role in systematically improving the character and morals of the nation that supports anti-corruption attitudes in this country. Integrity as one of the basic personal values that must be owned by officials by behaving, acting honestly in carrying out their duties, being consistent in attitude and action, having commitment and being bold in making decisions and being responsible for carrying out the mandate..

Tables and Figures are presented center, as shown below and cited in the manuscript. Figure and Table captions should be 10-point Times New Roman. Callouts should be 10-point Times New Roman, non-boldface.

4) Anti-Corruption Education

Sooner or later or like it or not, the younger generation is the generation that will replace the leaders of this nation. The younger generation needs to be equipped with anti-corruption education, considering that corruption always occurs every year and state officials are the perpetrators. Students as human beings who become the last stage before entering the world of work need to get a good and clear understanding and knowledge about the dangers of corruption. Moreover, the younger generation will develop and experience a broader state life, it is urgent to inculcate anti-corruption attitudes.

Anti-corruption education is very vital to be held because it serves as a lamp in providing sufficient knowledge about the basics of corruption and instilling anti-corruption values. Efforts to provide anti-corruption education are urgently needed to be carried out with various methods such as seminars and become compulsory subjects for students. The expected goal of anti-corruption education is to prevent students from falling into corruption. With then achievement of these goals, it is expected to form the character of students who are anti-corruption.

5) Self Sufficient

The news about the KPK (Komisi Pemberantasan Korupsi) making arrests of a number of officials in Indonesia is not surprising news. Aceh times occur, especially in the capital, where officials wear orange vests when leaving the Red and White House in Kuningan. It is horrifying that officials who have been sworn in under the holy book of their respective religions and before God and the entire Indonesian people that they will carry out their duties to the best of their ability but a cell with a size of 3x4 is their new residence.

Every state official of course gets a salary from their work and the nominal varies. However, even though they have received a fairly adequate salary, many officials have committed corruption with the aim of enriching themselves even more. It is true that greedy is one of the bad human attitudes that always exists in every generation.

Words of gratitude and self-sufficiency need to be instilled in every state official. Anti-corruption education will be in vain if officials cannot restrain themselves from committing corruption. No matter how much salary, it will always feel less if each official can't be sufficient.

Behind their greed there are many people who are sacrificed. Some of them are very dependent on subsidies from the government, but because of the nature of human greed, there are many people who fall into uncertainty about how to live their lives.

6) Corruption to Mega Corruption Case

A. Nurhadi - Former Secretary of the Supreme Court Case

The Supreme Court is a court of cassation tasked with fostering uniformity in the application of the law through cassation and judicial review decisions to ensure that all laws and laws throughout the territory of the Republic of Indonesia are applied fairly, precisely and correctly. But who would have thought that people who are supposed to keep all the laws would actually take actions that tarnish the name of the Supreme Court.

Former Secretary of the Supreme Court Nurhadi and his son-in-law, Rezky Herbiyono, were each sentenced to 6 years in prison and a fine of Rp. 500 million, subsidiary to 6 months in prison. Both were found guilty in bribery and gratification cases related to the handling of cases in the Supreme Court. In this case, Nurhadi and Rezky were declared to have received bribes of Rp. 35.726 billion from the President Director of PT Multicon Indrajaya Terminal. They were also proven to have received gratuities of Rp. 13.878 billion from a number of litigants [8].

This corruption case is a case that tarnishes the name of the Supreme Court in the 21st century. Moreover, Nurhadi has contributed to the development and progress of the Supreme Court. How ironic that great things can be solved with money. Then what about the fate of small communities whose cases always take a long time to resolve.

B. Mustafa - Former Regent of Central Lampung Case

On Monday, January 11, 2021, Mustafa, who was a former regent of Central Lampung, will be tried as a defendant in the alleged bribery and gratification case. The Corruption Eradication Commission (KPK) as the state agency tasked with investigating corruption in Indonesia has transferred Mustafa's former case to the Corruption Eradication Court.

Mustafa is suspected of having received a bond for projects within the Bina Marga Office with a fee ranging from 10 percent to 20 percent of the project value. This case is an extension of the bribery case to the Central Lampung DPRD in which Mustafa was found guilty and sentenced to 3 years in prison.

The bribes received by Mustada from prospective partners for project bonding in Central Lampung were recognized by the defendant as a dowry fee to political parties ahead of the 2018 Regional Head Elections. The total state loss in this bribery case reached Rp 51 billion, which is a "quote" from the bond bond to guarantee contractors getting the project [9].

Mustafa's case can be used as a lesson and warning for all Indonesian people, especially state officials who really want to get a position in the world of politics in Indonesia. There are many ways that are done in order to achieve a position, both good and bad, all of which are rationalized and simultaneously close their eyes and ears.

C. Surya Darmadi – Founder and Chairman of Darmex Agro Group

KPK (Komisi Pemberantasan Korupsi) has named Surya Darmadi as a suspect in the alleged bribery case for the revision of forestry land functions in Riau Province to the Ministry of Forestry. In this case, the KPK was successful in bringing the former Governor of Riau, Annas Maamun, to prison. However, Surya Darmadi escaped the snares of the law. He was then included in the KPK's wanted list (DPO) since 2021. This case is suspected to have caused the state to suffer losses of up to around Rp. 78 trillion.

Surya Darmadi is the founder and chairman of Darmex Agro Group. The company was founded in Jakarta in 1987 through its subsidiary, namely PT Dutapalma Nusantara. The company is a company. The largest palm oil producer and exporter in Indonesia. The plantation area is spread across Riau Province. According to Forbes magazine, Surya Darmadi has a net worth of US\$45 billion (Rp659.7 trillion). In fact, Surya Darmadi was included in the list of the richest people in Indonesia, which ranks 28th. [10]

The Attorney General's Office also named Surya Darmadi as a suspect in a suspected money laundering case (TPPU). Surya Darmadi is suspected of bribing the Governor of Riau, Annas Maamun, amounting to Rp. 3 billion through the Manurung Gold Medal Wrestling intermediary. During 2003 to 2022, Surya Darmadi's company, PT Duta Palma, worked without permits for oil palm plantations.

D. Mardani Maming – Former Regent of Tanah Bumbu

KPK (Komisi Pemberantasan Korupsi) is investigating allegations of several flows of financial transactions from parties involved in the alleged bribery and gratification case for granting mining business permits (IUP) in Tanah Bumbu Regency, South Kalimantan.

Alleged financial transactions related to the alleged bribery and gratification of the granting of a mining business permit (IUP) were investigated by the KPK investigators when examining witness Andy C as a private party. Mardani Maming, a corruption suspect in the mining permit bribery case, is suspected of receiving a cash flow of Rp. 104.3 billion in the 2014-2020 period from the Seasta party related to the mining operation and production business permit (IUP OP).

This bribery case occurred when Mardani served as Regent of Tanah Bumbu for the first period of 2010-2015 and the period of 2016-2018. The KPK stated that this case began when PT Prolindo Cipta Nusantara (PCN) owned by entrepreneur Henry Soetio wanted to obtain an IUP OP owned by PT Bangun Karya Pratama Lestari (BPKL) covering an area of 370 ha located in Angsana District, Tanah Bumbu Regency, South Kalimantan. Henry allegedly approached Mardani to speed up the process of transferring the mining business permits of PT BPKL and PT PCN. Mardani also introduced Henry to Raden Dwijono Putrohadi who at that time served as Head of the Mining and Energy Service at Tanah Bumbu in 2011.

In 2011, Mardani made a decision regarding the transfer of the mining business license from PT BPKL to PT PCN. The transfer is believed to violate the provisions of Article 93 paragraph 1 in Law Number 4 of 2009. The law confirms that IUP and IUPK holders may not transfer their IUP and IUPK to other parties.

The KPK also believes that Mardani asked Henry to apply for a port permit to support mining operations. The mining business has been monopolized by PT Angsana Terminal Utama, which is a company owned by Mardani Maming [11].

PT ATU is a fictitious company created by Mardani. The goal is to manage and conduct mining businesses to build ports in Tanah Bumbu Regency. Mardani is believed to have received money from Henry many times. Some of the money received was taken by his confidants or came from Mardani's company. The money was allegedly received in the form of cash or account transfers in the amount of around Rp. 104.3 billion in the period 2014 to 2020. On July 28, 2022, Mardani Maming surrendered to the KPK and is ready to face the legal process at the KPK

E. Juliari Batubara – Former Social Minister

When a corruption crime occurs, specifically in Indonesia, journalists and media always highlight the perpetrators wearing orange vests when they leave the KPK building in Kuningan with dozens of microtrees and cameras that have focused on the perpetrators when they got into the detention car. However, what is often not highlighted are the victims of the injustices they experience, for example the social assistance case that dragged the former Minister of Social Affairs Juliari Batubara.

This case stems from the existence of a social assistance program for handling Covid-19 in the form of basic food packages at the Ministry of Social Affairs in 2020 with a value of around Rp. 5.9 trillion with a total of 272 contracts and carried out in 2 periods. Juliari as the Minister of Social Affairs at that time appointed Matheus and Adi as Commitment Making Officers in the implementation of the project by direct appointment of partners and allegedly agreed to set a fee for each work package that the partners had to deposit to the Ministry of Social Affairs through Mathus. For each social assistance package, the fee agreed by Matheus and Adi is IDR 10,000 per food package from a value of IDR 300,000 per social assistance package.

The appointment of PT RPI as one of the partners was allegedly known to Juliari and approved by Adi. During the first period of the basic food assistance package, it was alleged that a fee of Rp 12 billion was received, the distribution of which was given in cash by Matheus to Juliari through Adi. From that amount, it is suspected that the total bribes received by Juliari amounted to Rp. 8.2 billion. The money was then managed by Eko and Shelvy N as Juliari's confidants to pay for Juliari's personal needs. According to the Corruption Eradication Commission, Juliari received a total of Rp 17 billion in bribes. All of the money was used by Juliari for personal purposes. The basic food assistance is a small part of the total social protection fund budgeted by the government in 2020, which is IDR 230.1 trillion [12].

From the start of the Covid-19 pandemic, people who have middle to low economies have found it very difficult to survive, not to mention the implementation of various policies such as lockdown and PPKM by the government which forces the entire community not to do outdoor activities. The fate of traders who earn little and to support their families who are the breadwinners of the family has actually stalled because of policies made to reduce the transmission rate of the Covid-19 virus.

The government issued a policy that social assistance will help the community's economy but because the Minister of Social Affairs has a bribery case against the social assistance, it often happens that the food distributed is not proper. Not only that, but the social assistance provided was not right on target. Many people who can be said to belong to the wealthy group actually get social assistance while people who are classified as poor do not get any social assistance at all.

F. Karomani – Former Chancellor of Unila

KPK (Komisi Pemberantasan Korupsi) revealed that the Chancellor of the University of Lampung, Karomani, was suspected of accepting bribes related to the admission of new students. Karomani was caught in the OTT (Operasi Tangkap Tangan) of the KPK (Komisi Pemberantasan Korupsi) on Saturday, August 20, 2022. The KPK has arrested around 6 people in connection with the case and the 6 people were arrested in two areas, namely Bandung and Lampung. The Vice Chancellor was also arrested in the OTT conducted by the KPK.

Deputy Chairperson of the KPK, Nurul Ghufuron, explained that Karomani assigned another party to collect the money agreed with the parents of prospective students. The agreed nominal amount varies with a minimum range of IDR 100 million to IDR 350 million for each parent of the selection participants who want to graduate. The KPK found a sum of money obtained from parents, which had been transferred to savings deposits, gold, and cash with a total of Rp 4.4 billion [13].

G. Nurdin Abdullah – Former Governor of South Sulawesi

In 2021, the Governor of South Sulawesi, Nurdin Abdullah, was charged with accepting bribes worth 150 thousand Singapore dollars or around Rp. around Rp. 2.128 billion, bringing the total to Rp. 12.812 billion.

Nurdin Abdullah is suspected of accepting bribes from Agung Sucipto as the owner of PT Agung Perdana Bulukumba and PT Cahaya Sepang Bulukumba to win the company owned by Agung in the auction for the work project of the PUTR Office of South Sulawesi, and to give approval for South Sulawesi's financial assistance to the PUPR Water Resources Infrastructure Development Project (Public Works). General Affairs and Spatial Planning) of Sinjai Regency in 2021.

Nurdin Abdullah as the Governor of South Sulawesi in 2018-2023 together with Edy Rahmat as the Secretary of the South Sulawesi Public Works and Spatial Planning Department received cash in the amount

of 150 thousand Singapore dollars and through Edy Rahmat cash in the amount of Rp. 2.5 billion. Nurhadin has known Edy Rahmat since he became the Regent of Bantaeng 2008-2018, when Edy was still the Head of Road and Bridge Preservation, while Agung Sucipto has been known since 2013 because his company has worked on many projects in the Bantaeng government.

In early 2019, Agung asked Nurdin for help so that his company received a government project. Nurdin conveyed to Agung that if he wanted to give something later, he could do it through Edy Rahmat. Nurhadin then appointed his trusted people in the South Sulawesi Provincial Government, namely the Head of the Goods and Services Procurement Bureau, Sari Pudjiastuti, and Edy Rahmat, as Head of Highways at the PUTR Service. Nurdin asked Sari to win several contractors in an auction conducted within the Procurement Bureau, one of which was Agung Sucipto for the Palampang-Munte Road Work Package. In June 2020, it was announced that the winner of the auction for the Palampang-Munta Road Work with a budget value of Rp. 16,367,615,000 was won by PT Cahaya Sepang Bulukumba.

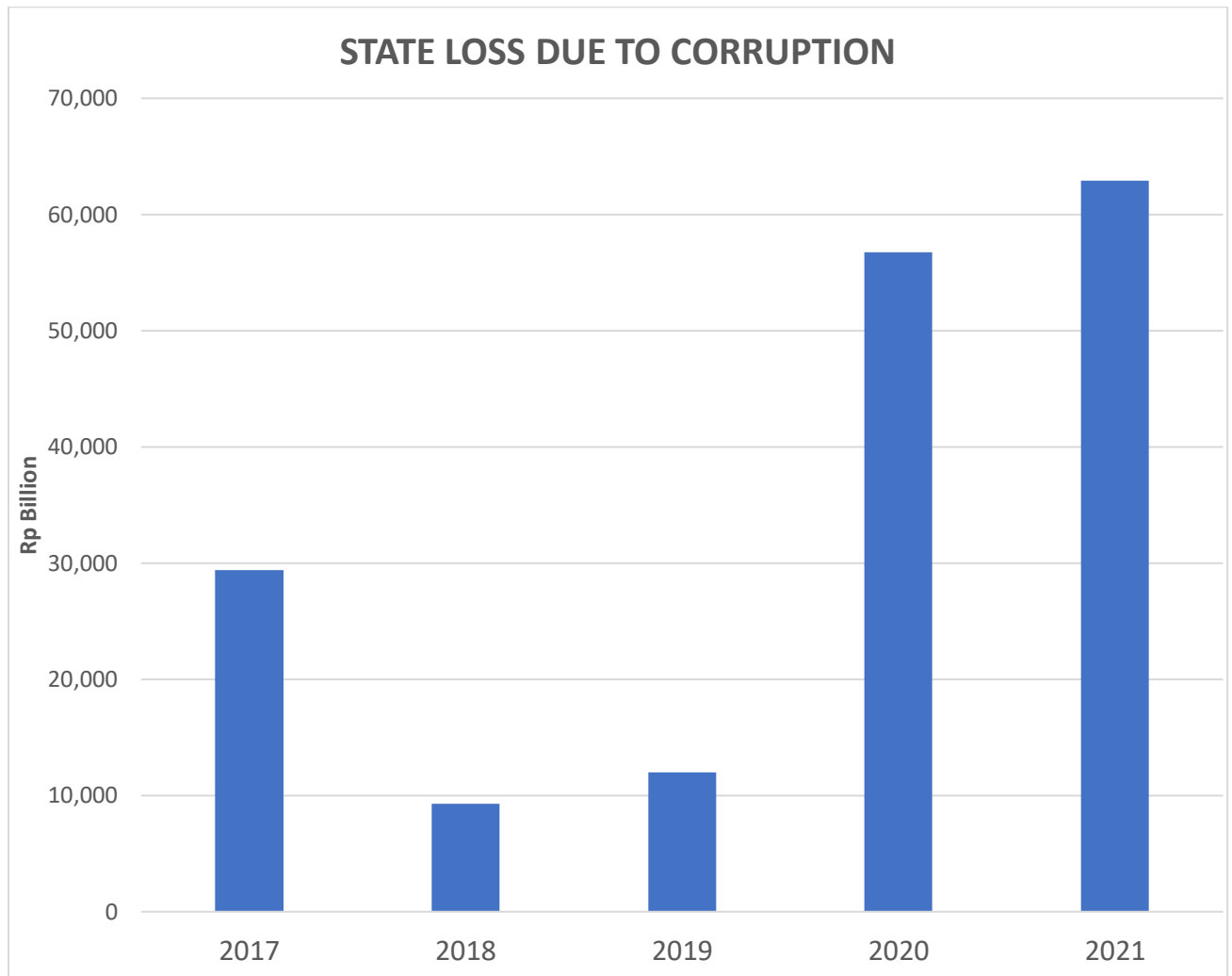
In August 2020, Nurdin was summoned by Sari regarding the acceleration of the 2020 tender, in order to maximize the absorption of the budget. Nurdin asked Sari to win several contractors in the auction, including Agung Sucipto for the work package for the Palampang-Munte-Botolempangan 1 Road whose funds were sourced from the National Economic Recovery Fund for Fiscal Year 2020. Four months later, in December 2020, the winner of the package auction was announced. the Palampang-Munte toll road with the winner of PT Cahaya Sepang Bulukumba with a contract of Rp 19,062,235,132. In February 2021, Agung Sucipto contacted Edy Rahmat and conveyed that the PUPR Service Water Resources Infrastructure Development Assistance proposal of Rp. 26,551,213,000 submitted by the Regent of Sinjai Andi Seto was approved. Nurdin called Edy Rahmat to the governor's office and asked Edy to tell Agung that he needed the money. Edy conveyed the message to Agung and then Agung prepared a sum of Rp. 2.5 billion, with details of Rp. 1.45 billion from Agung's personal account and Rp. 1.05 billion from Harry Syamsuddin [14].

On February 26, 2021, KPK officers arrested Edy Rahmat along with the money and proposals, then KPK officers also arrested Nurdin and Agung Sucipto. Nurdin Abdullah was also charged with receiving gratuities amounting to Rp6.587 billion and S\$200,000 related to his position as Governor of South Sulawesi for the 2018-2023 period.

7) STATE LOSS DUE TO CORRUPTION

The following is data on the number of state losses due to corruption in the last 5 years. A lot of the budget that should be done to ensure the welfare of the community is actually being misused to enrich themselves.

Table 1. A Representation of state losses due to corruption

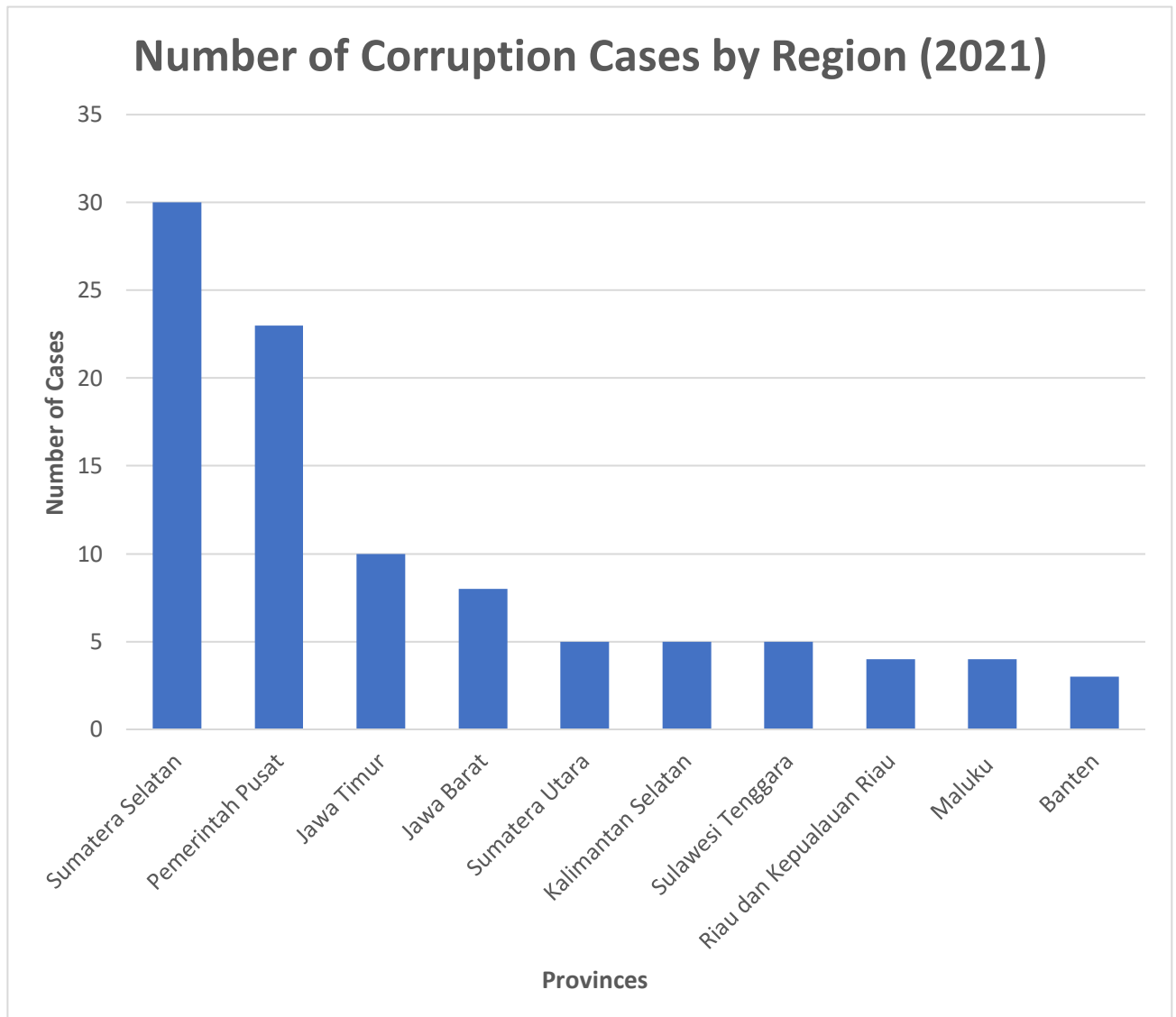


State losses due to corruption cases reached IDR 62.93 trillion in 2021. Referring to the Indonesia Corruption Watch report, the value of losses increased by 10.91% compared to the previous year which was IDR 56.74 trillion [15].

In Indonesia, corruption is very negative and produces negative results on the level of economic growth, investment, income per capita, etc. Corruption is an act that is very detrimental to the state.

8) Province with the Most Corruption Cases

Table 1. B Representation Number of Corruption Cases by Region (2021)



According to a report by KPK (Komisi Pemberantasan Korupsi), throughout 2021, the most cases of corruption in Indonesia occurred in the South Sumatra region with a total of 30 cases. Corruption cases originating from the Central Government are in second place with 23 cases, followed by East Java with 10 cases. Then there were 8 corruption cases from West Java, then North Sumatra, South Kalimantan, and Southeast Sulawesi with 5 cases each [16].

In total, corruption cases in all regions of Indonesia throughout 2021 amounted to 107 cases. This number is more than the number of corruption cases in 2020 which amounted to 91 cases. The number of corruption cases from 2004 to 2021 reached 1,230 cases. During this period, most corruption cases came from the Central Government with a total of 409 cases, followed by West Java and East Java with 115 cases and 103 cases respectively.

9) IMPACT OF CORRUPTION

A. ECONOMY

In conditions of an unfavorable institutional system, the management and issuance of permits for the establishment of companies such as mining will take a long time and be convoluted. To reduce the waiting time to get a company permit, individuals give bribes to public employees in order to make it easier for them to get the permit.

B. INVESTATION

Corruption not only lowers the rate of economic growth but can reduce the level of state investment. Low investment will provide a series of investment effects on economic growth which is also low. Low investment due to corruption can reduce the level of economic growth of a country from its normal point. Investors from countries with low levels of corruption tend to invest in non-corrupt countries. Meanwhile, investors from countries that have a high level of corruption also tend to invest soundly corrupt. Investors from low-corruption countries perceive that investing in corrupt countries will lead to high transaction costs with illegal fees and bribes to obtain permits, so that investment costs are higher in corrupt countries. This causes investors from low-corruption countries to think that investing in corrupt countries does not provide maximum benefits.

Research conducted by Cuervo-Cazurra (2006) shows that corruption can make an adverse selection of the entry of investment in a country. When people in a country produce a corrupt culture in their country, indirectly and unconsciously, people in that country invite foreign investors who are also corrupt, who are used to bribes to get business licenses. A culture of corruption can also attract unqualified foreign investors. Although not qualified, these foreign investors can obtain a business license in a corrupt country by means of bribes and gratuities [17]. A corrupt culture lures unqualified foreign investors and commits common corrupt practices such as embezzlement, bribery, and gratuities. Broadly speaking, the entry of unqualified investors will worsen and cloud the domestic economy

C. ECONOMIC TRANSACTIONS – INSTITUTIONAL SYSTEMS

Bribes and gratuities in the economy cause economic transaction costs to become higher and this causes inefficiency in the economy. The soaring transaction costs make the institutional system increasingly inefficient. An institution will be more effective if the required transaction costs are lower. Especially in Indonesia there are bribes and gratuities in public service efforts such as making letters, deeds, then social assistance during the Covid-19 pandemic. These events and situations lead to skyrocketing economic transaction costs and poor institutional and bureaucratic systems.

D. LOW QUALITY FACILITIES – INFRASTRUCTURE

Corruption creates misuse of resources. Corruption in terms of embezzlement, bribery, and extortion can lead to poor quality public facilities and infrastructure in corrupt countries. Bribes and illegal levies in the implementation of the infrastructure development budget have led to a reduction in the budget for the construction of public facilities. There is also embezzlement of the infrastructure development budget resulting in poor quality infrastructure. The low quality of infrastructure can disrupt public access to economic centers and growth centers. Likewise, the low quality of infrastructure will have a negative impact on the community and economic growth of the area.

E. INCOME DISPARITY

The level of community income will greatly affect the actions and behavior of corruption. People with a lot of wealth will have more power and opportunities to bribe than people who can't afford it. Broadly speaking, corruption activities consist of three types, namely bribery, gratification, illegal levies, and embezzlement. These corrupt activities are able to transfer public resources to the power of the corrupt. Corruption generates less money and costs corrupt government spending. This has resulted in income disparities between corrupt elites and the public due to the transfer of public resources to corruptors.

F. DESTITUTION

The impact of corruption which is very dangerous and threatens the safety of the people is poverty. Someone who has an income below the poverty line will not be able to meet the needs of food, clothing, housing, health, shelter and education needed to be able to live and work well and decently. Poverty can

also occur because of the powerlessness of a certain person or group of people against an unfair and corrupt system so that they remain trapped in poverty.

G. PRIVATE SECTOR

Corruption cases are often carried out by private parties to the public sector by paying and promising to give bribes to the public to gain profits or avoid a company loss. In Indonesia, corruption is often carried out by companies in obtaining business establishment permits and conducting business. Corruption in the private sector causes competition to be imperfect [18]. Corruption by paying bribes will allow companies with poor quality to operate and operate in an area. Bribes paid by the company will lead to high transaction costs for the company. So to cover the transaction costs are quite large, the company tends to produce goods with low quality to get higher profits in order to cover the transaction costs are quite large.

Corruption by the private sector will produce entrepreneurs who are not qualified, namely companies that do not prioritize the quality of company results. This is because the company's operations are only determined by the bribes paid to the public sector, not by the quality of the company's results

10)Anti – Corruption and Law Enforcement

Law enforcement against perpetrators of criminal acts of corruption, especially in Indonesia, has a long history. Prior to the establishment of the Corruption Eradication Commission (KPK), Indonesia had a law that regulated the eradication of corruption. During the time of President Soekarno, many opinions that stated that corruption was caused by poor existing regulations had been known long ago. Moreover, Indonesia had just become independent after hundreds of years of colonialism by the Dutch and the culture of *dedengkot* such as corruption carried over to the pre-independence period. A conclusion was reached that improving anti-corruption regulations would lead to a reduction in corruption. Then made regulations that specifically regulate the eradication of corruption are Peraturan Pemberantasan Korupsi Penguasa Perang Pusat Nomor PRT/PEPERPU/013/1950 [19].

The Central War Authority Regulation on the Eradication of Corruption was made because it is an emergency and temporary in nature. Under normal circumstances, this rule requires a number of adjustments. So then, based on a number of considerations, Undang-undang Nomor 24 (Prp) of 1960 was issued concerning the Eradication of Criminal Acts of Corruption which was originally termed as an act into a criminal act [20].

The establishment of Undang-undang pemberantasan korupsi Nomor 31 tahun 1999 was motivated by a reason, namely that in entering the reform order it was deemed necessary to put new values on efforts to eradicate corruption. What is regulated as a criminal act of corruption in Undang-undang Nomor 31 tahun 1999 is a new and impressive thing because the establishment of this law is a significant and strategic step with the mandate to establish a commission to eradicate corruption as a new instrument of eradicating corruption.

Undang-undang Nomor 20 tahun 2001 is a law that was issued to correct the weaknesses and shortcomings of the previous law, some of these weaknesses were later revised in the new law. The revision of the weakness of Undang-undang Nomor 31 tahun 1999, namely the withdrawal of certain articles of action from the Criminal Code as a criminal act of corruption is carried out by adopting the contents of the article as a whole so that changes to the Criminal Code will not result in asynchronous [21]. Then the regulation of the reasons for imposing the death penalty is based on acts of corruption committed on funds used for dealing with certain situations such as dangerous situations, national disasters, and monetary crises. As well as the inclusion of transitional rules that explicitly become a bridge between old laws that are no longer valid and the existence of new laws, so that they no longer pose the risk of a legal vacuum that can harm the eradication of corruption.

Undang-undang Nomor 30 tahun 2002 can be formed because it is a mandate from Undang-undang Nomor 31 tahun 1999 which requires the establishment of a commission to eradicate corruption. Eradication of corruption is very urgent to be carried out in extraordinary ways as well. Broadly speaking, measures to eradicate corruption have been stated in Undang-undang Nomor 31 tahun 1999 regarding evidence that can be used as a basis for evidence in court [22]. The establishment of the Corruption Eradication Commission is considered to be the embodiment of extraordinary efforts to eradicate corruption, especially considering that the KPK (Komisi Pemberantasan Korupsi) is given greater authority than the existing corruption eradication institutions, namely the Police and the Prosecutor's Office.

The KPK (Komisi Pemberantasan Korupsi) is expected to be a trigger for the Police and the Prosecutor's Office in eradicating corruption. Among the extraordinary powers that the Police and the Prosecutor's Office do not have is the authority to wiretap telephone conversations. The KPK (Komisi Pemberantasan Korupsi) is also given the authority to supervise the police and prosecutors.

5. Conclusion

It is undeniable that corruption is one of the bad cancers in the world of bureaucracy that needs to be eradicated. Bribes and gratuities are the main roots in corruption. High lust in having wealth is very blinding steps in carrying out tasks. Integrity is a vital thing for officials to have, especially gratitude. Anti-corruption education is also a key element in fighting corruption. The younger generation needs to understand and understand correctly about the dangers and impacts of corruption, on the one hand corruption is exciting because it can enrich themselves but behind this action there will be many people who experience more suffering. This country every year suffers huge losses due to corruption, a lot of budgets are misused and corrupted and not a few people also suffer losses due to these actions. Self-awareness and good integrity are the keys in fighting corruption so that the State of Indonesia can become a country that truly guarantees the welfare of all its people, not just a few. Bribes and gratuities also occur in private circles targeting government projects. Integrity goes to waste when it hears of huge profits in a promising project. Integrity is the key in fighting against corruption because corruption will not occur without intention and will.

Acknowledgement. This research is fully supported by Affiliation Research Grant.

References

- [1] CNBC Indonesia, “Ini Tanggapan Presiden Jokowi Terhadap Revisi UU KPK,” September 13, 2019. – **Article**
- [2] Van Zorge, “The money trail,” June 12, 2007 – **Article**
- [3] UNODC, “UNITED NATIONS CONVENTION AGAINST CORRUPTION,” October 31, 2003 – **Conference Proceeding Papers**
- [4] Liam Wren Lewis, “Delegatin relational contracts to corruptible supervisors,” September, 2015 – **Article**
- [5] Clark, A.P., “Money laundering,” 2006 – **Article**
- [6] OECD, “Convention on Combating Bribery of Foreign Public Officials in International Business Transactions,” November 21, 1997 – **Convention Paper**
- [7] Kemenkeu, “Gratifikasi Awal Korupsi,” March 12, 2022 - **Article**
- [8] Liputan 6, “KPK Didesak Lanjutkan Pengusutan Kasus Suap dan Gratifikasi eks Sekretaris MA Nurhadi”. Februari 7, 2022 – **News Article**
- [9] Kompas, “Kasus Suap dan Gratifikasi, Mantan Bupati Lampung Tengah Mustafa Segera Disidang”, Januari 11, 2021 – **News Article**
- [10] Kompas, “Surya Darmadi Dicegah ke Luar Negeri, Upaya Temukan Tersangka Korupsi Rp 78 T,” August 11, 2022 – **News Article**
- [11] Kompas, “KPK Tahan Mardani Maming, Korupsi di Pertambangan Masih Bisa Terulang,” July 29, 2022 – **News Article**
- [12] BBC NEWS Indonesia, “ Juliari Batubara divonis 12 tahun penjara, korban masak bantuan tak layak,” August 23, 2021 – **News Article**
- [13] Kompas, “Heran Rektor Unila Kena OTT KPK, Kemendikbud: Jangan Sekali-kali di Lingkungan Perguruan Tinggi,” August 21, 2022 – **News Article**
- [14] CNN Indonesia, “Nurdin Abdullah Dituntut 6 Tahun Penjara Terima Suap Rp13 Miliar,” November 15, 2021 – **News Article**
- [15] Tempo, “Kerugian Akibat Korupsi Rp62 T di 2021, ICW Kritik KPK Cuman Tangani 1 Persen,” May 22, 2022 – **News Article**
- [16] KPK, “ Jumlah Kasus Tindak Pidana Korupsi Berdasarkan Wilayah (2021),” 2021 – **Report**
- [17] Cuervo Cazzura, “ Who Cares About Corruption ?,” February, 2006 - **Article**
- [18] Fabian Teichmann “Bribery and corruption – Challenges in multinational corporations,” 247-268 (2017) – **Article**
- [19] Pendidikan Anti Korupsi, “ Tindak Pidana Korupsi Dalam Peraturan Perundang-Undangan Di Indonesia,” – **Book**
- [20] DPR RI, “Pemberantasan Tindak Pidana Korupsi,” 1971 - **Article**
- [21] BPK RI, “Pemberantasan Tindak Pidana Korupsi,” 1999 - **Article**
- [22] DPR RI, “Perubahan Kedua Atas Undang-Undang Nomor 30 Tahun 2002 Tentang Komisi Pemberantasan Tindak Pidana Korupsi, October 17, 2019 - **Article**